Lifestyle Communities®

Annual Report

For the year ended 30 June 2026

We reimagine a Way to *live*® for independent downsizers

We develop and manage resort-style communities that create opportunities for independent downsizers to unlock equity, embrace an active lifestyle, and live life on their own terms.

Supported by dedicated Lifestyle Managers, our communities aim to provide independence alongside safety and a genuine sense of belonging.

Our values bring our purpose to life. They shape the way we think, act and make decisions, helping us strengthen our culture, deliver the best outcomes for our homeowners and support our continued success.

- Do it from the heart
- Constantly curious
- Own it. Sort it
- Strive for excellence

Contents

Chair letter

For the 2026 Financial Year

Dear Shareholders,

FY26 was a pivotal year for Lifestyle Communities. In a challenging market, the business remained disciplined in its approach—strengthening its foundations, sharpening execution and taking deliberate steps to position for sustainable long-term growth.

The Board's focus throughout the year has been clear and consistent: supporting management through a period of transformation, strengthening the balance sheet, responding constructively to regulatory and legal developments, and ensuring the business remains firmly aligned to the interests of homeowners and shareholders.

Leadership

FY26 was Henry Ruiz's first full year as Chief Executive Officer, having joined the business in March 2025. Through his leadership, the Board has been pleased with the clarity, pace and discipline the Executive Team have brought to the business. In a demanding environment, the team remained focused on the fundamentals: rebuilding sales momentum, aligning development activity more closely with market conditions, reducing completed unsold inventory, improving the operating rhythm of the business and strengthening the balance sheet.

Business performance and strategy

The external environment remained challenging throughout FY26. Consumer confidence was cautious, housing markets in Victoria remained subdued, and many prospective buyers continued to experience longer selling periods and price pressure on their existing homes. These conditions required the business to make deliberate commercial decisions through the year to improve sales velocity, reduce risk and protect the long-term value of the platform.

The strategy is focused on strengthening the core operating platform, restoring sales momentum, improving capital efficiency and continuing to build a compelling proposition for downsizers. Importantly, the strategy has been pursued with a clear recognition that sustainable shareholder value must be built on strong homeowner outcomes, disciplined execution and a business model that is durable through market cycles.

On behalf of the Board, I acknowledge Henry and the Executive Team for the professional way they have led the business through this period. The progress achieved during FY26 reflects a more focused operating rhythm, clearer accountability and a willingness to make considered commercial trade-offs in the interests of long-term growth.

A focus on our homeowners

Our homeowner proposition remains central to the company's long-term success. Lifestyle Communities' purpose has always been grounded in creating communities where homeowners can live well, feel connected and enjoy the benefits of secure, community-oriented living. The strong homeowner satisfaction result achieved during the year is a credit to our team and our Lifestyle Managers, who continue to play an important role in the daily life of our communities.

The year also brought important clarification in relation to Deferred Management Fees. The legal and regulatory developments outlined in more detail in the CEO's commentary have helped shape a clearer path forward for the sector and for Lifestyle Communities. While the environment continues to evolve, the Company has responded thoughtfully, with a focus on transparency, affordability for incoming homeowners and greater certainty for shareholders.

Looking ahead
The Board remains confident in the long-term fundamentals of the land lease sector. Australia's ageing population, the need for more accessible downsizer housing, and the opportunity for retirees to release equity from the family home all support the relevance of Lifestyle Communities' model. While near-term market conditions remain challenging, the long-term opportunity remains compelling.

Looking ahead, the Board's priorities are clear and unchanged. We will continue to support management in executing with discipline, strengthening the operating platform, managing capital prudently and building a business capable of delivering sustainable value through the cycle.

On behalf of the Board, I thank our homeowners, shareholders, partners and team members for their continued support during FY26. I also thank Henry and the Executive Team for their leadership during a critical period for the business, and my fellow Directors for their stewardship and commitment.

I look forward to engaging with shareholders at our Annual General Meeting.

Sincerely,

David Blight
Chair, Lifestyle Communities Ltd.
21 August 2026

CEO commentary

For the 2026 Financial Year

Dear Shareholders,

It is a privilege to present Lifestyle Communities' FY26 Annual Report following my first full year as CEO, having joined the business on 5 March 2025. This has been a defining year as we commenced a significant transformation, restoring sales momentum, strengthening the operating platform and preparing the business for future growth.

Lifestyle Communities enters this next chapter from a position of considerable strength. We have an established brand, a market-leading portfolio of 4,368 settled homes across 25 communities, and a substantial development pipeline. Combined with the growing demand for high-quality, affordable housing for Australia's ageing population, these fundamentals provide a compelling platform for future growth.

During the year, we delivered a 55% increase in new home sales, reduced unsold inventory by 55%, generated $94.9 million in operating cash flow and reduced net debt by $187 million. These outcomes were supported by continued progress in evolving our operations, sharpening our market-led strategy and strengthening engagement with our homeowners. As a result, the business is better positioned to benefit as the Victorian property cycle recovers.

FY26 tested the resilience of our business model and the discipline of our execution. Consumer confidence remained cautious amid global and macroeconomic uncertainty, while residential property markets, particularly in Victoria, experienced prolonged softness. Many prospective buyers faced longer sales cycles and lower realised sale prices for their existing homes. Despite these headwinds, our team remained focused on our customers while strengthening the operating platform of the business, rebuilding capability and delivering significantly improved sales momentum.

Growing momentum and enhancing choice
Our immediate focus has been strengthening our "Way to Grow" marketing and sales engine and our "Way to Operate" to improve efficiency and reinforce the balance sheet. Our market-oriented pricing model aims to offer homes at lower upfront prices (relative to detached housing within the relevant catchment), enabling more Australians to access the lifestyle they want sooner. It creates opportunity for homeowners to release equity for retirement and, historically, many homeowners have experienced capital growth during ownership. During FY26, we expanded customer choice by introducing an Upfront Management Fee option for incoming customers, with 28% of purchasers choosing the new fee structure. This alternative to the Deferred Management Fee provides greater flexibility in how customers structure their purchase.

Regulatory alignment and business model durability
A major milestone this year was VCAT's decision on DMFs. In response to VCAT's decision we introduced a new DMF model based on the purchase price of the home (instead of the resale price). Our new model introduced in July 2025, is consistent with the recent

Consumer Legislation Amendment Bill 2026. These changes aim to preserve affordability for incoming homeowners, allowing them to retain the benefit of future capital growth, and provide shareholders with greater certainty around the long-term durability of our business model.

Lifting execution across the platform

Lifestyle Communities entered FY26 with a clear strategic plan, strengthened its operating rhythm through the year, and deepened its understanding of the market conditions shaping buyer behaviour. We set financial targets taking into account current market conditions and align the team on strategy and execution. The team has deliberately prioritised sales momentum, inventory reduction and balance sheet strength, while continuing to protect the long-term fundamentals of the business. Our market-led pricing strategy has helped meet the market, aligning our offer more closely with current buyer expectations. This was supported by our Way to Live brand campaign and a sharper focus on conversion across both new and established homes. In a measured consumer environment, that execution has translated into a clear improvement in sales trajectory with 400 sales of which 216 were new home sales, (a 55.4% improvement year-on-year) and reinforces our confidence in the enduring demand for high-quality downsizer housing.

Importantly, the improvement is underpinned by tangible operational improvements rather than expectations of a near-term market recovery. The business has continued to reduce completed unsold inventory, pace new build orders more closely to sales rates and has materially reduced net debt by over $185 million through ongoing inventory and land bank realisation. In light of current market conditions, we have also taken a realistic view of margin, recognising that targeted price adjustments and construction cost pressures need to be managed transparently and through the cycle. These are signals of a more mature business: one prepared to make deliberate commercial trade-offs in the short term to rebuild velocity, strengthen the balance sheet and create the conditions for sustainable returns as markets recover.

At the same time, the team has remained focused on the quality of the homeowner experience and the strength of our underlying platform, supported by our Lifestyle Managers. Homeowner satisfaction reached 78.9 in March 2026*, the highest result recorded since the commencement of the survey, and the annuity base continues to grow as more properties come under management with 4,368 settled homes across 25 communities. We are also progressing strategic opportunities including the acquisition of the remaining interest in one joint venture and preparing, subject to market conditions, for the commencement of a new community in FY27. Taken together, these outcomes demonstrate a team acting with clarity and commercial judgement—stabilising the business, making considered trade-offs, and building the capability required for the next phase of growth.

Ready for the next phase

We remain optimistic about the long-term opportunity for the land lease sector. It is increasingly recognised as a desirable alternative for downsizers, and new entrants reflect growing national interest. With land lease communities representing just 1.5% of Australia's housing market—and over 20% of Australians projected to be over 65 by 2030—the long-term opportunity remains significant. By creating the opportunity for potential equity release for downsizers, we play a role in unlocking opportunities for first-home buyers and young families who may benefit from increased housing stock.

With strong foundations, a sharp strategic focus, and a maturing operating model, Lifestyle Communities believes it is well-positioned to realise its long-term potential.

Thank you to our homeowners, partners, and shareholders for your support during a transformative FY26—and a heartfelt thank you to the Lifestyle Communities team for their passion and commitment as we continue to strengthen our growth trajectory.

Sincerely,

Henry Ruiz
Chief Executive Officer
21 August 2026

* Refer to page 21 for details regarding the survey results.

Directors' report

The Directors are pleased to present their report together with the financial report of the consolidated entity consisting of Lifestyle Communities Limited and the entities it controlled (the Group), for the year ended 30 June 2026 and the auditor's report thereon. There were no significant changes in the nature of the Group's principal activities during the financial year. The Directors' report covers pages 5 to 74.

FY26 operating and financial review

Operating highlights

FY26 was a year of strong operational execution, underpinned by rental income growth, higher net new home sales, and material reductions in inventory and net debt. While targeted pricing initiatives moderated development margins, they contributed to improved sales velocity, enhanced balance sheet strength, and positioned the business for improved through-the-cycle returns.

The Group's operating communities continued to deliver resilient revenue growth in FY26. Rental income increased 12.4% compared with the prior year, driven by inflation-linked rental increases and growth in homes under management. Changes to the Deferred Management Fee (DMF) revenue following the July 2025 VCAT decision and lower new home settlements contributed to an overall decline in revenue to $205.9 million.

During FY26, the Group launched its Way to Live brand campaign, delivering a 23% increase in brand awareness and supporting sales momentum. Net new home sales increased 55.4% to 216 (FY25: 139), supported by improved customer conversion rates, with face-to-face appointments converting to sales at approximately 25% compared with a historical average of 22%.

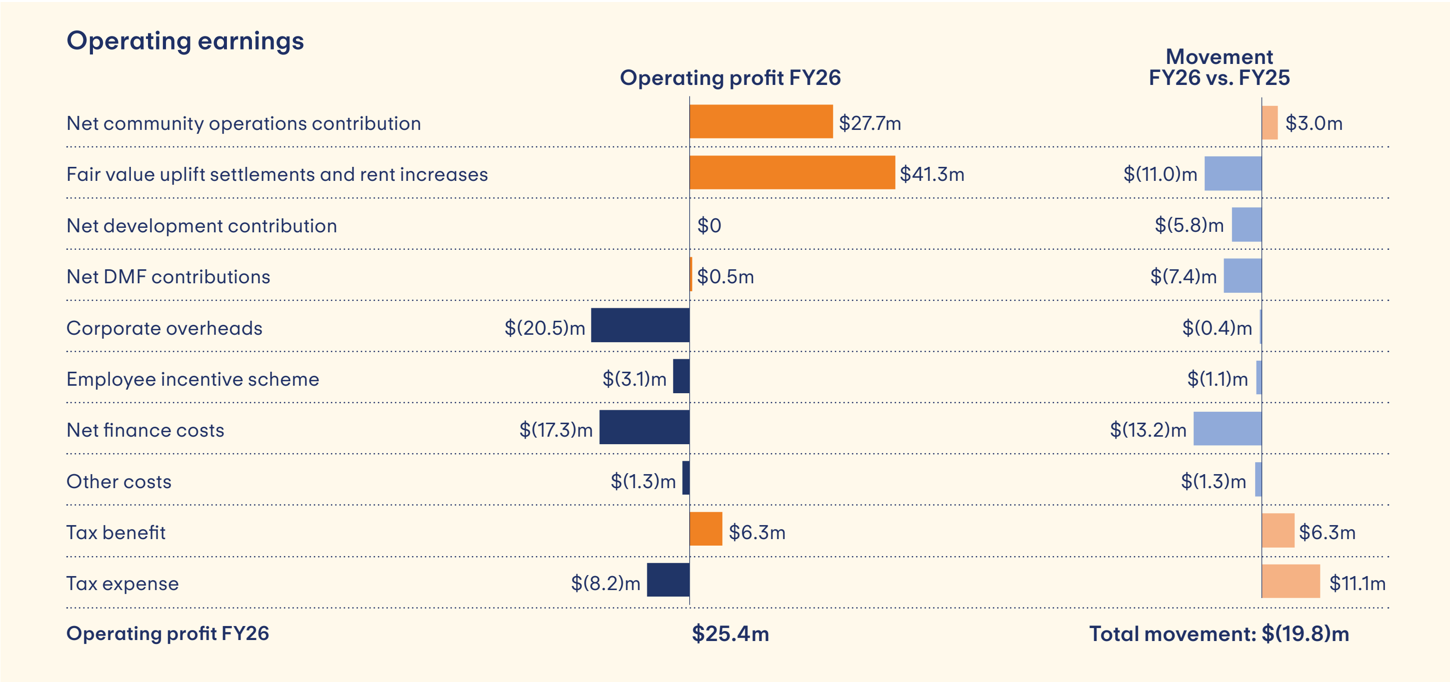
FY26 results overview

FY26 operating profit after tax was $25.4 million (FY25: $45.2 million), reflecting the lagged impact of softer sales conditions experienced in earlier periods, changes to DMF revenue following the July 2025 VCAT decision and a higher proportion of finance costs expensed during the year. Despite these headwinds, the Group strengthened its balance sheet, reducing net debt by more than $185.0 million and improving its Loan to Value Ratio from 47.8% at June 2025 to 28.7% at June 2026.

Further details on the operating and financial performance of the business are outlined below.

		FY26	FY25	Change	Change (%)
Key financial data[1]					
Revenue[2,3]	$ millions	205.9	228.4	(22.5)	(9.8)%
Operating profit after tax	$ millions	25.4	45.2	(19.8)	(43.8)%
Statutory profit after tax	$ millions	46.9	(195.3)	242.2	(124.0)%
Cash Flow from Community Operations[4]	$ millions	27.3	32.6	(5.3)	(16.3)%
Cash Flow from Development Activities	$ millions	90.7	(7.1)	97.8	(1,377.5)%
Operating Earnings per share	Cents	20.9	37.1	(16.2)	(43.7)%
Statutory Earnings per share	Cents	38.5	(160.4)	198.9	(124.0)%
Homes settled	No. of homes	240	268	(28)	(10.4)%
Homes sold[5]	No. of homes	216	139	77	55.4%
Average sales price new homes (GST incl.)	$'000	652	679	(27)	(4.0)%
Total number of homes (gross)	No. of homes	4,368	4,128	240	5.8%
Total number of homes (after NCI)[6]	No. of homes	4,167	3,927	240	6.1%
Total number of homeowners	No. of homeowners	6,176	5,838	338	5.8%
Average age of homeowners	Years	76	76	–	–
Number of resales settled	No. of homes	171	115	56	48.7%
Average realised sales price resales	$'000	533	531	2	0.4%

Notes:
1. Included in the table above are several non IFRS measures including operating profit, cash flow from community operations, cash flow from development activities, and operating earnings per share. These figures have not been subject to audit but have been provided to give a better understanding of the performance of the Company during the 2026 financial year.
2. FY25 revenue excludes the deferred management fee repayment provision of $77.8 million.
3. Revenue includes $1.0 million (FY25: $2.0 million) of non-cash straight-line rental income adjustments and $1.3 million (FY25: nil) of non-cash straight-line DMF management fee adjustments. The straight-line rental income adjustment reflects the difference between contractual cash rent received and rental income recognised under lease accounting standards over the term of the lease.
4. Cash flow from community operations comprises cash flows received from homeowner rentals and deferred/upfront management fees less community operating costs and the net surplus/deficit from providing utilities.
5. FY25 net sales represent deposits on new homes less cancellations and excludes net sales from Ocean Grove II as the land was contracted for sale in August 2025.
6. Gross number of homes adjusted for share of communities owned by non-controlling interests (NCI).



Restoring sales momentum

Targeted pricing initiatives were implemented during FY26, reflecting a deliberate focus to restore sales velocity and reduce inventory levels. While these strategic initiatives moderated development margins to 10.4% (FY25: 13.1%), they contributed to a 55.4% increase in sales volumes and a reduction in built-form inventory and net debt. Together with disciplined management of new home production aligned to market demand, unsold inventory reduced from 269 homes at 30 June 2025 to 121 homes at 30 June 2026 and net debt reduced from $460.5 million to $273.7 million.

Updated pricing assumptions for the remaining stages at the Woodlea project resulted in the recognition of a $1.7 million inventory impairment provision at 30 June 2026. Consistent with accounting requirements, the anticipated future loss has been recognised upfront and will be progressively realised as homes settle.

Operating revenue

During FY26, the Group introduced a number of changes to its management fee model. From July 2025, new customer DMFs were calculated based on purchase price rather than resale price of the home, and from late January 2026 new customers could elect to pay management fees upfront (UMF).

These changes improve the certainty and predictability of future management fee income by linking fees to known entry prices rather than future resale prices. Accordingly, DMF and UMF revenue is recognised progressively over the term of the Residential Site Agreement. At 30 June 2026, the Group had recognised $1.3 million of DMF revenue that will be received in future periods.

FY26 rental revenue also includes $1.0 million (FY25: $2.0 million) of non-cash straight-line rental income adjustments, representing the difference between contractual cash rents received and rental income recognised over the lease term in accordance with applicable accounting standards.

A reconciliation of statutory revenue to operating revenue is shown below:

	FY26 $ million
Operating revenue	203.6
Straight-line rental revenue	1.0
Straight-line DMF revenue	1.3
Statutory Revenue	**205.9**

Fair value adjustments

At Lifestyle Communities our homeowners purchase a proportionate share of the clubhouse, recreational facilities, and all associated infrastructure when they purchase their home. This helps us build a sense of community, shared ownership, and pride in where our homeowners live. Due to this operating model, the cost of this infrastructure is capitalised to inventory during development and then classified as costs of goods sold upon settlement. The cost of the underlying land is capitalised to the balance sheet and is classified as an investment property, which is carried at fair value.

For FY26, all twenty-five communities, and three of the four land parcels have been externally valued by independent valuers CBRE, Cushman & Wakefield and Valued Care.

In FY26, the Company recorded a gross fair value increase of $75.1 million pre-tax and $52.6 million post tax, driven by annual rental increases, the fair value uplift recorded from new home settlements and changes in valuation assumptions used by independent valuers and Directors (such as rental capitalisation rates and external market price growth assumptions). Included in the net fair value increase is $3.2m of negative movements relating to market-based sales campaign of land and $4.1m fair value write-down of land bank carrying value relating to capitalised stamp duty and GST.

$000's	2026	2025
Fair value movement – investment properties	**78,338**	(184,866)
Movements from market based sales campaign	**(3,250)**	–
Less straight-line of rent revenue	**(973)**	(2,026)
Less straight line DMF revenue	**(1,326)**	–
Fair value adjustments in Consolidated Statement of Profit or Loss and Other comprehensive Income	**72,789**	**(186,892)**

Gross fair value adjustments have been adjusted to exclude amounts already recognised through straight-line rental income and management fee income, ensuring future rental and management fee cash flows are not recognised twice

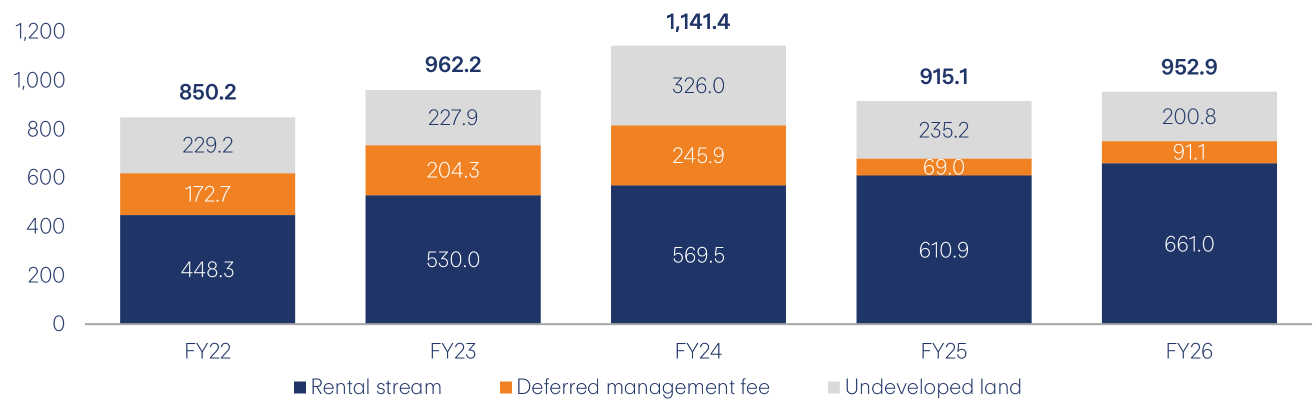
The table below shows a breakdown of investment properties by community status.

	Investment property			Number of communities		Number of settled homes	
	FY26 $m	FY25 $m	Movement $m	FY26	FY25	FY26	FY25
Established communities	**515.3**	489.9	25.4	16	16	3,063	3,063
Developing communities [1]	**336.8**	277.4	59.4	9	9	1,305	1,065
Land Bank [2]	**100.8**	147.8	(47.0)	4	5	–	–
Total	**952.9**	**915.1**	**37.8**	**29**	**30**	**4,368**	**4,128**

1. The figures shown above are the fair values of the operating annuity streams associated with each community and exclude any valuation attributed to the development component of a community.
2. Reduction driven by sale of Ocean Grove II in FY26; $42.9 million

The chart below shows the different components of the investment property balance over the last 5 years.

