

19 February 2026

Immediate release to the ASX

Disciplined Progress Against Market Headwinds (H1 FY26)

Lifestyle Communities Limited (ASX: LIC) today releases its results for the first half of FY26 (1HFY26).

- For the first half of FY26, statutory profit after tax was **\$15.8m**, compared with **\$22.7m** in 1HFY25, reflecting lower new home settlements (1HFY26: 128 v 1HFY25: 137), impacted by lower sales rates in earlier periods, reduced DMF revenue following the VCAT decision (subject to appeal), and a greater portion of interest costs expensed against the land bank. Operating profit after tax was **\$16.1m** for 1HFY26 (1HFY25: **\$22.7m**).

Key Highlights

- Double digit growth in net sales from new homes from the prior periods, up **168%** from 1HFY25 (**110 v 41**) and up **12%** from 2HFY25 (**110 v 98**). The team also delivered the strongest established net sales result in recent periods up **40%** (1HFY26: 98 v 2HFY25: 70).
- Steady growth in rental income from operating communities up 11.9% from 1HFY25 (**\$25.3m v \$22.6m**), driven by new home settlements and CPI linked rental increases, demonstrating the resilience of the rental annuity stream.
- Positive operating cash flows of **\$41.2m** for 1HFY26, up from negative **\$12.9m** in 1HFY25. The improvement is a result of a reduction in development expenditure, which reflects disciplined management of build rates, and completion of civil and infrastructure works at communities in progress.
- Net debt balance further reduced, down from **\$460.5m** at June 2025 to **\$323.6m** at December 2025, following settlement of planned land sales and ongoing inventory realisation.
- Debt facilities restructured, reducing the overall limits from **\$571.0m** to **\$375.0m**. The new facilities, effective January 2026, simplify the financing structure while providing longer tenor with no Interest Cover Ratio covenant until the 30 June 2028 reporting period, and flexibility to navigate a recovery of the Victorian property market.
- The Directors have made the decision to continue to pause dividends and retain the capital within the business until such time as the external environment improves.

Chief Executive Officer, Henry Ruiz said “The team have worked hard to deliver a pleasing recovery in net sales in the first half of FY26, with new home sales rates in the period demonstrating consistency quarter on quarter and material improvement from 1HFY25. While the Victorian property market showed some improvement during the period, it has shown recent signs of softening consumer sentiment.”

### Update on Strategic Priorities

- Inventory – Targeted selling in 1HFY26 has resulted in a continued reduction in inventory balances and further de-leveraging of the balance sheet:
  - As at 31 December 2025, we were carrying **180** unsold completed homes. This is down from **257** reported at 30 June 2025, and represents a ~30% reduction in the number of inventory homes completed and not sold.
  - As at 31 December 2025, there were **9** unsold homes under construction compared with the **12** unsold homes under construction at 30 June 2025.
- Land Sales & Pipeline of **5,750** homes – Our strategy is to carry 4–5 years of land supply. In 1HFY26, settlement occurred on the sale of 4 land parcels and a further ~1,500 homes remain in the pipeline of which:
  - **756** homes remain in developing communities.
  - **738** homes to be developed from the retained land bank.
- Net Debt – The net debt balance at 31 December 2025 is **\$323.6m**, down from **\$460.5m** at 30 June 2025, which is driven by the receipt of land sales and working capital release.

### Sales and Settlement Pipeline FY26

The status of the sales and settlement pipeline as at 16 February 2026 is as follows:

- 163 new home settlements completed.
- 202 contracts on hand.

Of the 202 contracts on hand, 98 relate to homes that will be available for settlement in FY26.

Of these 98 contracts available for settlement in FY26:

- 28 customers are booked to settle prior to 30 June 2026.
- 49 customers are actively marketing their own homes for sale. Settlement with Lifestyle Communities will be subject to the timing of the sale of their existing home.
- 21 customers have placed deposits and are yet to list their homes for sale.

Mr Ruiz continued, “The team have made significant progress in the delivery of the new strategy and positioning the business for the next development cycle. With execution well underway, we have completed the launch of our revised brand campaign, expanded our appeal for new prospects through the introduction of choice as it relates to management fees, restructured our financing arrangements with longer tenor and flexibility, right sized the land bank and we continue to sell through built stock. In 2HFY26, shareholders can

expect to see further de-leveraging of the balance sheet and full year positive operating cash flow. We will continue to be market led in our development and sales approach, noting that due to the lag between sales and settlements, lower prior period sales rates will temper future settlements.”

### **VCAT Update**

Lifestyle Communities Limited advises that it has received a notice of listing from the Court of Appeal – Supreme Court of Victoria. The applications for leave to appeal and the appeals (if leave is granted) relating to the orders made by President Woodward in VCAT, will be heard by the Court of Appeal on Tuesday 23 June 2026. The Court will then deliver its decision in due course.

### **Investor Conference Call Details**

Henry Ruiz (CEO) and Angela Farbridge-Currie (CFO) will host a teleconference call at 9.30am (AEDT) on 19 February 2026.

To listen to the presentation, participants must pre-register using the pre-registration link below:

[https://vistra.zoom.us/webinar/register/WN\\_p9Mej7XqQ0KiaprJSKu\\_-Q](https://vistra.zoom.us/webinar/register/WN_p9Mej7XqQ0KiaprJSKu_-Q)

Once pre-registered, participants will receive an email with a calendar invite that contains a unique link and dial-in number, Webinar ID, and passcode. To join the conference call, participants can either use the unique link or the dial-in details provided in the email. They will then be connected directly.

Participants will have the opportunity to ask written or verbal questions during the conference call. Written questions can be asked through the 'Q&A' function. Verbal questions can be asked through the 'Raise Hand' function available on the conference platform.

Authorised for release by the Board.

For further information please contact:

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### **About Lifestyle Communities®**

Based in Melbourne, Victoria, Lifestyle Communities® develops, owns and manages affordable independent living residential land lease communities. Lifestyle Communities® has twenty-nine residential land lease communities under contract, in planning, in development, or under management. Over 5,800 Victorians call Lifestyle Communities their home.

## Disclaimer

This Announcement contains statements that are, or may be deemed to be, forward-looking statements. Forward-looking statements may be identified by the use of forward-looking terminology, including the words "ambition", "believe", "plan", "project", "goal", "target", "intend", "likely", "may", "will", "could", "should", "forecast", "estimate", "expect", "anticipated" or, in each case, their negative or other variations or other similar expressions, or by discussions of forecasts, business strategy, plans, objectives, targets, goals, future events or intentions. Indications of, and guidance on, future sales and financial position and performance are also forward-looking statements. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of LIC and are not reliably predictable, which could cause actual results to differ materially from those expressed or implied in the statements. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements and LIC assumes no obligation to update such information.

There are many factors that could cause actual results to differ materially from those projected in the forward-looking statements, including general economic conditions in Australia, the conditions in the Victorian property market, a significant change in LIC's financial performance or operating environment, and a material change to law or regulation.