



18 June 2026

Immediate release to the ASX

FY26 Trading Update: Sales momentum driving strong growth

Lifestyle Communities Limited (ASX: LIC) provides the following trading update for the period ended 15 June 2026.

LIC has delivered an improvement in sales momentum with 56 new home sales to date in Q4 FY26, up from 43 in Q3 FY26, and a 50.4% improvement for FY26 year-to-date, with 209 new home sales vs 139 for FY25.

This reflects disciplined execution of the Group's market-led pricing strategy and the Way to Live brand campaign, driving improved engagement and conversion across both new and established homes. Demand has remained resilient despite a cautious macroeconomic environment. Pricing continues to be actively managed within a target range of 80% - 90% of the catchment median values to support competitiveness and volume. Appointment volumes in Q4 FY26 YTD reflect consumer sentiment, however conversion rates have improved from the prior quarter.

Sales Performance

- **New homes**
 - Q4 FY26 PTD: **56 net sales vs 43** in Q3 FY26, (+ 30.2%)
 - FY26 YTD: **209 sales vs 139 FY25 (+50.4%)**
- **Established homes**
 - Q4 FY26 PTD: **37 sales vs 38** Q3 FY26 (-2.6%)
 - FY26 YTD: **173 vs 118 FY25 (+46.6%)**

This represents a clear improvement in momentum following softer conditions in Q3 FY26, with more than a week of trading remaining for the financial year.

Strategy and Balance Sheet

Price adjustments undertaken as part of the strategy remain deliberate and targeted, supported by the active management and pacing of new home construction to sales rates.

This approach has resulted in continued reductions in unsold inventory homes and net debt:

- **Inventory reduction in unsold homes** of 53.2% as at 31 May 2026 (126 vs 269 at 30 June 2025).
- **Net debt reduction** of \$182.8m as at 31 May 2026. The net debt balance as at 31 May 2026 was \$277.7m, down from \$460.5m at 30 June 2025.

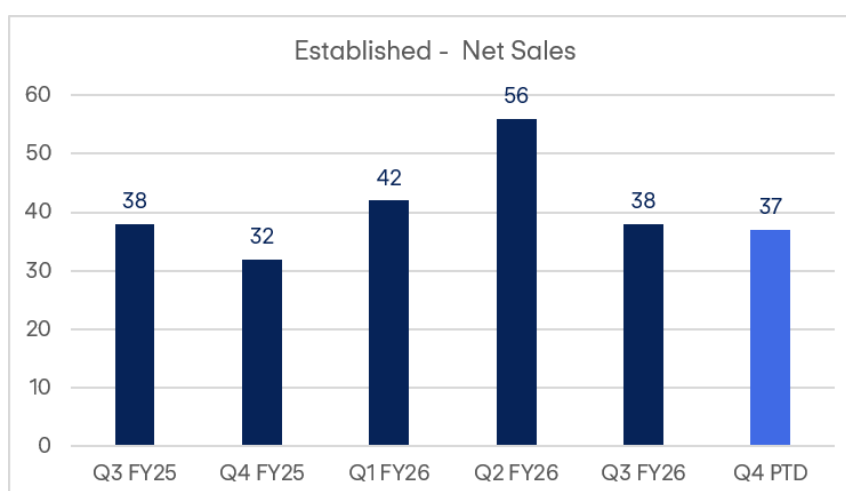
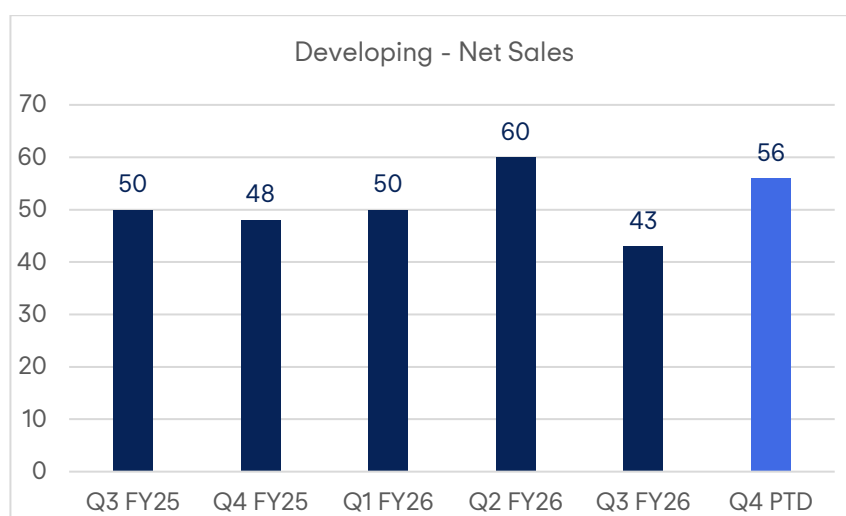
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Development margins on active projects are expected to moderate in the near term due to targeted price adjustments, from the 11.0% recorded in H1 FY26 to 8.5% - 9.5% (unaudited) for FY26, reflecting a deliberate focus on restoring sales velocity, strengthening the balance sheet and positioning the business for improved through-the-cycle returns.

Chief Executive Officer, Mr Henry Ruiz, said, "The Group manages development margins on a through-the-cycle basis, recognising that margins may expand and compress in response to market conditions, while maintaining a disciplined approach to delivering sustainable returns."

As previously highlighted, as a consequence of the lag between sales and settlements, lower prior period sales rates will temper future settlements.

Trading Results



Update on Strategic Priorities

- **Inventory** – We have seen a continued reduction in inventory balances and further de-leveraging of the balance sheet. As at 31 May 2026:
 - We are carrying 113 unsold completed homes. This is down from 257 reported at 30 June 2025 and represents a 56.0% reduction in the number of inventory homes completed and not sold.
 - There are 13 unsold homes currently under construction compared to the 12 that were under construction at 30 June 2025.
- **Net Debt** – The net debt balance as at 31 May 2026 is \$277.7m, down from \$460.5m at 30 June 2025 and \$353.0m at 31 December 2025 - further reduced following ongoing inventory realisation.
- **Management Fees** – In Q3 FY26, the business introduced choice with regards to payment of the Management Fee, with customers now having the option to pay upfront or when they sell. In H2 FY26 PTD, 13.3% of total net sales (developing and established) related to customers who elected to pay their management fee upfront.
- **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.

Sales and Settlement Pipeline FY26

The status of the sales and settlement pipeline as at 15 June 2026 is as follows:

- 230 new home settlements completed
- 9 new customers are booked to settle prior to 30 June 2026 and have an unconditional contract on their current homes

In addition, there are 217 contracts on hand for homes that will be available for settlement in FY27 and beyond.

Mr Henry Ruiz, continued, “We have delivered a clear step-up in sales momentum through Q4 FY26 to date, with our pricing strategy helping to better align with current market conditions. While the market remains measured, demand in our communities has proven resilient, particularly as downsizers continue to navigate the sale of their existing homes.

We’ve taken a disciplined approach to prioritising sales and inventory turnover, which may impact margins in the near term but positions the business to capture demand and further strengthen the balance sheet as conditions improve. Importantly, this reinforces our confidence in the long-term demand for downsizer housing.”

Authorised for release by the Board.

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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.

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