Investment properties breakdown ($m)



Note: In FY26, the Group refined its fair value methodology for investment properties under development, incorporating independent As Is valuations of rental, DMF and undeveloped land components at the reporting date. Previously, undeveloped land was carried at cost and rental and DMF values were assessed on an As If Complete basis which were deemed to approximate fair value. The FY25 and FY26 carrying value of the DMF represents the adjusted valuation following the VCAT decision. The company has appealed the decision and the outcome of the appeal is pending.

The table below shows the average value of settled homes under management compared to the average value of undeveloped land in the development pipeline. As new homes are completed and settled, this value is converted into the fair value of settled homes under management.

		FY26	**FY25**	**FY24**	**FY23**	**FY22**
Homes under management	No. of homes	**4,368**	4,128	3,860	3,549	3,193
Carrying value of investment properties related to future rental cash flows	$000	**661,016**	610,855	569,458	529,971	448,300
Carrying value per home under management	$000	**151**	148	148	149	140
Homes under management	No. of homes	**4,368**	4,128	3,860	3,549	3,193
Carrying value of investment properties related to future DMF cash flows	$000	**91,068**	69,046	245,928	204,254	172,700
Carrying value per home under management	$000	**21**	17	64	58	54
Homes in the development pipeline	No. of homes	**1,382**	1,622	2,703	2,044	2,198
Value of land in the development pipeline	$000	**200,835**	192,310[1]	325,987	227,925	229,247
Carrying value per home in the development pipeline	$000	**145**	119	121	111	104

1. At 30 June 2025, the carrying value of land of $235.2 million included Ocean Grove II. During the year this asset was sold and therefore excluded from the development pipeline above.

More information on the valuation of the Company's investment properties is contained in Note 3.1 of the financial statements.

Capital management

We remain focused on disciplined capital management in the current environment, while preserving flexibility to support future growth. In January 2026 the Group completed the restructuring and right-sizing of its existing debt facilities. The new facilities were used to refinance the Group's existing debt and provide ongoing funding flexibility for the Group's operations.

The new facilities are comprised of a:

- $300.0 million Note Purchase and Private Shelf facility with an initial draw down of $250.0 million; and
- $125.0 million revolving bank facility.

The transaction simplified Lifestyle Communities' financing structure while providing longer tenor with no Interest Cover Ratio covenant until the 30 June 2028 reporting period.

Material amendments to the Group's existing Common Terms Deed are as follows:

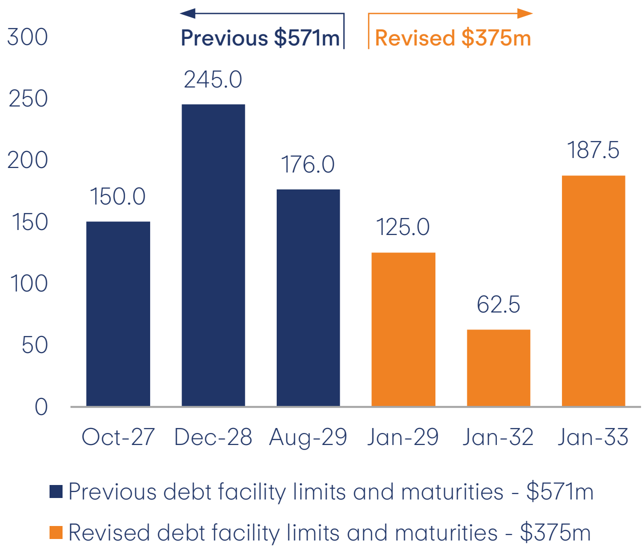
- ICR reduced from ≥ 1.75x to Nil for reporting periods up to and including 31 December 2027
- ICR steps up to ≥ 1.75x from the 30 June 2028 reporting period for the remainder of the term

Loan to value ratio (LVR) covenant modified as follows:

- Reduced from ≤ 65% to ≤ 55% for reporting periods up to and including 31 December 2027
- Stepping up to ≤ 65% from the 30 June 2028 reporting period for the remainder of the term

For the period that the ICR ratio has been reduced to Nil, a review event will occur if Lifestyle Communities' number of new home settlements are less than 185 for FY26 and less than 175 for the 12 months ending 31 December 2026, 30 June 2027 and 31 December 2027.

Debt maturities



The revised facility size better reflects the ongoing capital needs of the business and will reduce commitment fees which would otherwise be payable on undrawn funds.

In February 2026, the Group terminated its existing interest rate swap which was due to expire in December 2026 and entered into two interest rate swap arrangements expiring in December 2027 and June 2028 which are described further in note 1.5.

Loan to value ratio calculation:

$000's	FY26	FY25
Investment property	952,908	915,062
Assets held for sale/land receivable	–	48,578
Total investment property	**952,908**	**963,640**
Net debt	**273,735**	**460,527**
LVR	**28.7%**	**47.8%**

Interest cover ratio calculation

	$'000
Interest paid [1]	23,545
Profit / (loss) before tax	**58,276**
Less fair value adjustment	(75,088)
Add back Interest and Borrowing Amortisation exp	18,368
Add back Interest in COGS	10,417
Add back Depreciation	3,697
Add back unusual, non-recurring items	3,873
Add back infrastructure	38,333
Adjusted EBITDA	**57,876**
Interest cover ratio	2.5x
Covenant	n/a

1. Interest paid for covenant purposes includes interest paid, interest received and the movement in interest accruals year on year.

Debt covenants and key metrics

Lifestyle has two main financial covenants in addition to a group guarantor undertaking which are regularly stress tested. They are:

LVR

FY26: 28.7%

LVR<55%

ICR

FY26: 2.5x

ICR: Nil

Group Guarantor Test

Total Assets and EBITDA FY26: 100%

>85%

Key debt metrics

		FY26	FY25	Change	Change (%)
Gross Assets	$ millions	1,218	1,315	(97)	(7.4)%
Interest bearing liabilities	$ millions	291	463	(172)	(37.1)%
Total debt facilities	$ millions	375	571	(196)	(34.3)%
Undrawn debt	$ millions	84	108	(24)	(22.2)%
Net debt	$ millions	274	461	(187)	(40.6)%
Net debt to assets less cash and land accruals	%	22.8%	35.1%	(12.3)%	(35.0)%
Net debt to net debt plus equity	%	28.7%	42.3%	(13.6)%	(32.2)%
Cash interest paid on drawn debt	$ millions	17.1	24.1	(7)	(29.0)%
Weighted average cost of debt	%	6.6%	6.2%	0.4%	6.5%
Weighted average debt maturity	Years	5.0	3.4	1.6	47.1%
Annual interest coverage ratio	Times	2.5	3.0	(0.5)	(16.7)%
Annual loan to value ratio	%	28.7%	47.8%	(19.1)%	(40.0)%
% of debt fixed	%	82.6%	42.0%	40.6%	96.7%
Debt providers	No.	2	4	(2)	(50)%

The Group allocates borrowing costs to development projects using its weighted average cost of debt, with interest capitalised during the construction phase.

In FY26, the Group refined its capitalisation methodology to allocate borrowing costs between inventory and land. Borrowing costs attributed to inventory are recognised in cost of goods sold as homes settle, while borrowing costs attributed to land are considered as part of the fair value assessment of investment properties.

Dividends

The Directors have held the decision to pause dividends and retain the capital within the business until such time as the external environment improves.

Update on communities

	Total homes in communities	Homes sold and occupied	Homes sold and awaiting settlement	Homes occupied & Homes sold and awaiting settlement	
Established communities					
16 fully completed communities	**3,063**	3,063		3,063	100%
Communities in progress					
Wollert	**246**	237	**1**	238	97%
Deanside	**266**	216	**9**	225	85%
St Leonards – The Shores	**158**	53	**29**	82	52%
Meridian	**274**	273	**1**	274	100%
Woodlea	**180**	79	**9**	88	49%
Phillip Island	**255**	84	**56**	140	55%
Bellarine	**166**	143	**18**	161	97%
Riverfield (Clyde)	**230**	138	**50**	188	82%
Ridgelea (Pakenham)	**174**	82	**41**	123	71%
Future communities					
Yarrawonga [1]	**110**				
Clyde III	**254**				
Inverloch	**204**				
Armstrong Creek	**170**				
Total [2]	**5,750**	**4,368**	**214**	**4,582**	

1. Civil works completed but further development of the project has been paused until such time as market conditions improve.
2. Lifestyle Communities will have an economic interest in 5,549 home sites.

With inventory levels now within optimal levels at most communities, we will continue to pace build rates in line with sales rates.

FY27 presents the opportunity for a new community commencement in one of Lifestyle's highest demand catchments in the South-East corridor.

An update on each of the communities in planning or development at 30 June 2026 is as follows:

Wollert	Our Wollert community is nearing the end of its development cycle. Civil works are complete and housing construction has 8 homes remaining that are dependent on the completion of external authority works, currently expected to be finalised by late 2026.
Deanside	Community facilities at Deanside are complete and fully operational. Housing construction has eleven homes remaining that were paused due to an accumulation of stock. These homes will be completed at a later date, enabling the full completion of the community.
St Leonards - The Shores	Community facilities at St Leonards are complete and fully operational, highlighted by the successful opening of the Clubhouse in October 2025. Home construction is progressing in line with sales to ensure alignment with demand. All underground and major civil works have also been completed.
Meridian	Construction of Meridian is complete, and the community is fully operational. At 30 June 2026, all homes have been sold, with the final home forecast to settle in FY27.
Bellarine	Construction of the Bellarine Clubhouse is complete and fully operational, and the separate Wellness Hub was completed July 2026 and is now operational. The final two homes in the community have commenced construction, with full community completion expected by the end of 2026.
Ridgelea (Pakenham)	Community facilities at Ridgelea are complete and fully operational, highlighted by the successful opening of the Clubhouse in October 2025. Home construction is progressing in line with sales to ensure alignment with demand. All underground and major civil works have also been completed.
Riverfield (Clyde)	Clubhouse construction at Riverfield is fully complete and operational. The Wellness Hub opened in February 2026, and the workshop, the final communal amenity, is scheduled to open by the end of 2026. Underground civil works are complete, and housing build rates have been adjusted to align with sales performance and minimise the volume of unsold stock on the ground.
Woodlea	Community facilities at Woodlea are complete and fully operational. Underground civil works are finished, and housing construction has been paused to manage the volume of unsold stock.
Phillip Island	Community facilities at Phillip Island are complete and fully operational. Underground civil works are finished, and housing construction is being paced to sales rates following the reduction of unsold inventory to within optimal levels.
Yarrawonga	Civil works have been completed but the project has been paused due to market conditions in the surrounding catchment. The project will be recommenced once conditions improve.

Each development is reviewed by the executive leadership team at least every three months as part of our Project Control Group (PCG) cycle. Development activities are routinely increased or decreased subject to sales performance at each project and prevailing market conditions.

5-year performance summary

	Measure [1]	FY26	FY25	FY24	FY23	FY22
Key operational metrics						
Total settled homes (end of year)	Homes	**4,368**	4,128	3,860	3,549	3,193
Portfolio + pipeline (end of year)	Homes	**5,750**	5,750	6,563	5,912	5,391
New home settlements	Homes	**240**	268	311	356	401
Resale settlements	Homes	**171**	115	151	178	156
Total settlements	Home	**411**	383	462	534	557
Income statement snapshot						
Home settlement revenue	$'000	**141,340**	163,026	182,927	180,827	180,291
Annuity revenue (Rent + DMF)	$'000	**56,983**	58,180	54,656	47,164	40,618
DMF repayment provision	$'000	**–**	(77,788)	–	–	–
Other revenue	$'000	**7,592**	7,190	5,645	4,302	3,497
Total revenue	$'000	**205,915**	228,396	243,228	232,293	224,406
Operating profit after tax	**$'000**	**25,423**	**45,154**	**52,870**	**71,129**	**61,430**
Reconciliation to statutory profit/(loss)						
Statutory adjustments	*$'000*	*21,492*	*(240,425)*	*(2,891)*	*10,771*	*27,441*
Statutory net profit/(loss) after tax	*$'000*	*46,915*	*(195,271)*	*49,979*	*81,900*	*88,871*
Statement of financial position snapshot						
Cash	$'000	**16,765**	2,473	4,095	1,233	1,893
Cash and cash equivalents – quarantined DMF	$'000	**5,094**	–	–	–	–
Inventory/work in progress	$'000	**196,900**	293,995	321,201	193,555	135,679
Investment properties						
Fair value of rental cash flows	$'000	**661,016**	610,855	569,458	529,971	448,300
Fair value of deferred management fees [4]	$'000	**91,068**	69,046	245,928	204,254	172,700
Undeveloped land	$'000	**200,835**	235,161	325,987	227,925	229,247
Other assets	$'000	**46,396**	103,637	44,961	34,502	18,392
Total assets	**$'000**	**1,218,074**	**1,315,167**	**1,511,630**	**1,191,440**	**1,006,211**
Trade payables	$'000	**46,525**	30,509	158,256	115,849	159,904
Borrowings	$'000	**290,500**	463,000	324,000	371,000	245,000
Deferred tax	$'000	**118,780**	106,618	191,559	171,954	144,770
Other liabilities	$'000	**81,489**	85,624	6,060	7,779	3,080
Total liabilities	**$'000**	**537,294**	**685,751**	**679,875**	**666,582**	**552,754**
Net assets	**$'000**	**680,780**	**629,416**	**831,755**	**524,858**	**453,457**
Net assets excl. deferred tax	**$'000**	**799,560**	**736,034**	**1,023,314**	**696,812**	**598,227**
Share information						
Total shares on issue	'000 of shares	**121,740**	121,740	121,740	104,545	104,545
Operating earnings per share [2]	**cents per share**	**20.9**	**37.1**	**48.1**	**68.1**	**58.7**
Basic earnings per share (statutory)	cents per share	**38.5**	(160.4)	45.5	78.3	85.4
Diluted earnings per share (statutory)	cents per share	**38.2**	(160.4)	45.3	78.0	85.1
Net assets per share	**$ per share**	**5.59**	**5.17**	**6.83**	**5.02**	**4.34**
Net assets per share excl. Deferred Tax	$ per share	**6.57**	6.05	8.41	6.67	5.72
Ratios						
Operating profit margin	%	**12.3%**	30.4%	21.7%	30.6%	27.4%
Weighted average rent capitalisation rate	%	**5.2%**	5.2%	5.2%	5.1%	5.2%
Average DMF valuation [4]	$'000 per home	**21**	17	64	61	58
Return on average shareholders equity	%	**6.9%**	(26.7)%	7.8%	16.9%	21.9%
Net debt to net debt + equity	%	**28.7%**	42.3%	27.8%	41.3%	34.9%
Net debt/assets less cash and land accruals	%	**22.8%**	35.1%	23.1%	33.2%	27.5%
Interest cover [3]	No. of times	**2.5x**	3.0x	3.2x	3.2x	6.2x

1. Included in the table above are non IFRS measures including operating profit and operating earnings per share. These figures have not been subject to audit but have been provided to give a better understanding of the performance of the Group during the 2026 financial year.
2. In February 2024 the company announced a rights issue to raise $275 million in new equity. 17.2 million new shares were issued as part of the rights issue. The total shares on issue increased from 104.5 million to 121.7 million. For the FY24 Operating Earnings per share calculation, the weighted average shares on issue during the year of 109.9m was used.
3. In FY24 and FY25 the debt covenants were renegotiated as part of steps to modernise the common terms deed with our lending syndicate. As such, the calculation methodology and covenants for both the interest cover ratio and the loan to value ratio are different in FY24 and FY25 than prior years.
4. DMF valuations were amended to reflect the VCAT ruling, which resulted in a $193.5 million fair value decrease to the DMF component of investment property valuations at 30 June 2025. Lifestyle Communities has appealed the decision in the supreme court and the decision is pending. Carrying values are expected to be unaffected if the appeal is unsuccessful but will be restated upwards if the appeal is successful.

Outlook for FY27 and beyond

Clearer strategy and purpose

Lifestyle Communities enters FY27 with a well progressed transformation, a sharper operating model and a renewed commitment to our customers – independent downsizers. Our purpose remains simple and powerful: to reimagine a way to live by creating communities that offer belonging, security, low-maintenance living, wellbeing and the opportunity for homeowners to free up equity and live with confidence.

Our strategy is embedded around our operating pillars: Way to Live, Way to Grow, Way to Build and Way to Operate. In practice, this means improving the customer journey, strengthening sales and marketing, lifting consistency of experience across communities, using homeowner insight to guide action, and applying greater discipline to product, pricing, capital allocation and delivery.

Disciplined execution

We expect market conditions to remain challenging, particularly in Victoria, and will continue to manage the business with discipline and care. Our priorities are clear: sell through completed inventory, align development activity to demand, maintain balance sheet strength and improve cash generation.

Favourable demographics, resilient demand and a stronger operating platform position Lifestyle Communities for long-term success.

With communities in progress past peak development spend, and a more market-led approach to future launches, we are focused on building a stronger platform for growth. As Victoria's leading land lease operator, we enter FY27 with 17 established communities, eight in development and four sites poised for activation. We will continue to execute our transformation plan while positioning the business for growth when the property cycle turns. While lower prior-period sales will temper FY27 settlements, the year also presents the opportunity for a new community commencement in one of Lifestyle's highest demand catchments in Melbourne's South-East Corridor.

Durable fundamentals

Our growing annuity base remains a core strength, with recurring rental income from settled homes providing durability and our established communities and development pipeline providing long-term optionality. The broader fundamentals remain compelling: Australia's population is ageing, housing affordability remains under pressure, and more people are seeking flexible, connected and financially accessible downsizing options.

In summary, FY27 will be a year of disciplined execution, continued transformation and careful positioning for the future. By staying focused on homeowner experience, capital discipline and the fundamentals that make our model distinctive, we believe Lifestyle Communities is well placed to navigate current conditions and create sustainable value over the long-term.

New home settlements pipeline status

4,368 settled homes across 25 communities underpin a growing annuity income stream

As at 19 August 2026 we have:

- Completed 22 new home settlements
- Total contracts on hand of 215
- Of the 215 contracts on hand, 146 relate to homes that are expected to be available for settlement in FY27.

Of these 146 contracts available for settlement in FY27:

- 28 customers are booked to settle prior to 30 June 2027 and have unconditional contracts on their current homes
- 57 customers are actively marketing their own homes for sale and have not firmed up a booking date
- 61 customers have placed deposits and are yet to list their homes for sale

Model of living

How does the Lifestyle Communities model of living work?

Homeowners at Lifestyle Communities own their home and lease the land upon which their homes are located, via a weekly site fee and a management fee.

The weekly site fee is approximately 18–25% of the Aged Pension after receipt of the Commonwealth Rental Assistance.[1]

Affordable Living
Aim to price homes at ~80% of median house price for the relevant catchment[2]

Weekly Site Fees
Underpinned by a 90-year lease providing security of tenure

Management Fee
Calculated based on Purchase Price and Homeowners can choose to pay Upfront or upon sale of their Lifestyle home

Equity Release
Homeowners have released on average approx. $232k upon sale of previous home[3]

Consumer Protection
Homeowners are protected by the Residential Tenancies Act

Homeowner referrals
Drive a material portion of sales[4] (~40–50%)

1. Calculated in accordance with the formula used by the Department of Social Services. Which is: Rent minus Commonwealth Rental Assistance divided by the Pension.
2. Under our pricing model it is our intention to recover development costs through our new home sales. Our aim is to sell homes at an average price of approximately 80% of the prevailing median house price for detached dwellings in the relevant catchment for each development. Actual prices may vary due to market movements in median house prices, increased costs to build, and individual house premiums or discounts.
3. Calculated as the difference between the homeowners' previous house sale price and the homeowners' Lifestyle house purchase price as an average over the 12-month period. Actual equity release is always subject to individual circumstances.
4. FY26 Developing communities referral rate at settlement was 50%, across all communities 43%.

Our business and strategy

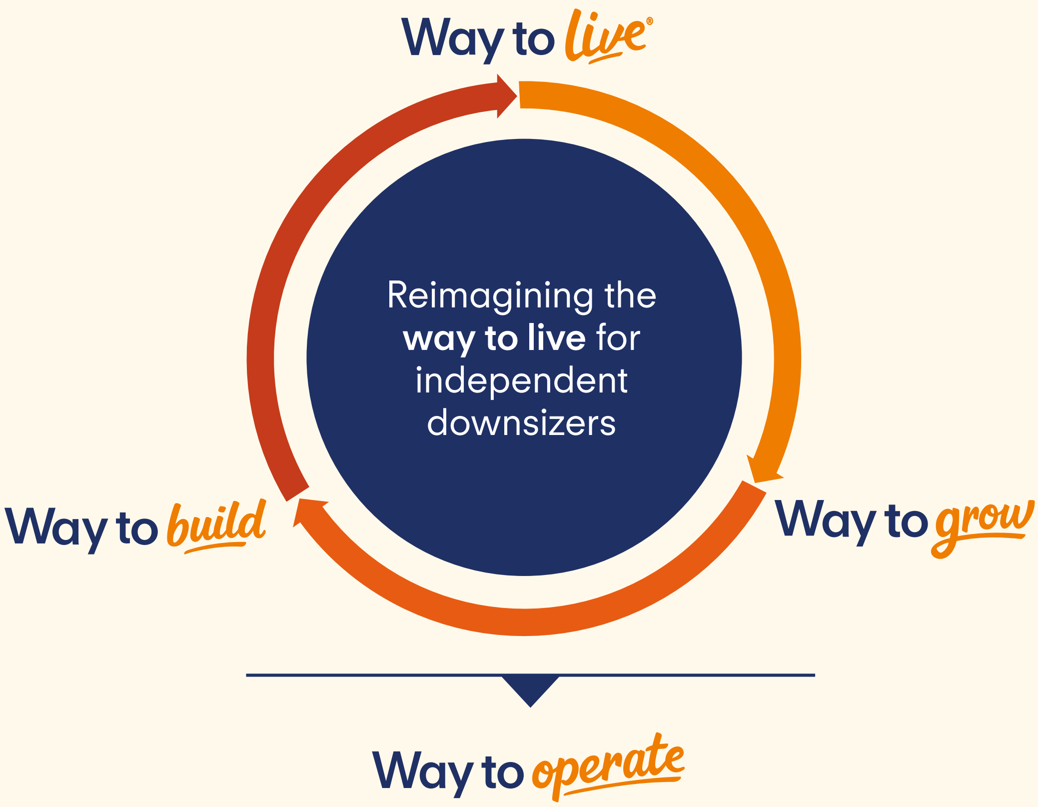
Our business aims to provide affordable, contemporary housing for our homeowners in beautiful community settings.

Lifestyle Communities' land lease model allows working, semi-retired, and retired people to downsize from their family home to free up equity in retirement, whilst enjoying resort style living including pools, gyms, clubhouse, cinema, lawn bowls, and much more.

To maintain this offering, we consistently monitor all settings, including local house prices, national economic indicators, demographics, design trends, environmental advances and customer expectations.

Operating pillars driving growth

Our renewed company strategy is brought to life through 4 operating pillars:



Way to *live*

We continue to invest in high-quality amenities across 25 communities, with digitally enhanced communication methods, and a consistent experience that empowers homeowners and strengthens referral advocacy across our communities; supported by a resilient rental annuity stream.

Delivery of outstanding customer satisfaction
An average customer satisfaction score of 78.9[1] across all communities, underpinning referral rates of circa 50% in developing communities

Supporting independence, wellbeing and community
Programs facilitated by Lifestyle and homeowners themselves that support mind, body and soul within a supportive community

Enabled homeowner-centred experiences supported by digital
Enhancing communication channels and self-service support for homeowners

Growing rental annuity stream
$51.4m of rental income, up 12.4% from FY25 with 4.6% increase in site rental fees for FY27

Exploring rental growth opportunities
Rent structure optimisation under consideration for H2 FY27

Way to *grow*

We're committed to mastering both sides of the sales process; the enquiry-to-appointment journey and supporting homeowners through the process of selling their existing properties — aided by compelling homeowner stories, data insights, and partnerships with leading agents.

Renowned community living benefits
Homeowners benefit from a sense of belonging, low-maintenance living and the opportunity to unlock housing equity

Compelling value proposition
Typically priced at ~80% of the relevant catchment median[2]; flexible choice proposition for Management Fee

Appointments focus
Marketing drives qualified site visits; supported by digital self-service features; efficiently converting prospects to homeowners

Referrals
Exceptional homeowner experience; significant referral rate, circa 40-50%[3]

The growth runway

The macro themes that have underpinned LIC's success over the last 20 years remain and continue to intensify

Structural demographic tailwind
Australians aged 65+ rise from 4.75m to ~7m by 2040; Melbourne is forecast #1 for population growth over 50 years[4]

Vast under-penetrated market
~368k Victorians considering downsizing within 3 years, yet only 8% of over-50s consider community living and land lease penetration sits at just 1.5% with significant headroom[5]

Affordable, strong positioning
Priced at circa 80% of the relevant catchment median[2] – a wide and strong demand segment – the company is uniquely placed to convert

1. Based on March 2026 survey. Participation totalled 2,576 responses, representing 42% of homeowners.
2. Under our pricing model it is our intention to recover development costs through our new home sales . Our aim is to sell homes at an average price of approximately 80% of the prevailing median house price for detached dwellings in the relevant catchment for each development . Actual prices may vary due to market movements in median house prices, increased costs to build, and individual house premiums or discounts
3. FY26 Developing Communities referral rate at Settlement was 50%, and averaged across all Communities at 43%
4. Source: The Australian: More room to grow means Melbourne will outpace Sydney for housing growth, May 2025; and data from ABS population projections
5. Source: Forethought Research 2024

Way to *build*

We're embedding market-led product and pricing strategies, refinement of our home designs and more efficient project sales models supported with capital discipline — with the aim of agility across cycles and sustainable financial returns.

Downsizer centred designs
Lifestyle focused homes and amenities, balancing quality, function and 10-year structural warranty (from build completion date)

Simplified the product offering
Refined Classic and Premium options that are easy to personalise

Disciplined pacing
Stock on ground sell-through and new orders commensurate with sales rate

New community activation in FY27

Subject to market conditions, the team is actively planning the next community for FY27. We will seek to protect margin and return via 5 key levers:

01 Homes
Simplified specification to achieve target build cost

02 Housing Contract Tender
Undertake competitive tender process

03 Clubhouse
Optimised footprint and amenity providing cost efficiencies

04 Increase rental yield
Rent structure optimisation under consideration

05 Underpinned by Lifestyle Managers who live offsite
Providing additional house for sale and rental annuity

This slide contains forward looking statements. These statements are subject to the disclaimer on page 51.

Way to *operate*

Lifestyle Communities is more strongly positioned, supported by a fortified balance sheet, a 3-4-year landbank, repeatable and scalable operating model driving homeowner experience improvements, and a growing annuity stream from more properties under management. Margin optimisation is expected to be driven by disciplined management, operational efficiency, process maturity and cost reduction, underpinned by a purpose-driven team with deep industry experience and regulatory alignment.

Balance sheet fortified

Debt facilities have been restructured and right-sized to $375.0m, with retained land bank of 3-4 years supply

Cost optimisation

Fuelled by disciplined management approach and ongoing core business process maturity, and completion of a cost reduction exercise with ~7% benefits forecast to be realised in FY27[1]

Regulatory alignment

Updated the Management Fee model & customer centric "choice" options

Technology enablement

Enhancing core business processes leveraging customer experience centres of excellence and early AI prototypes to enhance the homeowner experience

Learning culture, purpose driven team

Appropriately sized team with deep industry knowledge from 20+ years' of learnings

The strategic priorities outlined in our operating pillars shape how we operate every day, enabling us to deliver consistent homeowner experiences, strengthen our communities and support sustainable long-term performance.

1. 7% cost reduction combined across Sales & Marketing and Corporate Overheads (excluding Employee Share Scheme) from FY26 base
2. This slide contains forward looking statements. These statements are subject to the disclaimer on page 51.

Our communities

Grounded in our ambition to be Victoria's first choice for independent downsizers is a clear commitment to delivering a positive homeowner experience.

We recognise a strong homeowner experience drives engagement, advocacy and reputation, while supporting the long-term sustainability of our communities. As a result, it remains a core operational priority and an important contributor to long-term value creation.

To deliver this at scale, our decisions and operations are guided by four core principles: Clarity, Consistency, Confidence and Communication.

Key homeowner demographics

25	**Communities in operation**
29	**Total communities** 9 in development 4 in land bank
4,368	**Homes under management**
50%+ singles	**Household mix** 58% singles 42% couples
6,176	**Homeowners living in our communities**
63% (F) 37% (M)	**Homeowner gender split**

Community satisfaction

Customer Satisfaction (CSAT) remains a key measure of homeowner experience and is assessed bi-annually through our confidential Homeowner Surveys.

Results throughout FY26 demonstrated continued positive momentum:

- CSAT increased to 78.9 in March 2026, up from 78.0 in October 2025 and 76.7 in March 2025.
- Survey participation reached 2,576 responses in March 2026, representing 42% of homeowners and a 4% increase on October 2025.

Analysis of homeowner feedback highlights several consistent drivers of satisfaction across our communities. Homeowners place significant value on the safety and security provided by community living, alongside opportunities to build meaningful social connections and maintain active lifestyles through a diverse range of activities and events. Convenient locations close to essential services, transport and family networks also remain an important contributor to satisfaction.

A consistent theme across the feedback is the role our Lifestyle Managers and community teams play in shaping homeowner experience. Their responsiveness, care and day to day engagement remain fundamental to fostering, well supported communities.

These results demonstrate the strength of our community model and provide confidence that our continued investment in homeowner experience, community engagement and operational excellence is delivering meaningful outcomes for homeowners across our communities.

Improvement insights
Our approach to continuous improvement is guided by a homeowner-first philosophy, with homeowner feedback embedded throughout our planning, investment and decision-making processes. Insights gathered through our Homeowner Surveys enable us to identify the factors that matter most to homeowners and inform community-specific action plans.

Homeowner feedback consistently highlights the quality, presentation and ongoing maintenance of community facilities and amenities as important drivers of satisfaction. In response, we continue to invest in the refurbishment, renewal and proactive management of our assets to enhance community appeal, improve the homeowner experience and protect the long-term value of our communities.

During FY26, we took steps to further strengthen our Facilities & Asset Management Strategy, establishing a more consistent, scalable and disciplined approach to asset lifecycle management across the portfolio.

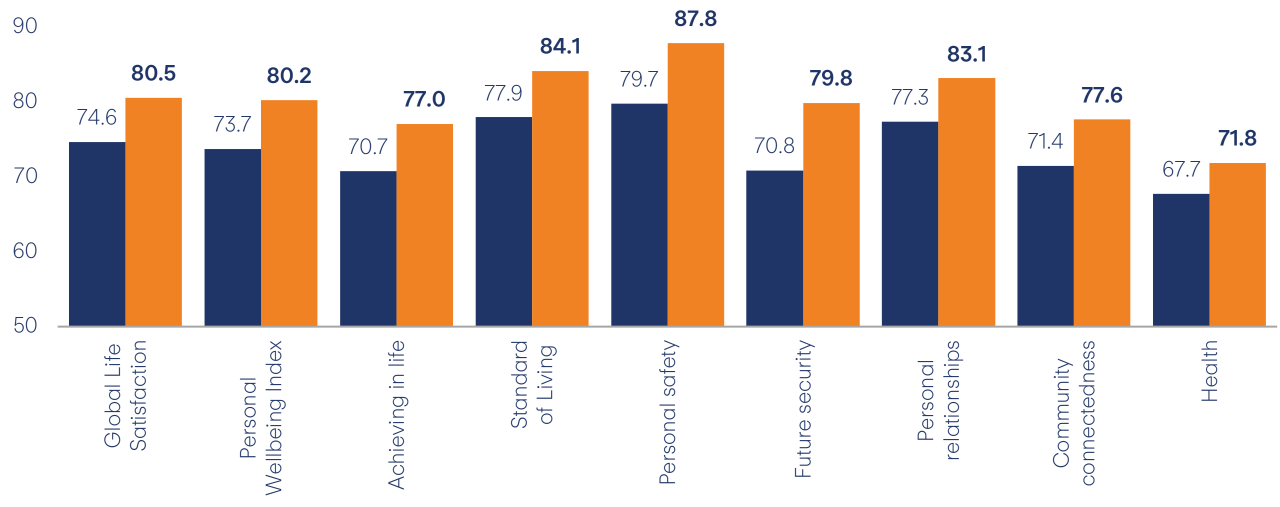
Community wellbeing

The wellbeing benefits of our community model continue to be reflected in homeowner feedback. Many homeowners describing Lifestyle Communities as more than simply a place to live, it is a lifestyle that enhances wellbeing, fosters connection and supports a greater sense of belonging.

The PWI is an independently validated and internationally recognised measure of quality of life. It assesses satisfaction across seven quality of life domains: standard of living, health, achieving in life, personal relationships, safety, community connectedness and future security.

This is further supported by our Personal Wellbeing Index Study (PWI) results, where Lifestyle Communities homeowners who participated[1] continue to report levels of wellbeing that exceed the national benchmarks.

In FY26, the Lifestyle Communities homeowners who participated in the PWI rated their overall personal wellbeing on average 6.5 points higher than Australians aged 55 and over.



Source: Khor, S. P., Frykberg, G., Capic, T., Fuller-Tyszkiewicz, M., Olsson, C.A., Hutchinson, & Lycett, K. (2025, Oct 21). Australian Unity Wellbeing Data Dashboard. Australian Unity & Deakin University. https://auwi.deakin.edu.au/
Lifestyle Communities. (2026, June). Personal Wellbeing Study 2026 [Internal research report]. Lifestyle Communities.

1. 985 homeowners across all of our communities participated in the PWI, equating to 16% of homeowners

These insights provide an important measure of the broader social impact of our communities and reinforce the positive contribution our community model makes to homeowners' quality of life.

Recognising the importance of supporting health, independence and wellbeing over the long-term, a key focus for FY27 is strengthening our approach to ageing in place. We see an opportunity to play a greater role as a connector, helping homeowners access the services, programs and support they need to maintain their independence and continue living well within their communities.

By further enhancing this capability, we aim to deliver improved homeowner outcomes while supporting the long-term sustainability of our communities and creating enduring value for homeowners and shareholders alike.

Community engagement

Our Homeowner Survey and PWI results continue to demonstrate that community participation is a significant driver of both homeowner satisfaction and personal wellbeing. These insights reinforce the importance of creating opportunities for connection and underpin our ongoing investment in programs and initiatives that strengthen community engagement.

Through our wellness program, we delivered over 5,500 classes and activities across our communities in FY26, providing homeowners with opportunities to remain active, build meaningful social connections and support their overall health and wellbeing.

We hosted a range of inter-community events designed to bring homeowners together around shared interests, experiences and purpose. Highlights included Tour de Lifestyle, our flagship fundraising event, alongside our Music Festival, Makers Market, and Spring and Autumn Sports Carnivals.

Participation in our sporting carnivals continues to grow year on year, reflecting the strong sense of connection and friendly competition within our communities. Across lawn bowls, croquet, pool, pickleball and table tennis, our homeowners took part in more than 80 days of competition and over 800 matches throughout FY26.

While we facilitate a broad program of events and activities, vibrancy within our communities is also driven by homeowners themselves. Through resident-led groups, clubs and activities, homeowners create opportunities for connection, support active and engaged lifestyles, and foster a strong sense of belonging.

As part of our FY27 focus on strengthening community engagement, we plan to launch a new homeowner app designed to boost communication, connection and participation across our communities.

By increasing the visibility of community news, activities and events, the app will enable more homeowners to stay informed, connected and engaged, extending opportunities for participation beyond traditional community interactions and further strengthening community connection across communities.

FY27 focus areas

Guided by our core principles of Clarity, Consistency, Confidence and Communication, our FY27 ambitions focus on strengthening the foundations that support homeowner satisfaction, wellbeing and community engagement.

Facilities & Asset Optimisation Program
Delivering a disciplined approach to asset renewal and maintenance that enhances community presentation, supporting homeowner experience and protecting the long-term value of our assets.

Homeowner Support Program
Connecting homeowners with services and support that promote wellbeing, independence and ageing in place.

New homeowner app
Enhancing communication, increasing access to community information and activities, and strengthening homeowner engagement and connection across our communities.

Tour de Lifestyle. The power of community

What began in 2023 as one homeowner's determination to make a difference has become one of the most powerful demonstrations of community spirit in Lifestyle's history.

Led by Lifestyle Communities Deanside homeowner Paul Walton and proudly supported by Lifestyle Communities, Tour de Lifestyle brought together homeowners, team members, partners, suppliers and the broader community in support of a shared purpose: improving outcomes for children and families affected by cancer.

Over the past four years, the tour grew from a single fundraising ride into a movement that raised an extraordinary $652,446 for the Royal Children's Hospital Foundation.

4 years, over 1,800kms ridden, $652,446 raised! Including $326,223 matched by Lifestyle Communities.

From 2023 to 2025, the funds raised supported the foundations CARES (4 Kids) Grant Program, helping provide holistic care for children undergoing cancer treatment at the hospital. In 2026, fundraising contributions supported the My Room Chair, investing in world-leading research that seeks to improve childhood cancer outcomes for the next generation.

With the fourth and final Tour de Lifestyle now complete, it leaves behind far more than a fundraising legacy. It showcased the strength of our communities, the depth of connection between our homeowners, and the meaningful impact that can be felt by bringing everyone together.

Tour de Lifestyle is just one example of the generosity and community spirit that exists across Lifestyle. Since 2015, our commitment to supporting homeowner fundraising for cancer-related charities has resulted in more than $2.5 million in donations. As we move into FY27, we look forward to continuing to support our homeowners in creating positive impacts for the causes they care about most.

Scan to watch

Our team

At the heart of every great homeowner experience are our people. Their passion, dedication and genuine care turns our purpose and values into meaningful moments that shape daily life in our communities.

When our people have the support, connection, and growth opportunities they need, they create experiences that build trust and confidence for our homeowners and shareholders.

Lifestyle Communities is passionate about creating a meaningful employee experience, delivering a work environment that nurtures our team's individual experiences and supports them to contribute positively towards our culture.

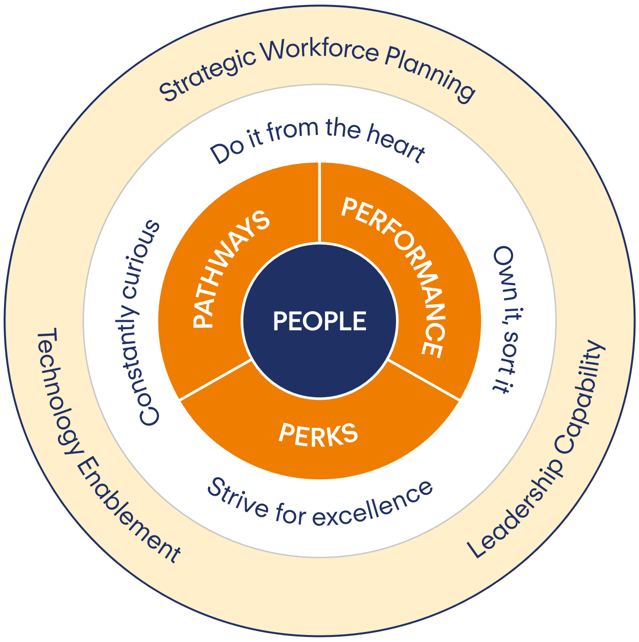
Our people strategy

Our people strategy is a key enabler of our long-term success. In FY26, we continued to focus on four key pillars that shape our culture and support our team to deliver exceptional experiences for our homeowners.

- **People:** Fostering a kind, inclusive, and purpose-driven culture where our team feels supported and empowered.
- **Pathways:** Providing clear opportunities for learning, leadership, and career development.
- **Performance**: Setting up the team to deliver against our strategy and aligning KPIs and incentives to drive performance.
- **Perks**: Offering meaningful benefits that support wellbeing, flexibility, and recognition.

Employee engagement

In FY26, employee engagement remained a strategic priority, with surveys conducted twice yearly in partnership with Culture Amp. This approach enables us to track engagement trends over time, benchmark against industry, and capture meaningful insights into what matters most to our team. The platform's analytics and real-time feedback tools support more targeted actions, helping us continuously enhance our workplace experience and strengthen our culture.



Key Statistics:

Overall Experience at Lifestyle Communities	8 out of 10
Our team believe we truly improve homeowners lives	87%
I know how my work contributes to the goals of Lifestyle Communities	93%
I value the employee benefits provided by Lifestyle Communities	87%

- **Clear alignment with company goals:** Team members understand how their work contributes to the company's goals and know what they need to do to be successful in their roles.
- **Valued benefits:** Team members highly value the benefits provided, including the Employee Share Scheme, Summer Hours and Lifestyle Long Weekends.

- **Supportive management:** Team members feel that managers genuinely care about employee wellbeing and serve as great role models.
- **Autonomy and empowerment:** Team members have the autonomy they need to perform their jobs effectively.

Building organisational capability

In FY26, we undertook a business-wide organisational capability review, led by the Executive Leadership Team in partnership with our People Experience Team. This initiative ensured our organisational structure, roles and capabilities were aligned with Lifestyle Communities' strategic priorities and future growth ambitions.

We identified the capabilities that will have the greatest impact on long-term performance, strengthened organisational effectiveness, and better positioned our people and teams to deliver sustainable growth and operational excellence. The review also simplified the organisation, with a reduction of 17 net roles across the business and a streamlined Executive Leadership Team, improving clarity, accountability and decision-making.

WGEA Employer of Choice for Gender Equality

We're proud to be recognised again by the Workplace Gender Equality Agency (WGEA) as an Employer of Choice for Gender Equality. While the citation acknowledges the policies, practices and leadership that support gender equality across our business, for us it is really about people. We want Lifestyle Communities to be a place where talented people can build meaningful careers, access opportunities based on capability and contribution, and balance work with the other priorities in their lives. This recognition reflects our belief that an inclusive, equitable workplace is not only better for our people, it helps us build stronger teams, make better decisions and create a better experience for our homeowners.

We maintain a zero-tolerance approach to discrimination, harassment and victimisation. This is supported by regular training; a robust incident reporting system and a publicly available Code of Conduct that outlines the behaviours we expect of all team members. We are committed to providing a safe, respectful and inclusive environment for everyone.

We have a 40:40:20 gender representation target across our Board, Executive Leadership Team and broader team. These targets reflect our ideal balance and align with the demographics of our customer base, where over 63% of homeowners are women.

Employee group	Target	Actual at 30 June 2026
Board	40% female, 40% male, 20% any gender	50% female, 50% male
Executive Team	40% female, 40% male, 20% any gender	33% female, 67% male
Entire Workforce	40% female, 40% male, 20% any gender	63% female, 37% male

In FY26, we continued to make meaningful progress in closing our gender pay gap. Our median total remuneration gender pay gap was 4.8%, within our target range of -5% to +5%.

This result reflects our strong pay parity in like-for-like roles and our commitment to equitable remuneration practices.

We are proud of our near gender parity across leadership: 50:50 at Board level and 33:67 for our Executive team, with 49% women in senior roles, and 81% of promotions recognising women.

Our Senior Leadership Development Program, launched during our 2024-25 WGEA reporting period, has contributed to our progress by providing equitable access to career growth opportunities. Since launch, 45% of participants have been promoted (25% female, 20% male), creating more balanced advancement pathways across genders.

We continue to take deliberate action to address the structural drivers of the gender pay gap, including occupational segregation and role-based disparities.

Our approach to inclusion is holistic and people centred. We continue to embed gender-neutral recruitment and promotion practices, invest in leadership development programs that support a diverse pipeline of future leaders, and offer flexible work arrangements that support work-life rhythm through different life stages and responsibilities.

This information can be further explored in our 2024–25 Gender Pay Gap Employer Statement. Also made available via the WGEA Data Explorer.

Pathways

At Lifestyle Communities, we recognise that every team member brings a unique blend of strengths, experiences and aspirations. Our approach to development is designed to support individuals in their current roles while creating clear and meaningful pathways for future growth. Through immersive leadership programs, hands-on learning and tailored development plans, we're committed to helping our team build the skills and confidence to thrive today and into the future. The development of our team remains a priority to enable delivery of our strategic goals.

Leadership at the next Level
In FY26 we launched Elevate, our flagship leadership development programme for senior leaders, building on the foundation established through the Aspire programme delivered in previous years. Working in partnership with Be Learning, Elevate is designed to strengthen leadership capability and develop enterprise leaders who can think broadly, influence effectively and support the organisation's long-term success.

Performance framework
We redesigned our performance framework to strengthen high performance, accountability and clarity across the business. This included introducing five clear, outcome-focused KPIs, refining our values into four well-defined behaviours and aligning individual objectives more closely to company strategy. The result is a simpler framework with a clearer line of sight between effort and outcomes, and a stronger, more consistent standard for how we work.

Employee share scheme
We evolved our employee share scheme to make the link between reward and performance more direct. A common set of company performance metrics now applies across the organisation, aligning individual performance and enterprise measures of success and the outcomes that create long-term value.

Perks
We recognise that sustained high performance depends on having the space to rest and recharge. Our wellbeing-focused benefits, including Lifestyle Long Weekends and Lifestyle Hours, support a healthy work-life blend while recognising the energy, commitment and accountability our people bring each day. These initiatives give our team valuable time away from work to reset, spend time with family and friends, and return refreshed and energised. They remain well valued by our people and reflect our commitment to creating an environment where wellbeing and performance go hand in hand.

Our approach to ESG

Lifestyle Communities aims to be socially responsible in creating affordable, homeowner-centric communities designed for downsizers.

Our ESG commitment is to prioritise the positive social impact of our model and business practices. We focus our efforts on areas where we can achieve positive impact and provide the most benefit to our homeowners.

We recognise that the way we develop and operate our communities influences the wellbeing of our homeowners and the broader communities we serve.

Environmental

We recognise that how we design and operate our communities directly impacts the environment

Social

Affordable housing remains our core focus, supported by targeted environmental initiatives that enhance homeowner value and contribute to more sustainable communities

Governance

We will pursue sustainability opportunities that deliver co-benefits, ensuring alignment with and not detracting from our core purpose

Environmental

We recognise that the wellbeing of people and the health of the planet are connected and continue to progress our efforts on climate change and other areas of environmental sustainability, acknowledging that where we come up against the limits of affordability, we will stay true to our purpose and seek to use innovation and design to find co-benefits for both people and the environment.

Improve efficiency

Use latest technology to make new communities more efficient and influence positive behavioural change in established spaces.

Progressively upgrade equipment and processes at established communities to improve efficiency over time.

All electric new developments

New developments are 100% electric. Continued focus on innovation and design changes to improve efficiency.

Generate where we can

Optimise on-site solar generation in communities.

Buy where we can't generate

Buy an increasing amount of green power (from renewables) from the grid over time.

Measure, report and track

Measure and report on emissions every year, improving as we go along.

Ambition of Net Zero operational emissions by 2035

What we mean by 'Net Zero Operational Emissions': An absolute reduction in greenhouse gas emissions by 90–95%, with the remaining 5–10% emissions that are not possible to cut, neutralised through carbon removals. This is aligned to 1.5°C aligned warming pathways.

Social

Our social impact is our core value creation engine.

Our purpose is to provide affordable, high-quality housing and connected communities that empower downsizers to thrive, while supporting greater housing availability across the broader market.

Social Impact Pillars

Affordable housing and financial security

We aim to:

- Deliver homes priced below comparable alternatives
- Support equity release and predictable housing costs
- Maintain transparency and fairness in pricing and fees

Wellbeing, Vitality, Belonging and Safety

We strive to:

- Foster social connection, security, and community participation
- Design and operate communities that support physical and mental wellbeing
- Prioritise safety, respectful behaviour, and clear community standards

Trusted Experience

We work towards:

- Clear homeowner engagement, dispute pathways, and responsiveness
- Strong operational consistency across communities
- Ethical conduct across the homeowner lifecycle (sales → settlement → living)

Our social impact

Social outcomes are not peripheral to our model — they are fundamental to long-term value, trust and licence to operate.

Who we create impact for

1. **Homeowners** — wellbeing, affordability, safety, connection and ageing in place
2. **Our Team** — safe, capable, aligned teams delivering consistent experience
3. **Local Communities and Services** — integration, participation, shared outcomes
4. **Future homeowners** — increased supply of affordable downsizer housing whilst also playing an important role in easing the housing crisis in Victoria by freeing up larger homes for first and second home buyers

How we deliver

- **Planned Communities:** intentionally designed, project managed and operated by us
- **Dedicated experience teams:** on-site and central support functions
- **Clear policies and governance:** embedded in operations, not stand-alone
- **Continuous listening**: structured feedback and insight loops
- **Governances and accountability:** Board, ELT and senior management oversight of ESG priorities and disclosures

How we measure social impact

Objective: repeatable and auditable measures

- **Annual Independent Homeowner Survey**
- **Personal Wellbeing Index (PWI)**
  - standard of living, health, relationships, safety, community connection, future security
- **Community-level indicators**
  - engagement, complaints, escalations, retention
- **People and safety metrics**
  - integrated into enterprise reporting

Governance

Our governance strategy is focused on four pillars, noting that we are progressively working towards the end state noted in each.

- Our governance approach is designed to ensure ESG considerations are embedded into how we make decisions, manage risk and execute strategy.
- ESG oversight sits firmly with the Board, supported by clear delegation to management and integration into our enterprise risk and performance frameworks. Responsibilities are defined from the Board through to the Executive Leadership Team, ensuring accountability for outcomes rather than compliance alone.
- We are progressively embedding ESG considerations into strategy development, capital allocation, development decisions and operational management. This includes progressively integrating relevant ESG and climate-related measures into executive performance frameworks and establishing appropriate reporting, evidence and assurance processes.
- This approach supports regulatory readiness while strengthening decision-making discipline, risk management and long-term value creation for stakeholders.

Oversight and accountability
- Board and committee oversight of ESG and climate risk
- Clear executive ownership and delegation

Integration into decisions
- ESG embedded in strategy, risk management and capital allocation
- Considered acquisitions, development and operational decisions

Performance and incentives
- Working towards embedding measures integrated into executive performance frameworks
- Clear consequences and accountability

Transparency and assurance
- Clear reporting, evidence and controls

Board and Executive responsibility

The Board has overall responsibility for sustainability governance but delegates review of sustainability metrics to the Audit & Risk Committee and the People & Culture Committee as appropriate.

Our Chief Executive Officer and Chief Financial Officer oversee the strategic integration of sustainability goals and metrics into the wider business.

The Executive Leadership Team drive the implementation of sustainability initiatives within their teams.

Our commitment to continuous improvement and meaningful action

We are committed to continuous improvement and learning when it comes to our sustainability performance. In an ever-evolving field, we recognise the importance of staying informed and proactive. We actively seek meaningful opportunities to enhance our sustainability practices, identify areas where we can do better, and implement innovative solutions that align with our compelling purpose.

By embracing a culture of learning and adaptation, we strive to implement meaningful and impactful change. We recognise that data and information are key to effective decision making and prioritisation, and as such are working to continuously improve our data collection and reporting practices – especially in the emerging field of social sustainability.

We engage with our stakeholders on a regular basis to ensure that we are receiving feedback on the issues that matter most to them.

Material topics

Our strategy is aligned to the UN Sustainable Development Goals (SDGs).

We have identified 9 SDGs that are most material to our business and stakeholders. Our strategic priorities and key initiatives contribute to these goals.

Understanding our material topics, helps us focus and prioritise our efforts and underpins our commitment to the social aspects of sustainability, a commitment which aligns with our business model and purpose.

Material issues	Stakeholders	Alignment to UN SDGs[1]
Housing supply and affordability	Homeowners and Wider Community	3 GOOD HEALTH AND WELL-BEING; 10 REDUCED INEQUALITIES
Homeowner engagement and satisfaction		
Homeowner health, wellbeing and social connection		
Team engagement and wellbeing	Team	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH
Health and safety	Team, Homeowners & Partners	
Employer of choice	Team	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH
Diversity and inclusion		
Local community impact and partnerships	Local Communities & Partners	
Climate action	Wider Community, Homeowners & Investment Community	7 AFFORDABLE AND CLEAN ENERGY; 11 SUSTAINABLE CITIES AND COMMUNITIES; 13 CLIMATE ACTION
Privacy and cyber security	Homeowners & Wider Community	17 PARTNERSHIPS FOR THE GOALS
Responsible procurement	Partners & Wider Community	
Governance processes and systems	Team & Investment Community	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 17 PARTNERSHIPS FOR THE GOALS

1. UN SDGs refers to the United Nations Sustainable Development Goals

Climate action

We recognise that climate change impacts the wellbeing of people and planet, and so have committed to a course of action to embed, adapt to and mitigate climate action where possible.

Climate change risk
Climate change presents both physical and transition risks to Lifestyle Communities. In FY22, we completed a high-level climate risk assessment to better understand the potential impacts of climate change on our communities under a range of future scenarios, including a high-emissions scenario resulting in a mean global temperature increase of 3.7°C by 2100. The findings have helped inform our approach to climate resilience and support the ongoing consideration of climate-related risks and opportunities in community planning, design and operational decision-making.

We also recognise that the transition to a lower-carbon economy may present risks and opportunities for the business over time. Our preliminary assessment of transition risks under a below 2°C warming scenario identified a number of key considerations for the Group, which are outlined on the next page.

How we're working to mitigate and adapt to physical risks

- Screen potential site acquisitions to avoid sites most at risk
- Direct our maintenance capital spend towards communities most at risk
- Regularly reviewing our emergency management procedures and partnering with specialised agencies such as fire authorities

How we're working to address transition risks
We have set out our Net Zero operational emissions ambition and have been rolling out progressively more sophisticated solar (on-site renewables) to each new development.

We monitor developments in national and international reporting legislation and frameworks, taking the lead from larger organisations who will be at the forefront of legislative changes and are working to continue to enhance our reporting and data management regimes and mechanisms to meet new climate disclosure requirements.

We will continue to monitor developments in these spaces and utilise our dynamic approach to address challenges as they arise.

A smaller footprint

The size and configuration of our communities, as well as the modular nature of our homes, lends itself to a decreased footprint of both our communities and individual homes.

Our higher density community configurations contribute less to urban sprawl than a typical sub-division.

Average density of a typical subdivision in Victoria = 15 to 18 homes per hectare.

Average density of a Lifestyle Community = 26 homes per hectare.

Compared to the emissions footprint of a typical home in Melbourne's outer suburbs, our homes have a smaller operational emissions footprint.

Ambition: Net Zero operational emissions by 2035

What we mean by 'Net Zero Operational Emissions'

Net Zero
An absolute reduction in greenhouse gas emissions by 90-95% percent, with the remaining 5-10% emissions that are not possible to cut, neutralised through carbon offsets. This is aligned to 1.5°C aligned warming pathways.

Climate change risks

Physical

Drought

Riverine/rainfall flood

Storms and large hail

Extreme heat

Bush fires

Coastal inundation

Transition

Market

Cost of retrofitting/changing consumer demands

Energy supply risks/Cost of raw materials (low carbon/other)

Policy and Legal

Potential policy changes, including land use policy change

Climate policy changes around emissions reductions targets/carbon pricing

Policy changes around reporting/disclosures

Risk of litigation for climate related damages

Reputation

Changing consumer and stakeholder preferences around sustainability and climate resilience

Technology

Substitution of existing carbon intensive technologies with lower carbon ones

Investing in new technologies

Operational Emissions
We have ambitions to achieve net zero operational emissions by 2035.

Traditionally this means a reduction in our Scope 1 and 2 emissions.

We believe that through our solar PV, we can provide access to renewables for our homeowners, which means that we can directly influence their emissions profile at the source. We can also influence the type of grid electricity being drawn into our communities through our embedded network/microgrid configurations.

Therefore, our target encompasses:

Scope 1 Direct emissions: On-site gas use by LIC for common facilities, fuel used for LIC vehicles

Scope 2 Purchased electricity: Electricity used by LIC managed facilities

Scope 3 Indirect emissions: Energy used by homeowners in LIC Communities

These categories align with the boundaries of what we currently measure in our Greenhouse Gas Inventory (GHG Inventory).

Our pathway to Zero Operational Emissions by 2035

Improve efficiency
Use latest technology to make new communities more efficient, and influence behaviour change where we can. Progressively upgrade equipment at older communities to improve efficiency over time.

All electric new developments
New developments are 100% electric. Continued focus on innovation and design changes to improve efficiency.

Generate where we can*
Optimise on-site solar generation in communities.

Buy where we can't generate
Buy an increasing amount of green power (from renewables) from the grid over time.

Measure, report and track
Measure and report on emissions every year, improving as we go along.

* We recognise that we may have left over emissions that are difficult to reduce. We will work to fund high quality offsets for those emissions.

Greenhouse Gas (GHG) inventory

Summary of Lifestyle Activities by source

	2025 tCO2e/annum			2024 tCO2e/annum		
Emission source	**Scope 1**	**Scope 2**	**Scope 3**	**Scope 1**	**Scope 2**	**Scope 3**
Natural gas	604		47	522*		41*
LPG	3		1	2		1
Fleet vehicles	83		20	23*		6*
Refrigerants	375			352		
Electricity		5,399	681		4,951	579
Waste			1,166			1,057
Water			98			75
Business Travel			142			69*
Total	**1,065**	**5,399**	**2,155**	**899**	**4,951**	**1,828**

Summary of Homeowner Activities by source

	2025 tCO2e/annum			2024 tCO2e/annum		
Emission source	**Scope 1**	**Scope 2**	**Scope 3**	**Scope 1**	**Scope 2**	**Scope 3**
Electricity			11,445			10,823
Total			**11,445**			**10,823***

Greenhouse Gas Emissions inventory is captured on a calendar year basis with 2025 calendar year data being the most current as at 30 June 2026.
*2024 emissions have been restated to reflect improved reporting classification consistent with 2025.

Increases in emissions in 2025 compared to 2024 can be partly attributed to growth in the number of occupied homes in our communities. There was also an improvement in the accuracy within the reporting process as acknowledged by our continued commitment.

A note on challenges affecting data collection and continuous improvement

Our developments in progress involve a mix of construction usage and homeowner usage. As such, we acknowledge that some of the data from our developing sites may not provide an accurate picture of our emissions split between development and operations.

Our reported total emissions are accurate to the best of our knowledge and based on metered data. We continue working on developing more accurate reporting and monitoring systems across our communities and will learn from the challenges of applying our boundaries to developing communities.

During FY26, Lifestyle Communities continued preparing for Australia's climate-related financial reporting requirements. This included reviewing governance arrangements, assessing data and reporting capability requirements, undertaking gap analysis activities and progressing our understanding of climate-related risks and opportunities across the business. This work will continue during FY27 as we further develop our reporting framework and supporting processes.

Focus area	Strategic commitment	FY26 outcomes	FY27 priorities
People	Foster a high-performing and engaged workforce	Employee engagement sits at 8/10, reflecting stronger alignment, culture and employee experience.	Strengthen leadership capability, talent development and employee retention.
Community	Enhance homeowner wellbeing, connection and community experience	Achieved a homeowner CSAT of 78.9, demonstrating improved resident satisfaction and trust.	Expand wellbeing initiatives and deepen resident engagement across communities.
Climate and governance	Build ESG capability and prepare for mandatory climate-related disclosures	Completed governance framework design, climate risk assessment and reporting gap analysis.	Establish baseline emissions data and embed reporting processes to support future compliance.

Our partners and suppliers

We're proud of the strong, trusted relationships we've built with our partners and suppliers over the past 23 years. We know that how we work with our partners has the power to create positive outcomes not only for them but also for their supply chains and the local economies where they operate.

Our approach to procurement has always been thoughtful and relationship-driven. We focus on working with local partners and suppliers who share our values and our commitment to ethical and responsible business practices. This commitment is guided by eight core principles that shape how we behave, how we expect our partners to operate, and how they engage with their own networks.

We're especially proud of the many small and local businesses we work with — many of whom have grown alongside us on our journey.

Supporting local economies

We recognise the important role we can play in supporting local economies and creating lasting community value. We aim to consider:

- Recruiting team members from the local areas where our communities are based, across roles in sales, community management and support functions.
- Sourcing goods and services from local businesses for events and day-to-day operations.
- Engaging local small businesses for ongoing services such as maintenance and operational support.

Our commitment to responsible procurement:

We're deeply committed to upholding responsible and ethical procurement practices and continue to look for ways to improve and embed these principles into everything we do. Our core principles include:

- Treating people with dignity and respect
- Acting with honesty and integrity, and upholding ethical standards
- Complying with all laws and regulations
- Prioritising safety in all our activities
- Maintaining true, fair and transparent financial dealings
- Undertaking responsible sourcing that minimises social and environmental impacts
- Safeguarding our reputation, property, assets, and information
- Pro-actively managing risk

Addressing modern slavery risks

We remain firmly opposed to modern slavery in all its forms. Each year, we publish our Modern Slavery Statement, detailing the steps we've taken to identify and mitigate modern slavery risks across our operations and supply chain.

A cornerstone of our approach is working closely with our partners and suppliers to build knowledge and understanding around these risks.

Policies and practices supporting responsible procurement[1]

Our commitment to ethical and responsible business practices is supported by a strong policy framework, including:

- Procurement Policy
- Supplier Code of Conduct
- Employee Code of Conduct
- Modern Slavery Statement
- Whistle-Blower Policy—providing avenues for confidential reporting of concerns through our whistle-blower hotline and other channels

We're proud of the partnerships we've built and remain dedicated to working alongside our suppliers and partners to create shared value and contribute positively to the communities in which we operate.

1. Copies of all our policies can be found on our website.

Our Board and governance

Lifestyle Communities' governance framework plays a critical role in helping the business deliver on its strategy. It provides the structure through which business objectives are set, performance is monitored, and risks are managed. It includes a framework for decision making across the business and provides guidance on the standards of behaviour expected of Lifestyle Communities' people.

The Board is accountable to security holders and responsible for demonstrating leadership and oversight so that the operations of Lifestyle Communities are managed effectively. The Board's governance objectives are to:

- Positively contribute to the performance of the Company, including the creation of shareholder value;
- Uphold and support the culture and values of Lifestyle Communities; and
- Increase the confidence of all stakeholders including homeowners, security holders, employees, suppliers, and the broader community.

Reporting suite

Lifestyle Communities' reporting suite includes the following documents:

FY26 Annual Report
A review of Lifestyle Communities' financial and operational performance for FY26, the Group's remuneration report and its financial statements.

FY26 Results Presentation
An overview of Lifestyle Communities' operational and financial performance for the financial year.

Corporate Governance Statement
An overview of Lifestyle Communities' governance framework and practices.

Modern Slavery Statement
An overview of Lifestyle Communities' approach to Modern Slavery risks in its supply chain.

Workplace Gender Equality Agency Compliance Report
A report on Lifestyle Communities gender equality outcomes.

Copies of all of the above reports are available for download at: **lifestylecommunities.com.au**

Henry Ruiz

Chief Executive Officer
(MAPsych BBehavSc(Hons) MAICD)

Term of office: Henry Ruiz was appointed as Chief Executive Officer of Lifestyle Communities Limited in March 2025.

Independent: N/A

Age: 51

Experience: Henry Ruiz was appointed as Chief Executive Officer of Lifestyle Communities Limited in March 2025.

Henry Ruiz is a highly experienced executive with more than 25 years of leadership experience across the property, technology and digital media sectors. Prior to joining Lifestyle Communities, he spent over 15 years with ASX-listed REA Group, serving in several senior executive positions including CEO of REAx, CEO of REA Asia, Chief Strategy Officer, Chief Customer and Product Officer, and Chief Digital Officer.

During his tenure, REA Group delivered significant growth in revenue, earnings and shareholder value, while strengthening its position as a leading digital property marketplace. Henry has also held senior leadership roles with Local Matters, World Directories and Sensis, providing him with extensive experience leading businesses with distributed teams across Australia, Asia Pacific, Europe and the United States.

Henry holds a Master of Applied Psychology (RMIT University), a Bachelor of Behavioural Science (Honours) (La Trobe University), and has completed executive studies in Strategy, Disruption and Innovation at Harvard University. He is a member of the Australian Institute of Company Directors.

Committee memberships: N/A

Current Directorships/other interests: Nil.

Past Directorships of other listed entities within the last 3 years: Nil.

David Blight

Non Executive Chair
(BAppSc)

Term of office: David Blight was appointed to the Board of Lifestyle Communities Limited as a Non-Executive Director on 15 June 2018. David was appointed Chair of the Board on 1 September 2024.

Independent: Yes

Age: 64

Experience:

David has over 40 years of experience in property investment, development and fund management in Australia and globally.

He is currently the Executive Vice Chair of Core Real Estate at MA Financial, an ASX listed financial services firm, following its acquisition of IP Generation in 2024. Prior to that he was the CEO and co-founder of ARA Australia, the Australian business of Singapore based ARA Asset Management, prior to its acquisition by the ESR Group. He also held the position of Chief Investment Officer of ARA Private Funds, the private equity real estate business of the ESR Group.

David's previous roles include Vice Chairman of ING Real Estate and Global Chairman and CEO of ING Real Estate Investment Management based in The Netherlands. He has also held senior executive positions with Armstrong Jones, Mirvac Group and APN Property Group.

Committee memberships: David is a member of both the Audit and Risk Committee and the People and Culture Committee.

Current Directorships/other interests: Nil.

Past Directorships of other listed entities within the last 3 years: Nil.

Claire Hatton

Non-Executive Director
(BSc (BA), MBA, GAICD)

Term of office: Claire Hatton was appointed to the Board of Lifestyle Communities Limited as a Non-Executive Director on 1 May 2022.

Independent: Yes

Age: 55

Experience: Claire brings over 30 years of international business leadership experience across the technology, digital and travel sectors. Her extensive career spans senior marketing and commercial roles at British Airways, Qantas, Travelport and Google across Australia, New Zealand, multiple countries in Asia and the UK.

With deep experience in scaling go-to-market teams, digital transformation and future of work initiatives, Claire applies valuable perspectives developed during her roles as a technology company executive and a leadership and AI consultant. Her 17 years of governance experience spans ASX-listed companies, private enterprises and international organisations.

Committee memberships: Claire is Chair of the People & Culture Committee.

Current Directorships/other interests: Claire is currently a Non-Executive Director of ASX-listed entity Tyro Payments Ltd (ASX: TYR) where she is also the Chair of the People and Culture Committee. She is also the Co-founder and Director of Full Potential Labs.

Past Directorships of other listed entities within the last 3 years: Nil.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Mark Blackburn

Non-Executive Director
(Dip of Bus (Acc) GAICD)

Term of office: Mark was appointed to the Board of Lifestyle Communities Limited as a Non-Executive Director on 1 December 2019.

Independent: Yes

Age: 69

Experience: Mark has 23 years' experience as a CFO in both listed and unlisted companies in the financial services, manufacturing, and mining sectors.

In particular, Mark has expertise in financial management and advice, the management of financial risks, capital management as well as leading key strategic projects including acquisitions and divestures.

Mark retired as Group CFO and Company Secretary of McMillan Shakespeare in December 2020.

Committee memberships: Mark is currently Chair of the Audit & Risk Committee.

Current Directorships/other interests: Mark is currently a Non-Executive Director of FleetPartners Group Limited.

Past Directorships of other listed entities within the last 3 years: Pro-Pac Packaging Limited.

JoAnne Stephenson

Non-Executive Director
(BComm and BLLB (Hons))

Term of office: JoAnne Stephenson was appointed to the Board of Lifestyle Communities Limited as a Non-Executive Director on 1 July 2024.

Independent: Yes

Age: 64

Experience: JoAnne is an experienced company director in listed, private and government organisations. She is a Chartered Accountant with expertise in financial management, risk management, audit and corporate governance gained through an executive career over 25 years, including senior Partner roles, with KPMG.

Committee memberships: JoAnne is a member of the People & Culture Committee and the Audit & Risk Committee.

Current Directorships/other interests: JoAnne is currently on the Boards of ASX entities IAG Ltd, Helia Group Ltd and Qualitas Limited.

Past Directorships of other listed entities within the last 3 years: Challenger Limited and Myer Holdings Ltd.

Anita Addorisio

Company Secretary
(MPA, FCPA, FGIA)

Term of office: Anita joined the Lifestyle Communities team as Company Secretary in December 2021.

Age: 51

Experience: Anita is an experienced finance professional with 20 years' experience in senior finance roles within public and private entities across IT technology, mining, industrial and public practice sectors, including 7+ years ASX listed company secretary experience.

Anita specialises in corporate governance, secretarial support and statutory financial reporting. Her expertise also extends to IPO's, capital raisings, acquisitions, takeovers and restructures.

Joint Company Secretary
Darren Rowland served as Joint Company Secretary until his resignation, which took effect on 30 January 2026.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Meetings of Directors

The number of meetings of Directors (including meetings of committees of the Board) held during the time the Director held office or was a member of the committee during the financial year and the number of meetings attended by each of the Directors are:

	Director's Meetings		Audit Committee		Remuneration and Nomination Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
David Blight	16	16	5	4	4	4
Mark Blackburn	16	16	5	5	–	–
Claire Hatton	16	16	–	–	4	4
JoAnne Stephenson	16	16	5	5	4	4

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Our approach to corporate governance and risk

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Lifestyle Communities Ltd support and have adhered to the ASX principles of corporate governance. The Company's Corporate Governance Statement is published on its website at **lifestylecommunities.com.au**.

Corporate governance framework
The roles, responsibilities and accountabilities of the Board and Board Committees are articulated in the Board and Board Committee Charters, which are available on the Company's website at **lifestylecommunities.com.au**. The framework is summarised below:

The Board meets as often as necessary to discharge its responsibilities. This requires Board members to attend Board meetings each year, the Annual General Meeting, Committee meetings and unscheduled meetings as required.

Board meetings are typically held in our South Melbourne office but also include scheduled visits to projects under development and established communities. The Board also regularly meets with the Executive Leadership team including functional deep dive presentations and bi-annual strategy sessions.

In addition to formal Board meetings, Directors have the opportunity to visit communities and attend community events including the "All Lifestyle Open Day", enabling direct engagement with homeowners and team members and a deeper understanding of the Group's operations.

Audit & Risk Committee responsibilities

To assist the Board in fulfilling its corporate governance and oversight responsibilities relating to the integrity of Lifestyle Communities' financial reporting, risk management, and external audit functions.

People & Culture Committee responsibilities

To assist the Board in fulfilling its responsibilities relating to the composition and performance of the Board, Board appointments and succession planning.

To assist the Board in fulfilling its responsibilities in relation to the remuneration of the Chair and other Non-executive Directors, performance and remuneration of, and incentives for, the Chief Executive Officer and Executive Leadership Team, remuneration strategies, practices and disclosures, and management programs to optimise the contributions of Lifestyle Communities' people and to support and further corporate objectives.

Our approach to risk

At Lifestyle Communities, we recognise we have a duty to our homeowners, employees, investors, and the wider community to ensure risks in our communities and business are appropriately managed. At the forefront of our approach is our culture. As a 'Business for Purpose' we are focused on exceeding expectations and maintaining a level of professional and personal conduct that delights our customers, teammates, investors and the broader community.

Lifestyle Communities recognises that making business decisions involves calculated risks, and managing these risks within sensible tolerances, is fundamental to creating long-term value for shareholders and meeting commitments to Lifestyle Communities' homeowners, employees, business partners and the communities in which it does business. Lifestyle Communities conducts risk assessments at critical decision points during the investment and operational phases of our business to identify, manage and monitor risks in meeting target returns.

We will take commercial risks where we have the capability to manage those risks and we recognise the importance of building and fostering a risk aware culture. Through setting standards, adopting processes and undertaking training, we aim to develop a disciplined and constructive control environment in which all team members understand their roles and obligations and take responsibility for risks and controls in their area of authority.

Lifestyle Communities' risk management framework consists of multiple layers:

1. **Our culture:** All employees are responsible for managing risk through identification, assessment, and treatment of risks. This includes the implementation, active management and compliance with appropriate processes, procedures, checklists and other controls.

2. **Our Leadership Team:** Responsible for developing the risk management framework and for adapting it to changes in the business and the external environment in which the Group operates (including physical and regulatory changes which might impact our social and environmental performance). Members of the Executive Leadership Team are jointly responsible for building risk management capabilities throughout the business through actively engaging with Employees in risk management processes and supporting training initiatives.

3. **Internal controls and reporting:** The Group's internal control processes are in place to ensure that information is reported to the Executive Leadership Team, and the Board, on a regular basis.

4. **The Board and Board Committees:** The Board oversees our risk management framework and delegates particular focus areas to the respective committees. The Board regularly engages with management to gain insight into the effectiveness of risk management practices.

5. **External audit:** Our external auditor provides regular and independent assessment on the effectiveness of financial controls and processes in connection with the preparation of Lifestyle Communities' financial statements and governance disclosures. External Audit also provides an opinion on the accuracy, validity and reliability of disclosed data and information.

Board effectiveness

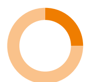
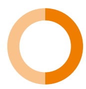
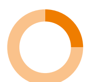
Lifestyle Communities is committed to having a Board whose members have the capacity to act independently of management and have the collective skills and diversity of experience necessary to optimise the long-term performance of Lifestyle Communities to deliver long-term sustainable profitable returns to shareholders. The Board undertakes an annual review of its effectiveness across a range of dimensions to identify strengths and areas for development.
The Board models its activity on the best practice guidance set out in the ASX Principles and Recommendations, as described in the Company's Corporate Governance Statement available on the Company website at **lifestylecommunities.com.au**.

Board composition

The Board currently comprises four Non-Executive Directors. The membership of the Board is reviewed periodically having regard to the ongoing and evolving needs of Lifestyle Communities. The Board considers a number of factors when filling vacancies including qualifications, skills and experience, independence, tenure and diversity.

Board skills matrix

The Board has identified a range of core skills and experience that will assist the Board collectively to fulfil its oversight role effectively. The Board believes that it has the right experience and skills currently to oversee the high standard of corporate governance, integrity and accountability required of a professional and ethical organisation as shown in the diagram below:

Skill area	Description	Skill level
Strategy	Ability to identify strategic opportunities and threats with demonstrated success in developing and implementing strategic priorities and achievement of business objectives.	
Financial Acumen	Ability to read and comprehend corporate accounts, financial materials and financial reporting requirements	
Governance & Risk Management	Experience in implementing, managing or overseeing, governance, risk management and compliance frameworks including legal and regulatory compliance.	
Board Experience	Experience of being a Director, ideally on an ASX listed Board	
People & Culture	Experience in CEO and/or other senior corporate leadership roles including responsibilities for people management and successful implementation of change.	
Customer Marketing & Sales	Experience at a senior level with responsibilities for Marketing & Sales preferably in a B2C business	
Operations & Customer Service	Experience at a senior level with responsibilities for operations and/or customer service-related activities.	
Property Development	Experience at a senior level with responsibilities for large property development projects	
Technology & Digital	Experience at a senior level with leveraging technology to drive innovation, enhance operational efficiency, and support strategic decision-making, including knowledge of emerging technologies and digital transformation	
Sustainability	Expertise in integrating environmental, social, and governance (ESG) principles into business strategy, fostering long-term value creation, and ensuring alignment with stakeholder expectations and regulatory requirements.	

Highly skilled Skilled Developing

The Company's key opportunities and risks

Lifestyle Communities has 10 key enterprise risks and opportunities. These are identified through application of our Risk Management Framework and are reviewed and stress tested on a quarterly basis. Each one has a cascade of operational, market based, and financial risks and opportunities which are consolidated into these key themes to allow for a portfolio view to be placed across the business.

Although the risks have been described individually, there is a high level of interdependency between them. This means an increased exposure for one material risk can drive elevated levels of exposure in other areas of our risk profile.

In addition to these material risks, our performance may be impacted by risks that apply generally to Australian businesses and the property development and management industry, as well as by the emergence of new material risks not reported in the following table.

Why it's important	Commentary
Our Homeowners	
It is important our homeowners have a high level of satisfaction and safety, and our communities are well managed.	Well managed communities provide a connected living environment for our homeowners, generate new sales from homeowner referrals, add to the Lifestyle Communities brand, assist in facilitating resales of existing homes; and improve the profitability of the community management business. We maintain a transparent marketing, sales, and contract process, undertake careful selection of our community management teams, and maintain our community facilities, common areas, and gardens to a high standard. We have a governance process set up at every community to receive regular feedback from our homeowners.
Our Team's Health, Safety and Wellbeing	
If we expect our team to deliver the highest levels of customer service and experience to our homeowners it is crucial that we retain, reward, and invest in our team and provide them with a workplace that is happy, healthy, and safe.	Lifestyle Communities prioritises and promotes a culture of respect and kindness with clear expectations of appropriate behaviours all team members and leaders must display. Our focus on the health, safety and wellbeing of our team is evident through all stages of the team member journey from attraction, engagement, onboarding and our working environment. Our team benefits provide extra days off throughout the year and wellness dollars for investment in each team members own wellness journey. Lifestyle Communities supports the importance of psychosocial health and safety in our working environment. We regularly engage with our team and provide multiple forums for them to share their feedback including employee engagement surveys and pulse surveys on specific topics.
Our Corporate Culture	
Our unique culture is critical to our success. We must maintain and nurture our culture as we grow.	Lifestyle Communities has built a strong customer centric culture throughout the business. This has been achieved through a clearly defined set of values that we use for recruiting, and for measuring the performance of our team. We are a long-term business, and our team are empowered and encouraged to make decisions and act in the best interests of Lifestyle Communities and our homeowners for the long-term.

Why it's important	Commentary
Site Selection	
We select the best sites located close to infrastructure and other public amenities. We are patient in waiting for sites that meet our investment criteria.	We maintain a just in time land pipeline. Our land acquisition strategy incorporates extensive due diligence on potential new sites which incorporates population demographics, local amenities, public transport and environmental factors. We rely on the significant experience we have gained from acquiring and developing sites during the past 20+ years.
Sales and Settlements	
As an affordable housing provider, our financial model relies on the rate of sales of new and existing homes, the sales price of new homes (and to a lesser extent the sales price of existing homes) and the timing of settlements of new homes (revenue is only recorded when a sale of a home is settled).	Our approach is to price our homes at an average selling of 80% of the median house price for the catchment and this helps us mitigate risk during property cycles[1]. This pricing strategy is a critical determiner in the site selection process and the acquisition case. Our customer centric focus helps us generate strong referral rates from existing homeowners and this helps drive the speed of sales and settlements.
Community Development	
Our homeowners are trusting us to build them an amazing community and meet the commitments we make to them during the sales process.	Effective management of the construction program and multiple stakeholders is important to ensure our customer expectations are met; high quality product is delivered; cash flow is managed efficiently, and appropriate financial returns are achieved. We manage our projects using a robust governance framework, working with a panel of trusted suppliers, and taking a stage-by-stage approach to construction. This includes close monitoring and management of price and cost pressures (e.g. commodities, labour, energy), the potential for further interest rate rises, and changes in consumer spending and housing choices.
Financing and Capital Management	
Our capital is precious and scarce. We maintain a disciplined approach to capital management and use a mix of debt and our existing equity pool to fund our growth strategy.	We maintain our balance sheet settings with a margin of safety over and above the requirements in our funding documents. Our goal is to maintain debt facilities that have sufficient facility size, headroom and tenure to meet our committed development plans. We closely monitor our cash flow forecasts and tightly manage the commencement and rate of development of new communities to ensure we have sufficient funds to meet our commitments as and when they fall due. Due to the capital recycling nature of our business model, we are reliant on continuing sales and settlements to fund our development pipeline and remain compliant with the financial covenants in our funding agreements. If we experience a sustained slowdown in sales and settlements we may need to slow down our speed of development or undertake other capital management activities.
Regulatory Compliance and Governance	
As an ASX listed company, we are held to the highest standards of transparency, accountability, and ethical conduct. Strong compliance and sound governance are essential to maintaining the trust of our shareholders, homeowners, regulators and to protecting our reputation and long-term value.	We seek to avoid reputational and compliance incidents by implementing a strong operating and control environment. We have an in-house legal function and seek specialist advice as required. The Company's operations, business, and financial model are specifically impacted by how the provisions of the Residential Tenancies Act 1997 (Vic), the Social Security Act 1991 (Commonwealth) and a number of other legislative schemes are currently interpreted and administered by the relevant regulatory authorities. The Company takes an active role in engaging with, and providing submissions to, the relevant regulatory bodies through its membership and participation in the Victorian Caravan Parks Association.

1. Under our pricing model it is our intention to recover development costs thorough our new home sales. Our aim is to sell homes at an average price of 80% of the prevailing median house price for the relevant catchment for each development. Actual prices may vary due to movements in median house prices, increased costs to build, and individual house premiums or discounts.

Why it's important	Commentary
Cyber Risk, Data Governance, and Business Continuity	
It's important we properly plan for and appropriately respond to events which might disrupt our service to homeowners or our business more broadly.	Our cyber-security framework is aligned to the Australian Essential 8, and also to the internationally recognised National Institute of Standards and Technology (NIST) Cybersecurity Framework. Our cyber security posture and mitigations are regularly reported to and monitored by the Board. We continue to provide mandatory training for all Employees and undertake a series of phishing simulations to educate our team on the important role they play in helping to mitigate cyber risks. We will continue to undertake cyber risk mitigation activities and system improvements on a rolling basis. Our technology systems utilise dual data centres and cloud services to make sure critical business systems have high levels of redundancy with resiliency embedded across our ecosystem. In the event of a disruption, we have information technology recovery plans in place for critical systems. We have also retained industry experts to be on call in the event of a cyber-security incident.
Corporate Sustainability	
We're a business for purpose. It's important we comply with regulatory, societal and investor expectations of corporate and environmental sustainability, such as social responsibility and climate change, to ensure our business is sustainable for the long-term.	Our product and operating model have been deliberately designed to address inequality in housing options for Australia's ageing population. For those members of society with limited superannuation and savings, creating a high quality, yet affordable housing option allows our homeowners to free up some of the equity in their home and help fund an improved standard of living in retirement. We are committed to achieving this by integrating sustainability strategies into our business and adopting innovative techniques and new technology where it is commercially feasible to help us meet the expectations of the communities in which we operate and our stakeholders more broadly.

Governance policies

- **Code of Conduct** — articulates the behaviour expected of Lifestyle Communities' Directors and employees, who are expected to align their actions with the code and Lifestyle Communities' values whenever they are representing Lifestyle Communities.
- **Communications and Continuous Disclosure Policy** — establishes our procedure for compliance with Lifestyle Communities' continuous disclosure obligations and provides guidance for the identification of material information and timely disclosure of Lifestyle Communities' activities to the market.
- **Diversity and Inclusion Policy** — contains our commitment to creating and maintaining an inclusive workplace that embraces and celebrates diversity and to create positive experiences for all.
- **Securities Trading Policy** — prohibits Lifestyle Communities Directors, employees, contractors and their related parties from dealing in Lifestyle Communities securities if they are in possession of inside information and provides for open periods during which Directors and employees may trade, subject to any required approvals being obtained.
- **Fraud, Corruption and Bribery (Prevention and Awareness) Policy** — contains our commitment to achieving the highest corporate standards and will not tolerate unethical or unprofessional behaviour including fraud, bribery and corruption.
- **Procurement Policy and Supplier Code of Conduct** — defines the standard required from third parties when working with Lifestyle Communities, and confirms Lifestyle Communities' commitment to a sound culture of compliance and ethical behaviour.
- **Enterprise Risk Management Framework** — provides guidance and direction on the management of risk in Lifestyle Communities and states Lifestyle Communities' commitment to the effective management of risk.
- **Tax Governance Framework** — provides guidance and direction on the management of tax governance in Lifestyle Communities and states Lifestyle Communities' commitment to manage its tax affairs in a transparent, equitable and commercially responsible manner, whilst having full regard to all relevant tax laws, regulations and tax governance processes.

- **Privacy Policy** — Our Privacy Policy details the kind of information we collect, why we need it and how we use it. It also sets out our customer's rights in relation to personal information and how they can contact us with privacy queries.
- **Whistleblower Policy** — encourages Lifestyle Communities Directors, employees, contractors and suppliers who have witnessed, or know about, any misconduct or suspected misconduct to speak up without fear of intimidation, disadvantage or reprisal.
- **Keeping You Safe at Work Policy** — outlines our approach to creating and nurturing a safe work environment for all team members. The policy includes Psychosocial Hazards and Risk Controls.
- **Respect @ Work Policy** — outlines Lifestyle Communities approach and strategies for promoting respectful behaviours and adhering to Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Act 2022 (Cth). Complaint mechanisms for sexual harassment are outlined in the Policy and align with the Concerns and Complaints Resolution Policy.

Our approach to tax

Lifestyle Communities manages its tax affairs in a transparent, equitable and commercially responsible manner, whilst having full regard to all relevant tax laws, regulations and tax governance processes.

Our Tax Governance Framework sets out the key principles adopted by Lifestyle Communities' which are summarised as follows:

- Maintain compliance with all relevant tax laws, regulations, and tax governance processes, to demonstrate good corporate citizenship;
- A low tax risk appetite that ensures Lifestyle Communities remains a sustainable business and a reputable and attractive investment proposition;
- A commitment to engage and maintain relationships with tax authorities that are open, transparent and co operative; and
- An operating and trading business based in Australia, with no strategic intentions of engaging in any tax planning involving the use of offshore entities or low tax jurisdictions.

Tax contribution summary

In addition to providing affordable housing solutions to Australia's ageing population, Lifestyle Communities contributes to the Australian economy, through various taxes levied at federal, state and local government level. In FY26 these totalled $31.2 million and were either borne by Lifestyle Communities as a cost of our business or collected and remitted as part of our broader contribution to the Australian Taxation System. Detailed below are the taxes paid and/or collected and remitted for the 2026 financial year:

	FY26 $ million	FY25 $ million
Income Tax [1]	**(0.4)**	(5.0)
Net GST	**20.4**	(6.8)
PAYG Withholding	**6.2**	5.8
State Taxes [2]	**2.4**	17.3
Fringe Benefits Tax	**0.3**	0.4
Local council rates	**2.3**	1.9
	31.2	**13.6**

1. Income tax includes tax payments of $1.1 million and tax receipts of $1.5 million.
2. State Taxes (including Payroll Tax, Stamp Duty and Land Tax when applicable).

Commitment to shareholders and an informed market

Lifestyle Communities is committed to ensuring that the market as a whole is relevantly and consistently informed by providing security holders and the market with timely, balanced, direct and equal access to information issued by Lifestyle Communities, to promote investor confidence in the integrity of Lifestyle Communities and in the trading of its securities.

Lifestyle Communities has a Communication and Continuous Disclosure Policy that has adopted practices that reflect the intent of the law, corporate governance best practices, regulatory requirements, and which best serve the interest of its shareholders and other stakeholders.

All external communications that include any price sensitive material are provided to the Board for approval. In accordance with the Communication and Continuous Disclosure Policy, all announcements will:

- Be factual;
- Do not omit material information; and
- Be timely and expressed in a clear and objective manner.

Lifestyle Communities' Communication and Continuous Disclosure Policy is available at **lifestylecommunities.com.au/investor-centre/policies-and-charters**.

Forward-looking statements

This annual report contains forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings, performance and future operational outcomes, are examples of forward-looking statements. Forward-looking statements, including projections or guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

Proceedings against the Company

A number of applications have been lodged with the Victorian Civil and Administrative Tribunal (VCAT) by homeowners who have raised questions regarding the interpretation of the Residential Tenancies Act. Refer to note 7.3, Events after Reporting Date for further details. These matters relate to the appeal heard on 23 June 2026 and for which the outcome is scheduled to be handed down on 21 August 2026.

Subject to the above, the Directors are not aware of any current or threatened Court proceedings of a material nature in which the Company is directly or indirectly concerned which are likely to have a material adverse effect on the business or financial position of the Company.

Non-audit services

The Company's auditor, PricewaterhouseCoopers was appointed on the 18 November 2019. Details of auditor remuneration is contained at note 5.4. During FY26, the company spent $34,060 in relation to Company's tax affairs. The Directors are satisfied that the provision of these non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature, scope and timing of these non-audit services means that auditor independence was not compromised.

Indemnification and insurance of directors and officers

During the financial year the Company paid premiums in respect of a Directors' and Officers' insurance policy.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the policy.

Executive confirmations

The Chief Executive Officer and the Chief Financial Officer have provided a written statement to the Board that:

1. In accordance with the Corporations Act 2001 ("the Act") section 295A, we, the undersigned, declare that to the best of our knowledge and belief, and in each of our opinions:

   (a) the financial records of the consolidated entity for the financial year have been properly maintained in accordance with section 286 of the Act;
   (b) the financial statements and associated notes of the consolidated entity for the financial year comply with the accounting standards as required by section 296 of the Act;
   (c) the financial statements and associated notes for the financial year give a true and fair view of the financial position of the consolidated entity as at 30 June 2026 and of its performance for the period as required by section 297 of the Act;
   (d) the consolidated entity disclosure statement required by section 295(3A) of the Act is true and correct.
   (e) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
   (f) any other matters that are prescribed by the regulation for the purposes of this declaration in relation to the financial statements and the associated notes of the consolidated entity for the financial year are also satisfied.

2. Also, in accordance with ASX Corporate Governance Council Best Practice Recommendations 4.2 and 7.2, with regard to the system of risk management and internal compliance and control of the consolidated entity for the year, to the best of our knowledge and belief, and in each of our opinions:

   i. the statements given in paragraph (1) above are founded on a sound system of risk management and internal compliance and control which, in all material respects, implements the policies adopted by the Board of Directors of the Company;
   ii. the risk management and internal compliance and control systems of the consolidated entity are operating effectively, in all material respects; and

iii. subsequent to 30 June 2026, no changes or other matters have arisen that would have a material effect on the operation of the risk management and internal compliance and control system of the consolidated entity.

Events recurring after balance date

VCAT Proceedings and Appeal
On 18 August 2026, the Court of Appeal – Supreme Court of Victoria advised that it will deliver its judgment in relation to the group's appeals of the orders made by President Woodward in VCAT in July 2025 on Friday, 21 August 2026.

If the company is unsuccessful in its appeal, the Group has recognised a provision for the repayment of DMFs collected from previous homeowners impacted by the VCAT decision. Refer to note 1.7 for further details. If the appeal is successful, the provisioning is expected to be reversed.

At the time of the release of this report, the outcome of the appeal (and its impact, if any) is unknown.

Joint Venture Land Acquisition
On 13 July 2026, the Group exchanged an unconditional Contract of Sale to acquire its joint venture partner's 50% interest in the land at Lifestyle Chelsea Heights. The consideration for the acquisition is $15.5 million, with settlement to occur at the earlier of 20 business days after a successful outcome of the VCAT appeal, a change in control of the group or 30 December 2027.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 78.

This report is made in accordance with a resolution of Directors.

David Blight
Chair
21 August 2026

Remuneration Report

Remuneration report

Dear Shareholders,

On behalf of the People & Culture Committee, I am pleased to present the FY26 Remuneration Report.

During FY26, the Committee remained focused on ensuring our remuneration framework supported Lifestyle Communities' long-term strategy, rewarded sustainable performance, strengthened accountability and aligned the interests of our people with those of our shareholders.

Aligning remuneration to performance
In FY26, the Committee introduced a consistent performance framework across all eligible participants. The framework weights Company-wide strategic objectives at 70% and individual performance outcomes at 30%, reinforcing that shareholder value is created through the successful delivery of our strategy while recognising individual contribution.

FY26 tested the effectiveness of this framework, and the outcomes demonstrate a clear link between performance and reward. Under the short-term incentive plan, the Executive Leadership Team (ELT) achieved targets for new home settlements and customer satisfaction at the top end of the target range, reflecting restored sales momentum and a continued focus on the homeowner experience. Operating earnings after tax and cash flow from community operations were achieved broadly in-line with the mid-range targets. Incentive outcomes were adjusted accordingly.

The FY24 long-term incentive scheme also reached the end of its performance period during FY26 and did not vest, as performance hurdles were not met. This continues a multi-year period in which performance-based long-term incentives which did not hit the performance hurdles, reinforcing that variable remuneration remains genuinely at risk and directly linked to shareholder outcomes.

Strengthening performance across the business
FY26 was a challenging year, with continued softness in the Victorian residential property market and uncertainty surrounding the Company's pending legal appeal. Despite these conditions, the ELT executed the Company's strategy with discipline and delivered meaningful progress against key priorities. The Board thanks them for their commitment and resilience.

Against this backdrop, customer satisfaction increased to 78.9, the highest result since the implementation of the survey, reflecting our team's unwavering commitment to delivering an exceptional homeowner experience and generating strong referral advocacy. We were also proud to again be recognised as a WGEA Employer of Choice for Gender Equality, securing this citation for a further three years. Together, these achievements reflect the strength of our culture through a period of significant change.

Leadership continuity and succession
Leadership continuity remained a key focus for the Board throughout FY26. The appointment of Henry Ruiz as Chief Executive Officer in late FY25, followed by the promotion of Angela Farbridge-Currie to Chief Financial Officer, strengthened the Company's leadership during a period of transformation. Angela's progression from Deputy Chief Financial Officer reflects the depth of talent within the organisation and the effectiveness of our succession planning.

Equally important has been the retention and stability of the broader Executive Leadership Team, providing continuity and supporting the successful execution of our strategic priorities.

Our people

FY26 was a demanding year for our people, including a further round of organisational changes designed to strengthen the business. While these changes were reflected in our most recent engagement survey, both the Board and ELT remain focused on supporting our people, strengthening engagement and continuing to build a positive, people-centred culture.

One of Lifestyle Communities' greatest strengths is the diversity of experience across our workforce, with balanced representation across multiple generations. This breadth of experience combines deep operational knowledge with fresh thinking, strengthening innovation, service delivery and operational performance.

We also remain committed to our gender diversity aspiration of 40:40:20 across leadership and the broader organisation, building on our strong female representation across many operational and customer-facing roles.

Remuneration governance

The Board adopted a prudent approach to remuneration in FY26, with both Non-Executive Director fees and the Chief Executive Officer's fixed remuneration unchanged from FY25. In a year of continued market challenges, the Board considered it important that fixed remuneration reflect restraint and that reward remain closely linked to performance and shareholder value creation.

Following independent benchmarking and a review of executive remuneration, the Board determined that the CEO's incentive opportunities were below market relative to comparable ASX-listed organisations and did not appropriately reflect the scope and complexity of the role. Accordingly, from FY27, the Board approved increases to the CEO's short-term and long-term incentive opportunities, as detailed in Section 6. Fixed remuneration remains unchanged, other than a legislated increase to the concessional superannuation cap.

These changes increase the proportion of remuneration that is performance-based and contingent on the achievement of annual and long-term objectives, further strengthening alignment with the Company's pay-for-performance philosophy and long-term shareholder value creation.

Looking ahead

The Committee believes our remuneration framework continues to evolve alongside the business. By aligning performance measures across all levels of the organisation, maintaining disciplined governance and reinforcing the connection between reward and performance, the framework supports Lifestyle Communities' long-term strategy and sustainable shareholder value creation.

On behalf of the Board, I would like to thank Henry Ruiz, the Executive Leadership Team and every member of the Lifestyle Communities team for their dedication, resilience and commitment throughout FY26. Their collective efforts have strengthened the business, supported our homeowners and positioned Lifestyle Communities well for the opportunities ahead.

Yours sincerely,

Claire Hatton
Chair, People & Culture Committee
21 August 2026

This report forms part of the Directors' Report and has been audited in accordance with section 308(3C) of the Corporations Act 2001.

1. Introduction

1.1 About this report

The Remuneration Report forms part of the Directors' Report. It outlines the overall remuneration strategy, framework and practices adopted by Lifestyle Communities Ltd (the Company) and has been prepared in accordance with Section 300A of the Corporations Act 2001 and its regulations. This entire remuneration report is audited.

2. People & Culture Committee

2.1 Role of the People & Culture Committee

The objective of the Committee is to ensure that remuneration policies and structures are fair, competitive, and aligned with the long-term interests of the Company. A copy of the Committee's charter is available on the Lifestyle Communities website. Remuneration and Nomination are the main responsibilities of the Committee.

The People & Culture Committee's key responsibilities are to make recommendations to the Board on:

- The Company's remuneration framework;
- Formulation and operation of Employee incentive plans;
- Oversight of the selection, appointment and reappointment of Directors to the Board;
- Remuneration levels of the CEO and other KMP; and
- The level of Non Executive Director fees.

2.2 Corporate Governance Practices specifically related to remuneration

2.2.1 Securities Trading Policy

Lifestyle Communities has adopted a Securities Trading Policy that applies to all employees including Non-executive Directors, Executive Key Management Personnel (KMP), the Executive Leadership Team (ELT) and their connected persons, as defined within the policy. This policy sets out the trading policies all team members must comply with, including specific restrictions with which KMP must comply. This includes obtaining approval prior to trading in Lifestyle Communities' securities and not trading within blackout periods, other than with approval in exceptional circumstances as detailed within the policy. The policy aims to protect the reputation of Lifestyle Communities and maintain confidence in trading in its securities. It prohibits specific types of transactions being made which are not in accordance with market expectations or may otherwise give rise to reputational risk.

2.2.2 Minimum Shareholding Policy

Lifestyle Communities' Minimum Non-Executive Director Shareholding Policy requires all Non-Executive Directors to hold a minimum shareholding in Lifestyle Communities equivalent to 100% of their annual base fee. The shareholding does not comprise part of the remuneration package and Non-Executive Directors are required to acquire their target shareholding independently. Non-Executive Directors have five years in which to purchase their shareholding requirement which commences from the later of the date the policy is adopted, or the Non-Executive Director takes up their position. Once the equivalent of a Non-Executive Director's annual base fee has been acquired in shares, the Non-Executive Director does not need to adjust shareholdings when there is an adjustment of the share price. Once the Minimum Holding is acquired, the Minimum Holding will need to be adjusted to meet changes in a Non-Executive Director's annual base fee within 2 years from the change of annual base fee.

2.3 The use of external advisors

Remuneration consultants are engaged from time to time to provide independent information and guidance on remuneration for Directors and the ELT. The independent consultants facilitate discussion, conduct external benchmarking, and provide commentary on a number of remuneration issues and structures. Any advice provided by independent consultants is used as a guide and is not a substitute for the considerations and procedures of the Board and the People & Culture Committee.

During FY26, an independent Remuneration Consultant was engaged to undertake external benchmarking of Non-Executive Director fees and the fixed and variable remuneration of the CEO and ELT, for consideration by the Board and the People & Culture Committee.

3. Details of key management personnel

Directors	Position	Commencement date
David Blight	Chair of the Board (appointed Chair 1 September 2024) Non-Executive Director Member Audit & Risk Committee Member People & Culture Committee	15 June 2018
Mark Blackburn	Non-Executive Director Chair Audit & Risk Committee	1 December 2019
Claire Hatton	Non-Executive Director Chair of People & Culture Committee	1 May 2022
JoAnne Stephenson	Non-Executive Director Member of Audit & Risk Committee Member of the People & Culture Committee.	1 July 2024
Other Executive KMP		
Henry Ruiz	Chief Executive Officer	5 March 2025
Angela Farbridge-Currie	Chief Financial Officer	13 October 2025
Previous KMP		
Darren Rowland	Chief Financial Officer and Company Secretary	Resigned effective 30 January 2026[1]

1. On 11 October 2025, Darren Rowland resigned with his final day of employment on 30 January 2026. Angela Farbridge-Currie was appointed Chief Financial Officer Elect on 13 October 2025 and assumed responsibility for the role from that date. Mr Darren Rowland ceased to be a KMP on 13 October 2025 and resigned as Company Secretary effective 30 January 2026. During this period Mr Rowland supported with transition and worked on strategic projects.

4. Capability and performance

The capability and performance of our team is assessed using the internal ROADMAP process. The process includes six-monthly reviews. The team are measured equally on their competency and performance as well as their demonstrated values and behaviours.

The ROADMAP process ensures that performance concerns are identified, addressed, and rectified to ensure optimum capability of all team members across the organisation. The process is driven and managed by the ELT and operates as a behavioural gate that informs individual performance outcomes under the equity incentive scheme.

5. Structure of the Chief Executive Officer and Executive Leadership Team remuneration

5.1 CEO Remuneration Strategy

During FY26, the Board, informed by independent external benchmarking, ensured the CEO's total remuneration remained market competitive, supporting the attraction, retention and motivation of the leadership required to deliver the Company's strategic objectives.

Henry Ruiz's remuneration structure is detailed on page 65.

5.2 Components of Executive remuneration

Our ELT remuneration is delivered through a simple, three element structure using both fixed and variable (at risk) components (see diagram on next page).


Sirens
Boathouse & Kiosk

Lifestyle Communities®

Our Mission

At Lifestyle Communities we reimagine a Way to Live for independent downsizers.

Our Values and Culture

Our mission is embedded in our value-based culture, which drives and inspires our team to lead with heart, take initiative, remain curious and stay committed to excellence to drive the best outcomes for our homeowners.

Our People

Our team are at the heart of all we do. They are recruited with alignment to our Purpose, Values and Culture and their own individual specialised skills. This creates a collaborative environment for curious conversations and performance delivery.

Reward, recognition and alignment with our strategic priorities, both short and long-term.

Principles of Remuneration

Competitive and reasonable, enabling the Company to attract and retain key talent who embody our culture and values, delivering business priorities.

Aligned to the Company's business through the creation of meaningful experiences to our homeowners.

Transparent, straightforward, aligned with shareholder interests.

Optimisation of strategic performance outcomes to maximise key stakeholder value, measured through our internal ROADMAP process, our team are equally assessed on their performance and behaviours.

Variable remuneration under the three levels of the Share Scheme is paid through a combination of cash and equity (options), with vesting periods applying to Executive Leadership Team and Management participants.

The incentive scheme performance metrics are kept to a minimum so that they are easily understood by the team and easily measured.

Shares to satisfy options exercised under the employee share scheme are purchased on-market to avoid dilution of existing shareholders.

Remuneration Framework

Our ELT remuneration is delivered through a simple, three element structure using both fixed and variable (at risk) components.

Fixed elements	Variable elements	
1. Total Fixed Remuneration (TFR)	2. Short-term incentive	3. Long-term incentive

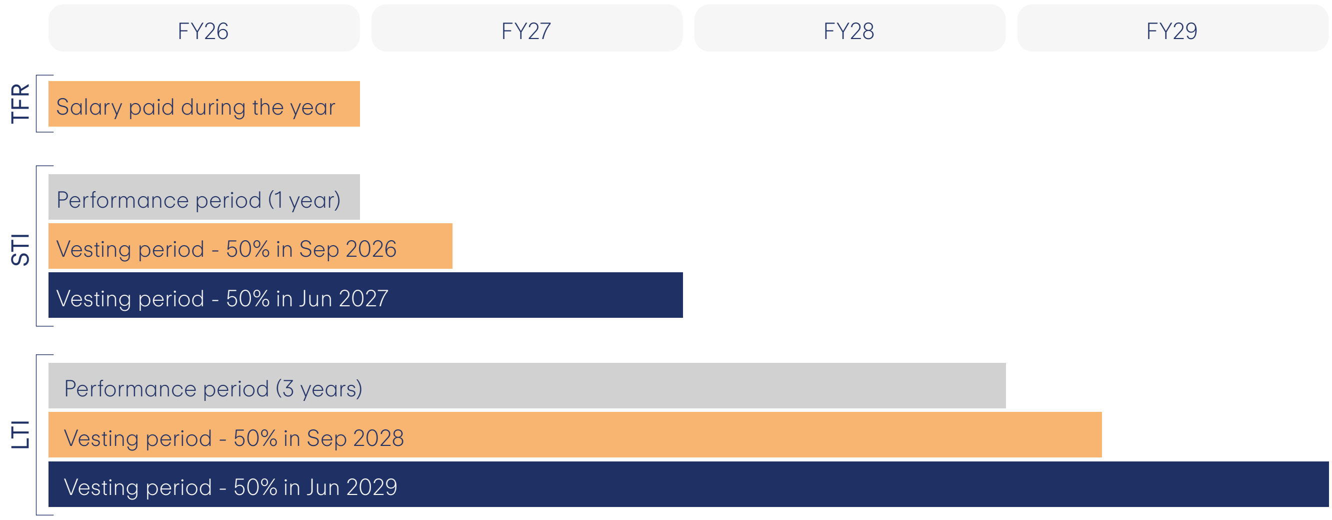
Components of executive remuneration

Fixed elements	Variable elements	
1. Total Fixed Remuneration (TFR)	**2. Short-term incentive**	**3. Long-term incentive**
How it is delivered		
Cash	Cash + zero exercise price options	Zero exercise price options
How it works		
• Consists of base salary, statutory superannuation contributions and motor vehicle allowance (when appropriate). • Fixed remuneration is benchmarked against market data from comparable roles, industry peers and similarly sized publicly listed companies. A formal benchmarking exercise is undertaken every second year, or sooner where there is a material role change. The People & Culture Committee approve the comparator group prior to engagement of the external consultant.	• 50% cash. • 50% delivered as options to receive equity in the company after performance and vesting conditions met. • Team members are required to continuously demonstrate values and behaviours throughout the performance and deferred vesting periods. • 50%* of TFR at maximum pro-rated (straight-line basis). • Measured against a balanced scorecard outlined below. * In FY25 the CEO received a pro rata component of the STI (50% of TFR) from commencement date.	• Delivered as options to receive equity in the company after performance and vesting conditions met. • Team members are required to continuously demonstrate values and behaviours throughout the performance and deferred vesting periods. • 80% of TFR at maximum pro-rated (straight-line basis). • Measured against a balance scorecard outlined below.
Linking Remuneration and Performance		
• Fixed remuneration is determined by reference to individual capability, experience, role complexity, scope as well as the comparator group average and median levels.	**Financially aligned measures (50%):** 1. New Home Settlements (20%) Continue to represent the primary driver of shareholder value and remain a critical financial performance metric. 2. Cash flow from Community Operations (15%) Represents effective management and cash generation from established community operations. 3. Operating earnings after tax (15%) represents the underlying performance of the business excluding the impact of market based property valuation adjustments. **Customer Satisfaction (20%):** 1. Annual average CSAT result across all communities. A focus on our customer sentiment is a cornerstone of the business and a key priority for the ELT through the entire customer journey. **Individual Performance (30%)*:** 1. Individual performance on strategic outcomes measured through the annual ROADMAP appraisal process. Performance metrics encompass leadership, people and culture, financial performance, and role specific strategic priorities. * For the CEO and CFO, at least one third of Individual performance is based on financial performance metrics	**Long-Term Financially Aligned Measures (100%)** 1. Three-Year Operating Earnings per Share Growth (50%). Assesses the business's effectiveness in deploying capital to deliver growth in shareholder returns over the long-term. 2. Three-Year Relative Total Shareholder Return (50%) Aligns executive reward with the company's performance over a three-year period, evaluating Lifestyle's percentile ranking relative to the constituents of the S&P/ASX 300 A-REIT Index. To mitigate the impact of short-term market volatility, Lifestyle's TSR will be calculated using the volume-weighted average closing security price across the 30 trading days immediately preceding the start, and the 30 trading days immediately preceding the end, of the LTI performance period (1 July 2025 to 30 June 2028). Performance will be assessed relative to the TSR of companies within the S&P/ASX 300 A-REIT Index over the same three-year period.

Components of executive remuneration

Fixed elements	Variable elements	
1. Total Fixed Remuneration (TFR)	**2. Short-term incentive**	**3. Long-term incentive**
What it does		
Fixed remuneration is structured to ensure that high quality talent is attracted and retained, and is suitably motivated to meet Lifestyle Communities strategic, cultural and business objectives.	Incentivises strong individual and company performance, based on strategically aligned deliverables.	Aligns reward with creation of sustainable, long-term shareholder value and future growth.

What are the time horizons of the awards?

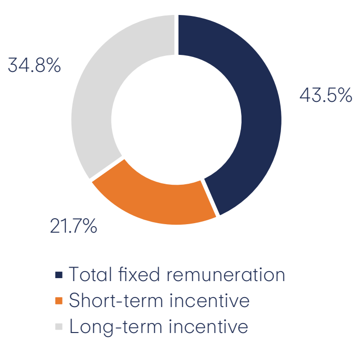


5.3 KMP Remuneration Mix

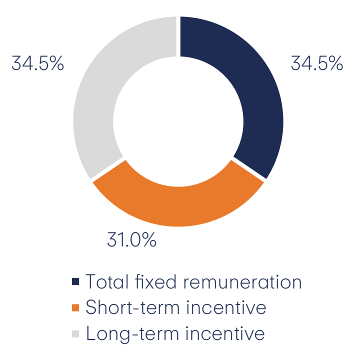
The remuneration mix sets out the proportion of total remuneration attributable to each component of the executive remuneration structure. The charts below illustrate the remuneration mix for the CEO and CFO, reflecting the maximum potential value of each component.

The final remuneration outcomes are determined by actual performance achieved during the relevant financial period.

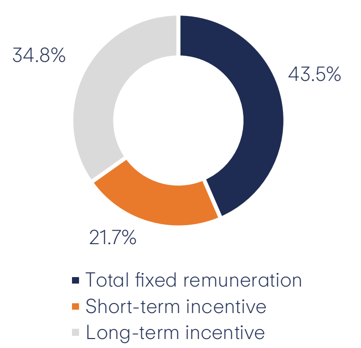
CEO (at maximum) FY26



CEO (at maximum) FY27



CFO (at maximum)



For FY27, the CEO's Short and Long-term incentives have been reviewed. Refer to section 6 for further information. The CFO remuneration mix remains unchanged for FY27.

5.4 Structure of the Equity Incentive Scheme for the balance of our team

In addition to the Executive Incentive Scheme, the Company operates two additional incentive schemes for different employee cohorts, as shown below. The Employee Incentive Scheme and the Management Incentive Scheme are both short term annual incentives. The schemes are designed to focus team members on achieving and exceeding various measures which are critical to the success and growth of Lifestyle Communities.

Each year the Board determines a target range for each of the performance measures and the amount of equity that will be made available:

Summary of new components for FY26

Management Share Scheme: Applicable to selected senior leaders with direct strategic and critical delivery responsibilities. Participants are nominated by the Executive Leadership Team and approved by the Board.

Employee Share Scheme: Applicable to team members who are employed on a permanent employment basis, whom are not covered by the Management or Executive Share Scheme). Employee awards are delivered as 70% share options and 30% cash based on individual performance outcomes.

In FY26 the Board determined that clear alignment across the Employee, Management and Executive Share Schemes was essential to delivering the Company's strategic performance outcomes. As a result, in FY26, the Employee Share Scheme and Management Share Scheme performance metrics were aligned to the ELT performance metrics as detailed in the table below.

Seventy per cent of the Share Scheme is based on Company-wide measures that support shareholder value creation.

ELT and Management awards are delivered as 50% cash and 50% share options, with the cash component paid in September following the performance period and the equity component granted the following June, subject to vesting requirements, after finalisation of the year end audit and approval by the Board.

Performance metric	Employee Share Scheme (ESS)	Management/ Emerging leader Share Scheme (MSS)	ELT Share Incentive Scheme (ELTSS) - STI
New Home Settlements		20%	
Annual CSAT across communities		20%	
Operating earnings after tax		15%	
Cash flow from community operations		15%	
Individual performance (ROADMAP)		30%	

5.5 Other governance practices that apply to the equity incentive scheme

Issuance to Team Members	• Equity is issued to qualifying team members in the form of zero-priced conditional rights to receive ordinary shares ("options"). • To be eligible to fully participate in the incentive scheme, team members must have been employed by the Company on 1 July of the performance year and remain employed when the options vest. • Options are typically issued in the first quarter of each financial year to existing team members, any team members commencing employment with the Company after 1 July and before 1 April of the performance year are entitled to a pro-rata incentive. ELT members employed after 1 April in a financial year are not eligible for the Executive Incentive Scheme for that particular year.
Values and Behaviours	The Values and Behaviours gateway as a pre-qualification to the entitlement to participate in the Equity Incentive Scheme (EIS) reinforces the Board and Executive Team's commitment to maintaining our customer centric culture, demonstrating appropriate behaviours, and managing risk, compliance, and reputational matters.
Fair Value	For accounting purposes, the fair value has been determined at the grant date for Employees employed prior to 1 July and at commencement date of Employees that joined the Company during the year. The expense will be recognised over the vesting periods noted above.
Employee Share Trust	The company currently has an employee share trust which is administered by an independent third party – Link Market Services – MUFG (FY19–FY25 Equity Incentive Schemes).
Board Discretion	The Board has absolute discretion to determine how options are awarded. The Board also has absolute discretion as to who will participate, the quantum, the conditions attaching to the award, whether vesting occurs or not (regardless of if and how the performance conditions have been satisfied) and the treatment of the options in specific circumstances over the life of the options.
Amendment	The Board retains discretion to suspend or terminate the program at any time or amend all or any elements of the program up until the date of payment.
Clawback	The Board can apply clawback on vested and unvested options or forfeit these awards, this provides a safeguard that allows the Board to reclaim or cancel previously awarded equity-based incentives if certain adverse events occur.
Change of Control	The Board has the ability to determine, if a Change of Control Event has occurred or is likely to occur, the manner in which a Participant's Awards (whether vested or unvested) will be dealt with.
Dealing in Securities	A participant may not sell, assign, transfer, grant a security interest over or otherwise deal with options that have been granted to them, unless the Board approves. Participants are also prohibited entering into any derivative or margin lending arrangements over Lifestyle Communities securities at any time.
Vesting	Following testing and completion of the annual audit, the Board will determine the number of Options to vest, which is expected to occur in September 2026. Details regarding the vesting of any Options will be included in the FY27 Remuneration Report. Following testing, any Options that do not vest will lapse.
Cessation of Employment	In the event of resignation all unvested Options will lapse unless the Board determines otherwise.

5.6 The relationship between remuneration and company performance

The remuneration framework is designed to align employee rewards with the sustainable creation of long-term shareholder value.

FY26 was a year of significant transformation for Lifestyle Communities. The business continued to navigate a challenging operating environment while advancing a substantial turnaround and repositioning program. During the year, management and employees delivered important initiatives to strengthen the foundations of the business, improve operational discipline, enhance governance, simplify processes and position the Company for future growth.

Accordingly, remuneration outcomes reflect not only the Company's financial performance for the year, but also the successful delivery of strategic objectives, operational improvements and organisational outcomes that are expected to support sustainable value creation over the medium and longer term.

The table below provides context on the Company's performance over the past five years, recognising that individual measures may fluctuate from year to year and that shareholder value is created through a combination of financial, operational and strategic outcomes.

Performance measure	Unit	FY26	FY25	FY24	FY23	FY22
Net new home sales	Homes	**216**	139	375	443	424
Net debt	$ millions	**273.7**	460.5	319.9	369.8	243.1
Statutory profit / (loss) after tax	$ millions	**46.9**	(195.3)	50.0	81.9	88.9
Operating profit after tax	$ millions	**25.4**	45.2	52.9	71.2	61.4
Dividends declared and paid	cps	**–**	5.0	10.5	11.5	10.5
Closing share price (30 June)	$	**5.27**	6.84	12.43	15.66	13.57
Share price increase / (decrease)	%	**(23.0)%**	(43.7)%	(20.6)%	15.1%	(13.0)%
Employee share scheme expense	$ millions	**3.2**	2.1	1.7	1.4	2.9
New home settlements in the year	Homes	**240**	268	311	356	401
Total homes settled	Homes	**4,368**	4,128	3,860	3,549	3,193
Total portfolio (settled and unsettled)	Homes	**5,750**	5,750	6,563	5,912	5,391

6. KMP remuneration details and contract terms for FY26

6.1 Chief Executive Officer

The total annual Fixed Remuneration (TFR) package for the Chief Executive Officer (inclusive of superannuation) was $1,050,000.

STI	Eligible to participate in the STI plan with a maximum opportunity of 50% of TFR. For FY25 Mr Ruiz had a 25% pro-rata entitlement to his final STI outcome, to reflect his commencement during the FY25 year.
LTI	Eligible to participate in the LTI plan with opportunity of 80% of TFR

As part of the Board's periodic review of executive remuneration, the Board undertook an assessment of the Chief Executive Officer's remuneration, including consideration of external market benchmarking and remuneration practices across comparable ASX-listed organisations. The CEO's fixed remuneration was not increased as part of this review, other than the increase associated with the legislated concessional superannuation cap from $30,000 to $32,500.

The review identified that the previous STI and LTI opportunity levels were below market relative to comparable organisations and did not appropriately reflect the scope, complexity and strategic importance of the role. The Board also considered the importance of maintaining a remuneration framework that supports the attraction, retention and motivation of high-calibre executive talent.

Considering the above factors, the Board approved an increase to the CEO's maximum Short-Term Incentive (STI) and Long-Term Incentive (LTI) opportunities for FY27.

For FY27

- The CEO's STI opportunity has been set at 80% of TFR at target performance (FY26: 40%), with a maximum opportunity of 90% of TFR for exceptional performance outcomes (FY26: 50%).
- The CEO's LTI opportunity has been set at 80% of TFR at target performance (FY26: 70%), with a maximum opportunity of 100% of TFR (FY26: 80%), reinforcing alignment with the creation of long-term shareholder value.

CEO termination provisions

The CEO may resign at any time by providing 6 months' notice to the Company.

The Company may terminate the CEO's employment by providing 6 months written notice to the CEO.

The Company may elect to pay the CEO in lieu of part or all of the notice period.

The Company may terminate the CEO's employment immediately if Mr Ruiz commits an act of serious or wilful misconduct. In that circumstance, Mr Ruiz will not be entitled to notice or payment in lieu of notice.

Post employment restraints

Mr Ruiz is subject to an Australia-wide 12 month non-compete and non-solicitation restraint with effect from the date of termination of his employment.

The Board believes the revised remuneration structure further strengthens the alignment between executive reward and company performance by increasing the proportion of remuneration that is at risk and contingent upon the achievement of annual and long-term performance objectives. This approach reinforces the Company's pay-for-performance philosophy and aligns remuneration outcomes with the delivery of sustainable long-term shareholder value

6.2 Executive Leadership Team (ELT)

Fixed remuneration for the Executive Team is reviewed in the annual ROADMAP process. Increases to fixed remuneration consider performance and external market and role benchmarking. The Executive Incentive Scheme is a percentage of TFR for each ELT member. This is detailed in section 5.2.

There were no other material changes to ELT service agreements during FY26.

Significant conditions

Under the terms of the agreement, the contract may be terminated by either party giving three months written notice. The Company may terminate the contract at any time without notice if serious misconduct has occurred.

FY26 Executive Leadership Team (ELT) Short Term Incentive (STI) remuneration outcomes

Following a review of market remuneration practices, the Board increased the maximum STI opportunity for ELT members from 40% to 50% of Total Fixed Remuneration (TFR), aligning the executive incentive framework more closely with relevant market benchmarks. The enhancement was made to ensure the following:

- We can retain our leading talent in a highly competitive environment; and
- To reward for effort and outcomes closely aligned to our business outcomes.

Key ELT STI components include:

- 70% of measures at Company level
- 30% as an individual performance metric
- Annualised customer satisfaction increased from 16% to 20% of STI. This change reflects the importance of customer satisfaction as part of Company's strategic objectives.
- 50% cash paid in Year 1, and 50% equity paid in Year 2.
- Options in satisfaction of the STI are granted at the end of the financial year following completion of the audit. The number of options issued will be calculated with reference to the volume weighted average price 30 days prior to issuance.

The STI had a 1-year performance period and the following performance metrics

Description	Weighting	Target	Result	% of TFR
New Home Settlements continues as one of the main operational performance metrics as it is a key driver of earnings growth and shareholder value.	20%	Achievement of between 200 and 240 new home settlements	240 Settlements	10.0%
Cash flow from Community Operations (CCO) is an important operational metric focused on the efficient management of our communities, costs and resales.	15%	Achievement of between $15.3m and $18.7m	$17.1m	6.1%
Operating earnings after tax (adjusted) measures the businesses efficiency in deploying its capital to generate returns for shareholders.	15%	Achievement of between $14.1m and $17.3m	$16.8m	7.0%
CSAT is used for Customer Satisfaction Score. It's a key performance indicator (KPI) used to gauge how satisfied customers are with a company's products, services, or overall experience.	20%	Achievement of between 73 and 79 CSAT	78.4	9.6%
	70%			

Description	Weighting	Target	Result	% of TFR
Henry Ruiz	30%	Individual KPI outcomes	Exceeded	15%
Angela Farbridge Currie	30%	Individual KPI outcomes	Exceeded	15%

Assessment of Henry Ruiz's individual KPIs (to be achieved alongside the company-wide financial and customer targets) for FY26 were determined according to the following KPIs.

CEO individual KPIs (weighted at 30% of their overall potential FY26 STI award)

- **Financial Performance** – Achievement against financial performance metrics including improved cost discipline across the business by 5%+. Reduction in inventory and strengthening of the balance sheet.
- **Strategy & Operations** – Delivery of a refreshed strategy and evolved business model. Rebuild of the brand and the go-to-market approach. Improve homeowner centred outreach.
- **Organisational and People** – Enhance ways of working and executive engagement. Uplift commercial acumen. Implement organisational changes to support strategic execution and achievement against employee engagement and leadership metrics.
- **Risk & Compliance** – Increased risk focus to Board and in strategy review. Enhanced regulatory education and compliance across the business.

Following an assessment under the Lifestyle Communities ROADMAP framework, the Board determined that Henry achieved all agreed KPI outcomes and exceeded expectations across several key objectives.

Assessment of Angela Farbridge-Currie's individual KPIs (to be achieved alongside the company-wide financial and customer targets) for FY26 were determined according to the following KPIs.

CFO individual KPIs (weighted at 30% of their overall potential FY26 STI award)

- **Transition** – Successful transition into the CFO role, evidenced by Board and stakeholder feedback.
- **Disciplined Liquidity & Covenant Management** – Successfully complete the debt refinance and restructure by February 2026, while maintaining disciplined liquidity and covenant management.
- **Financial Leadership & Commercial Discipline** – Lead the finance team to enhance commercial acumen, financial transparency and decision-making discipline across the business.
- **Operational Efficiency, Margin Protection & People Leadership** – Drive initiatives to protect and expand margins through cost centre reviews, improved governance and stronger financial oversight.

Following an assessment under the Lifestyle Communities ROADMAP framework, Angela achieved all agreed KPI outcomes and exceeded expectations across several key objectives.

Executive KMP	Actual STI payment	% of maximum STI payable	% of TFR
Henry Ruiz	501	50%	47.7%
Angela Farbridge Currie	238	50%	47.7%

The metrics are independent of each other, and failure of one metric does not impact achievement of the others.

The maximum STI available in FY26 was 50.0% of TFR for each ELT member including the CEO. The actual outcome achieved based on the above performance outcomes is shown in the table above. No Board discretion was applied in calculating the outcomes achieved. The Board carefully considered the performance of the business over the past 12 months and balanced this against overall executive remuneration and shareholder interests.

Update on ELT Long-term Incentives
As at the end of FY26, three LTI plans were in place for the ELT - FY24, FY25 and FY26 schemes.

The FY24 LTI scheme concluded on 30 June 2026 with no payment arising under the scheme.

For the FY26 scheme, the Board retained the FY25 LTI performance measures of Operating Earnings per Share Growth and Relative Total Shareholder Return, reinforcing the alignment between executive reward outcomes and long-term shareholder value creation.

The LTI is delivered in deferred equity (options), with vesting occurring: 50% in September 2028 and 50% in June 2029.

The FY26 ELT LTI framework comprised the following measures:

A) **Three-Year Operating Earnings per Share Growth (50%)**
Measures the Company's ability to effectively deploy capital to deliver sustainable long-term growth in shareholder returns.

B) **Three-Year Relative Total Shareholder Return (50%)**
Aligns executive remuneration outcomes to the Company's performance over a three-year period, measured against Lifestyle Communities' percentile ranking relative to the constituents of the S&P/ASX 300 A-REIT Index.

An update on each respective scheme is provided in the tables below.

FY25 Scheme

Metric	Maximum	Target	% TFR	Outcome
Operating Earnings 'per share' growth measures the businesses efficiency in deploying its capital to generate returns for shareholders.	50% of TFR	6% to 9% OEPS growth for FY25, FY26 and FY27	30%–40%	In progress - 1 year remaining
Relative Total Shareholder Return (RTSR) measures the relative TSR percentile performance ranking against the constituents of the S&P/ASX 200 A-REIT Index.	50% of TFR	50th percentile to 75th percentile	30%–40%	In progress - 1 year remaining

FY26 Scheme

Metric	Maximum	Target	% TFR	Outcome
Operating Earnings 'per share' growth measures the businesses efficiency in deploying its capital to generate returns for shareholders.	50% of TFR	5% to 10% OEPS growth for FY25, FY26 and FY27	30%–40%	In progress - 2 years remaining
Relative Total Shareholder Return (RTSR) measures the relative TSR percentile performance ranking against the constituents of the S&P/ASX 300 A-REIT Index.	50% of TFR	50th percentile to 75th percentile	30%–40%	In progress - 2 years remaining

The metrics are independent of each other, and failure of one metric does not impact achievement of the other.

The maximum LTI achievable in FY25 and FY26 equates to 80% of TFR for each ELT member. The outcome of the completed FY24 scheme was nil.

ELT Retention Award

To support business continuity and leadership stability during a significant period of transition, in FY25, the Board approved a targeted retention arrangement for selected members of the ELT.

Key factors considered by the Board included:

1. Supporting stability through the transition following the retirement of the Founder and former Managing Director at the end of 2024 and the successful onboarding of the incoming CEO.
2. Maintaining operational continuity during a period of transformation.
3. Ensuring continued execution of the Company's strategic priorities.

The Retention Award was a carefully considered, non-recurring arrangement approved by the Board with the objective of protecting long-term shareholder value by reducing the risk of executive turnover during a critical period for the Company.

The Retention Award was delivered as deferred equity (options), calculated as a percentage of each eligible participant's Total Fixed Remuneration and converted to equity using the 30-day volume weighted average share price. The options were issued under the existing employee share plan and are subject to the same plan rules and restrictions as the existing scheme.

The award was structured in two tranches:

Executive retention plan

Tranche 1	Vests 31 October 2025
Tranche 2	Vests 31 October 2026

$000's	Options issued	Vested	Lapsed	Unvested balance at 30 Jun 2026	No. ELT members
Tranche 1	89,671	89,671	–	–	5
Tranche 2	87,758	–	(23,079)	64,679	4
Total	**177,429**	**89,671**	**(23,079)**	**64,679**	

Tranche 1: During FY26, Tranche 1 vested and was settled in equity for all participants with the exception of Darren Rowland who provided his notice of resignation prior to the 31 October 2025 vesting date. The Board deemed Mr Rowland to be a Good Leaver per the Plan Rules and exercised its discretion to approve the vesting of his Tranche 1 retention. The retention was cash settled by reference to the 10-trading day VWAP prior to vesting. Mr Rowland's last day of employment was 30 January 2026.

Tranche 2: During the period, Tranche 2 options lapsed for Mr Rowland and one other participant as the vesting conditions were not satisfied. Subject to the relevant vesting conditions being satisfied for the remaining participants, Tranche 2 is scheduled to vest on 31 October 2026

The CEO and CFO do not participate in the Retention Award.

7. Non Executive Directors' remuneration

All Non-Executive Directors are remunerated through fixed fees for their services to the Company. These fees are set at levels designed to attract and retain Directors of high calibre while remaining appropriate and reasonable in the context of the Company's size and complexity.

The total fees paid to Non-Executive Directors remain within the aggregate limit approved by shareholders at a general meeting. The current maximum aggregate fee pool of $1,000,000 per annum was approved by shareholders at the Annual General Meeting held in November 2007.

For FY27, fees payable to Non-Executive Directors remained unchanged.

Director and Committee Fees (per annum) are set out below:

$000's	FY26	FY25
Board fees		
Chair	251	250
Member	116	115
Audit & Risk Committee		
Chair	22	22
Member	10	10
People & Culture Committee		
Chair	22	22
Member	10	10

Note: The above amounts are inclusive of superannuation.

The People & Culture committee regularly reviews the level of fees paid to Non-Executive Directors. External benchmarking occurs every two years and took place in FY26.

8. Remuneration details of key management personnel

In this Annual report, remuneration outcomes are presented based on the requirements of accounting standards (which has the benefit of being readily comparable with other companies) as well as the actual "take-home" pay received by KMP personnel (being cash, other benefits and the value of options exercised during the relevant financial year).

Differences can arise based on options which carry a deferred vesting and exercise period. Options are expensed over the vesting period based on their fair value when originally granted to the Executive. This may be significantly different to their value, if and when, the incentive vests to that Executive.

2026

$000's	Salary and fees	Annual and long service leave	Super	Accrued STI[3]	Equity-based LTI (accrued)	Equity-based retention (accrued)	Termination benefit	Total	Performance related	Take home pay	Value of options exercised
Directors											
David Blight	271	–	–	–	–		–	271	–	271	–
Mark Blackburn	123	–	15	–	–		–	138	–	138	–
Claire Hatton	131	–	16	–	–		–	147	–	147	–
JoAnne Stephenson	121	–	15	–	–		–	136	–	136	–
Consolidated remuneration	**646**	**–**	**46**	**–**	**–**		**–**	**692**	**–**	**692**	**–**
Key management personnel											
Henry Ruiz	1,020	51	30	358	277		–	1,736	36.6%	1,062	–
Darren Rowland[1]	410	(102)	17	(13)	(42)	(230)	488	528	n/a	1,060	36
Angela Farbridge-Currie[2]	432	24	30	156	72		–	714	31.9%	462	–
Consolidated remuneration	**1,862**	**(27)**	**77**	**501**	**307**	**(230)**	**488**	**2,978**	**27.1%**	**2,584**	**36**

1. Darren Rowland resigned on 11 October 2025, with his final day of employment on 30 January 2026. He ceased to be classified as a KMP on 13 October 2025. The remuneration disclosed above includes amounts earned during the year in both capacities as KMP and non-KMP. Termination benefits comprise accrued leave, Tranche 1 retention payment, FY25 Tranche 2 STI, and pro-rata FY26 STI.
2. Angela Farbridge-Currie was appointed CFO Elect on 13 October 2025. Prior to this, she held a non KMP role within the Group. The remuneration disclosed above includes amounts earned during the year in both capacities as KMP and non-KMP.
3. The FY26 STI will be paid out as 50% cash and 50% options. The STI expense includes a portion of both the FY25 and FY26 scheme.

2025

$000's	Salary and fees	Annual and long service leave[1]	Super	Accrued FY25 STI	Equity-based LTI (accrued)	Equity-based retention (accrued)	Total	Performance related	Take home pay	Value of options exercised
Directors										
David Blight[1]	381	–	–	–	–	–	381	–	381	–
Mark Blackburn	123	–	14	–	–	–	137	–	137	–
Claire Hatton	112	–	13	–	–	–	125	–	125	–
JoAnne Stephenson	121	–	14	–	–	–	135	–	135	–
James Kelly (retired 31 December 2024)	560	115	16	–	–	–	691	–	691	–
Philippa Kelly (resigned 31 August 2024)	42	–	–	–	–	–	42	–	42	–
Consolidated remuneration	**1,339**	**115**	**57**	**–**	**–**	**–**	**1,511**	**–**	**1,511**	**–**
Key management personnel										
Henry Ruiz (commenced 5 March 2025)	345	30	9	9	30	–	423	9.2%	354	–
Darren Rowland	500	13	30	91	42	230	906	14.7%	530	361
Consolidated remuneration	**2,184**	**158**	**96**	**100**	**72**	**230**	**2,840**	**6.1%**	**2,395**	**361**

1. David Blight held the position of Executive Chair from 1 January 2025 to 9 April 2025. During that period he was paid $125k in addition to his Directors' fees which is included in the remuneration data above.

9. Shares and options held by key management personnel

Vested and unvested options yet to be exercised

	Maximum entitlement	Grant date	Vesting/ Expiry date	Exercise price	Value per option at grant date	Final entitlement	Vested and exercisable	Unvested
Henry Ruiz								
FY25 – 3 Year LTI Tranche 1 – TSR market hurdle	16,922	5/05/25	20/12/2027	$Nil	$1.47	to be determined	–	16,922
FY25 – 3 Year LTI Tranche 1 – EPS non-market hurdle	16,922	5/05/25	20/12/2027	$Nil	$7.73	to be determined	–	16,922
FY25 – 3 Year LTI Tranche 2 - TSR market hurdle	16,922	5/05/25	20/12/2028	$Nil	$1.37	to be determined	–	16,922
FY25 – 3 Year LTI Tranche 2 – EPS non-market hurdle	16,922	5/05/25	20/12/2028	$Nil	$7.70	to be determined	–	16,922
FY26 – 3 Year LTI Tranche 1 – TSR market hurdle	42,604	19/12/25	30/06/2028	$Nil	$2.03	to be determined	–	42,604
FY26 – 3 Year LTI Tranche 1 – EPS non-market hurdle	42,604	19/12/25	30/06/2028	$Nil	$5.22	to be determined	–	42,604
FY26 – 3 Year LTI Tranche 2 – TSR market hurdle	42,604	19/12/25	30/06/2029	$Nil	$1.91	to be determined	–	42,604
FY26 – 3 Year LTI Tranche 2 – EPS non-market hurdle	42,604	19/12/25	30/06/2029	$Nil	$5.19	to be determined	–	42,604
Angela Farbridge-Currie								
FY26 – 3 Year LTI Tranche 1 – TSR market hurdle	20,288	19/12/25	30/06/2028	$Nil	$2.03	to be determined	–	20,288
FY26 – 3 Year LTI Tranche 1 – EPS non-market hurdle	20,288	19/12/25	30/06/2028	$Nil	$5.22	to be determined	–	20,288
FY26 – 3 Year LTI Tranche 2 – TSR market hurdle	20,288	19/12/25	30/06/2029	$Nil	$1.91	to be determined	–	20,288
FY26 – 3 Year LTI Tranche 2 – EPS non-market hurdle	20,288	19/12/25	30/06/2029	$Nil	$5.19	to be determined	–	20,288
Total	**319,256**						**–**	**319,256**

Under the FY25 and FY26 Long-Term Incentive (LTI) plan, awards are structured with a 50% weighting on market-based performance hurdles and a 50% weighting on non-market-based performance hurdles.

The fair value of LTI options granted to KMP is determined in accordance with AASB 2.

Movement in vested and exercisable options during the year

	Balance at 1 July 2025	Vested	Exercised	Balance at 30 June 2026	Value at 30 June 2026
Henry Ruiz	–	5,388	–	5,388	28,395
Darren Rowland	6,290	–	(6,290)		
Angela Farbridge-Currie	–	328	–	328	1,729

All options have a zero exercise price.
Darren Rowland ceased to be a KMP during the year and therefore his options have been prepared up until the 30 January 2026.

Shares

	Shares held at the beginning of the year	Purchased on market	Options exercised	Sold	Shares held at the end of the year	Value at time of purchase
Directors						
David Blight	50,000	–	–	–	50,000	$697,971
Claire Hatton	9,671	8,075	–	–	17,746	$136,104
Mark Blackburn	11,000	–	–	–	11,000	$158,632
JoAnne Stephenson	5,000	12,000	–	–	17,000	$98,857
Management[1]						
Henry Ruiz	6,760	–	–	–	6,760	–
Darren Rowland	35,480					
Angela Farbridge-Currie	–	–	–	–	–	–

1. Darren Rowland ceased to be a KMP during the year and therefore his shares have been prepared up until the 30 January 2026

10. Remuneration report voting at Annual General Meeting

Lifestyle Communities Limited received 98.47% of votes in support of its remuneration report at the 2025 Annual General Meeting.

Additional Remuneration Data

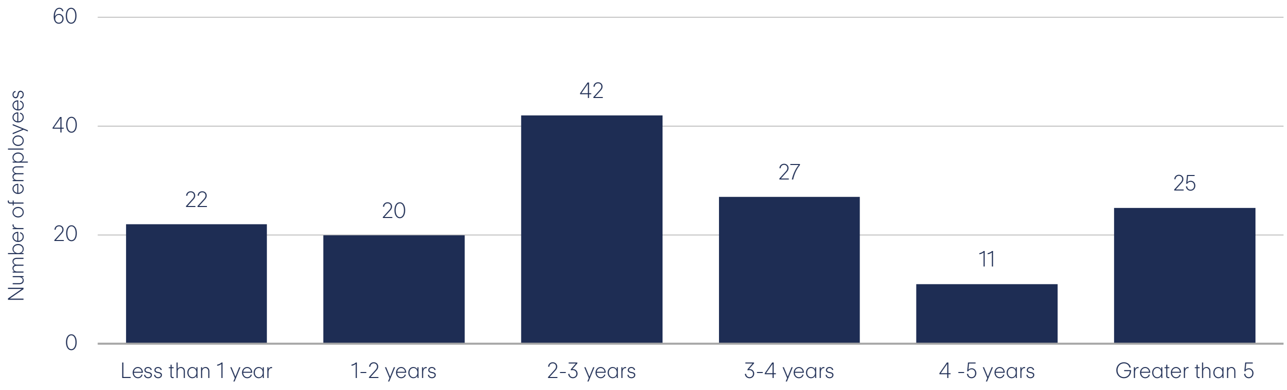
FY26

Job classification	Women	Average of TFR	Men	Average of TFR	Total	Average TFR	Women (%)	Men (%)
Chief Executive Officer			1	1,050,000	1			
Key Management Personnel	1	500,000			1			
Remaining Executive Leadership Team	1	495,000	3	465,595	4	472,946	25%	75%
Managers	7	220,241	8	197,047	15	207,871	47%	53%
Team / Subject Matter Leader	3	210,748	1	190,862	4	205,777	75%	25%
All other Team Members	82	106,540	40	112,378	122	108,454	67%	33%
Total	**94**		**53**		**147**		**64%**	**36%**

FY25

Job classification	Women	Average of TFR	Men	Average of TFR	Total	Average TFR	Women (%)	Men (%)
Chief Executive Officer			1	1,050,000	1			
Key Management Personnel			1	530,000	1			
Remaining Executive Leadership Team	2	445,720	3	453,753	5	450,540	40%	60%
Managers	8	231,154	6	172,816	14	206,152	57%	43%
Team / Subject Matter Leader	4	158,798	1	184,408	5	163,920	80%	20%
All other Team Members	90	104,576	48	116,271	138	108,644	65%	35%
Total	**104**		**60**		**164**		**63%**	**37%**

Employee tenure

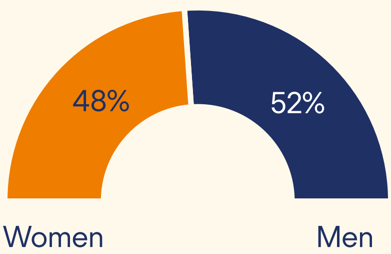


Snapshot of our team as at 30 June 2026

147

Total employees

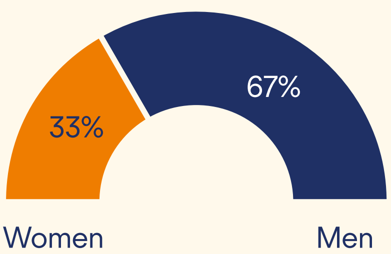
Gender split for emerging leaders



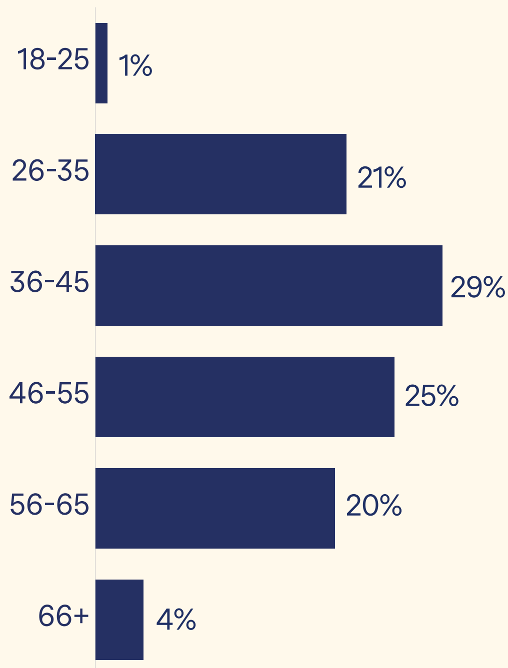
Final employee engagement score

8/10

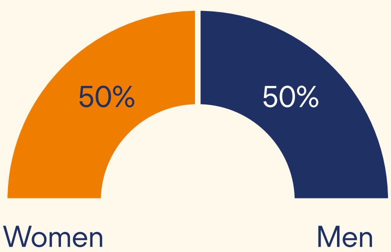
Gender split for executive team



Breakdown of employees by age



Gender split for the Board

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Auditor’s Independence Declaration

As lead auditor of Lifestyle Communities Limited's financial report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report.

M. Laithwaite

Marcus Laithwaite
Partner
PricewaterhouseCoopers

Melbourne
21 August 2026

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

$000's	Note	2026	2025
Development revenue			
Home settlement revenue	2.1	**141,340**	163,026
Cost of sales	2.1	**(126,682)**	(141,613)
Gross profit from home settlements		**14,658**	**21,413**
Management and other revenue			
Rental revenue	2.1	**52,358**	47,731
Deferred / Upfront management fees	2.1	**4,625**	(67,340)
Utilities revenue	2.1	**6,147**	5,670
Other income	2.1	**1,445**	1,520
Total management and other revenue		**64,575**	**(12,419)**
Fair value adjustments	3.1	**72,789**	**(186,892)**
Less expenses			
Development expenses (sales and marketing)	2.1	**(14,667)**	(15,632)
Community operating expenses	2.1	**(23,694)**	(20,950)
Established homes selling costs		**(2,759)**	(2,535)
Utilities expenses	2.1	**(6,563)**	(5,652)
Corporate overheads	2.1	**(20,671)**	(20,129)
Employee incentive scheme	2.1	**(3,152)**	(2,073)
Finance costs	2.1	**(18,368)**	(5,550)
Write-down on paused projects	2.2	**–**	(25,050)
Other costs		**(3,872)**	(3,355)
Statutory profit/(loss) before income tax		**58,276**	**(278,824)**
Income tax (expense)/credit	2.4	**(11,361)**	83,553
Profit/(Loss) from continuing operations		**46,915**	**(195,271)**
Other comprehensive income			
Movement in hedge reserve		**2,259**	(3,054)
Total comprehensive income/ (loss) for the year		**49,174**	**(198,325)**
Earnings per share for profit attributable to the ordinary equity holders of the parent entity:			
Basic earnings per share (cents)	2.3	**38.5**	(160.4)
Diluted earnings per share (cents)	2.3	**38.2**	(160.4)

The above statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2026

$000's	Note	2026	2025
ASSETS			
Current assets			
Cash and cash equivalents	4.2	**16,765**	2,473
Cash and cash equivalents – Quarantined DMF	4.2	**5,094**	–
Trade and other receivables	2.6	**1,625**	28,620
Inventories	3.3	**96,633**	104,704
Current tax receivables	2.4	**1,526**	1,944
Assets held for sale	3.5	–	32,242
Other assets	2.7	**9,542**	8,330
Total current assets		**131,185**	**178,313**
Non current assets			
Inventories	3.3	**100,267**	189,291
Other assets	2.7	**3,482**	950
Property, plant and equipment	3.4	**28,240**	29,929
Investment properties	3.1	**952,908**	915,062
Hedge receivable	3.6	**146**	–
Right of use assets	3.7	**1,846**	1,622
Total non current assets		**1,086,889**	**1,136,854**
TOTAL ASSETS		**1,218,074**	**1,315,167**
LIABILITIES			
Current liabilities			
Trade and other payables	2.8	**46,525**	30,509
DMF repayment provision	1.7	**77,073**	77,788
Lease liabilities	3.7	**345**	937
Employee Provisions	5.2	**1,849**	1,630
Total current liabilities		**125,792**	**110,864**
Non current liabilities			
Interest bearing loans and borrowings	4.3	**290,500**	463,000
Lease liabilities	3.7	**1,845**	1,913
Hedge payable	3.6	–	2,985
Employee Provisions	5.2	**377**	371
Deferred tax liabilities	2.4	**118,780**	106,618
Total non current liabilities		**411,502**	**574,887**
TOTAL LIABILITIES		**537,294**	**685,751**
NET ASSETS		**680,780**	**629,416**
EQUITY			
Contributed equity	4.4	**329,635**	329,099
Reserves	4.5	**8,056**	4,143
Retained earnings	4.5	**343,089**	296,174
TOTAL EQUITY		**680,780**	**629,416**

The above statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

2026

$000's	Contributed equity	Reserves	Hedging reserve	Retained earnings	Total equity
Balance at 1 July 2025	329,099	6,228	(2,085)	296,174	629,416
Profit for the year	–	–	–	46,915	46,915
Other comprehensive income	–	–	2,259	–	2,259
Total comprehensive income for the year	**–**	**–**	**2,259**	**46,915**	**49,174**
Transactions with owners in their capacity as owners					
Vesting of treasury shares	536	(536)	–	–	–
Employee share scheme expense	–	2,190	–	–	2,190
Balance at 30 June 2026	**329,635**	**7,882**	**174**	**343,089**	**680,780**

2025

$000's	Contributed equity	Reserves	Hedging reserve	Retained earnings	Total equity
Balance at 1 July 2024	326,215	7,039	969	497,532	831,755
Loss for the year	–	–	–	(195,271)	(195,271)
Other comprehensive loss	–	–	(3,054)	–	(3,054)
Total comprehensive loss for the year	**–**	**–**	**(3,054)**	**(195,271)**	**(198,325)**
Transactions with owners in their capacity as owners					
Vesting of treasury shares	2,884	(2,884)	–	–	–
Employee share scheme expense	–	2,073	–	–	2,073
Dividends paid or provided for	–	–	–	(6,087)	(6,087)
Balance at 30 June 2025	**329,099**	**6,228**	**(2,085)**	**296,174**	**629,416**

The above statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

$000's	Note	2026	2025
Cash flow from operating activities			
Receipts from customers		**226,272**	241,746
Payments to suppliers and Employees[1]		**(115,721)**	(219,293)
Income tax paid	2.4	**(1,012)**	(2,264)
Income tax refund received	2.4	**1,455**	7,285
Interest received		**1,004**	1,304
Interest paid		**(17,106)**	(24,126)
Net cash provided by operating activities	**2.5**	**94,892**	**4,652**
Cash flow from investing activities			
Purchase of property, plant and equipment		**(2,829)**	(4,802)
Purchase of investment properties		**(1,610)**	(144,595)
Proceeds from the sale of investment properties		**105,696**	10,923
Net cash provided by/(used in) investing activities		**101,257**	**(138,474)**
Cash flow from financing activities			
Principal elements of lease payments		**(430)**	(713)
Repayments of external borrowings		**(172,500)**	(105,000)
Payment of debt establishment costs		**(3,833)**	–
Proceeds from external borrowings		**–**	244,000
Dividends paid		**–**	(6,087)
Net cash (used in)/provided by financing activities		**(176,763)**	**132,200**
Net increase/(decrease) in cash and cash equivalent held		**19,386**	(1,622)
Cash and cash equivalents at the beginning of the financial year		**2,473**	4,095
Cash and cash equivalents at end of financial year	**4.2**	**21,859**	**2,473**

1. Due to Lifestyle Communities accounting policies and legal structure, payments to suppliers and Employees includes all gross costs of infrastructure construction (i.e. civil works, clubhouse and other facilities). Under some other structures these costs may be classified as investing cash flows. Therefore, cash flows from operations will be negatively impacted when Lifestyle Communities is in the cash-intensive development phase of a community's construction. In FY26 payments to Suppliers and Employees includes $10.9 million of such costs (FY25: $67.4 million).

The above statement should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

1. How we have prepared this report

1.1 Basis of Preparation

This financial report is a general purpose financial report, that has been prepared in accordance with Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report covers Lifestyle Communities Limited (LIC, the parent and the Company) and controlled entities (the Group) as a consolidated entity. Lifestyle Communities Limited is a company limited by shares, incorporated and domiciled in Australia. Lifestyle Communities Limited is a for-profit entity for the purpose of preparing the Financial Statements.

The financial report was authorised for issue by the Directors as at the date of the Director's Report.

Compliance with IFRS

The financial report complies with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial report has been prepared under the historical cost convention, as modified by revaluation to fair value for certain classes of assets as described in the accounting policies.

Rounding of amounts

The parent entity and the consolidated entity have applied the relief available under ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2026/183 and accordingly, the amounts in the Consolidated Financial Statements and in the Directors' Report have been rounded to the nearest thousand dollars or in certain cases, to the nearest dollar.

1.2 Principles of consolidation

The consolidated Financial Statements are those of the consolidated entity, comprising the Financial Statements of the parent entity and of all entities which the parent entity controls. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

All inter-company balances and transactions, including any unrealised profits and losses, have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is established and are de-recognised from the date that control ceases.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as non-controlling interests.

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

1.3 Significant accounting estimates and judgements

The preparation of the Financial Statements requires management to make estimates and judgments that affect the reported amounts in the Financial Statements. Management continually evaluates its estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its estimates on historical experience and on other various factors it believes to be reasonable under the circumstances.

The estimates and judgments based on future events have a significant inherent risk, and where future events are not anticipated there could be a material impact on the carrying amounts of the assets and liabilities in future periods, as discussed below.

(i) Deferred Income tax

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the Group will derive sufficient future assessable income to enable the future tax deduction benefit to be realised and comply with the conditions of deductibility imposed by law.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

(ii) Valuation of investment properties

The Group values investment properties at fair value. Fair value is determined by a combination of the income capitalisation approach and discounted annuity streams associated with the completed and settled home units and the fair value of the undeveloped land. Inputs for the fair value of investment properties are derived from independent valuations. Refer to further detail at Note 3.1.

(iii) Share based payment transactions

The Group measures the cost of equity-settled transactions with Employees by reference to the fair value of the equity instruments at the date at which they are granted. Refer to Note 5.3 for further detail. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

(iv) Inventories are measured at the lower of cost and net realisable value (NRV)

The NRV of inventories is the estimated selling price in the ordinary course of business less estimated costs of completion and costs to sell. The selling price is determined from the most reliable evidence available at the time of reporting. Future costs to complete are estimated based on the latest quarterly forecasts and include the costs expected to be incurred to complete and sell remaining unsold inventories.

(v) Future project accruals

Future project accruals relate to the portion of civils and infrastructure on the homes already settled however not yet paid and partially completed. The accruals are determined based on the latest quarterly forecasts and interest assumptions.

(vi) Deferred Management Fee (DMF) repayment provision

In the prior year, the Group recognised a provision for the repayment of the Deferred Management Fee following the VCAT decision handed down on 7 July 2025. The matter is subject to the outcome of an appeal process which may impact the ultimate provision amount and therefore there is uncertainty regarding the timing and quantum of the DMF repayment provision. If the Group is successful in the appeal process, the provision will be reversed.

The amount has been determined by reference to the quantum of DMF paid for contracts executed post 1 September 2011 and other estimated outflows that may arise to satisfy the outcome of the VCAT ruling, should LIC be unsuccessful in its appeal.

1.4 Joint Arrangement

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been recognised in the financial statements under the appropriate headings. Details of the joint operation are set out in note 6.2.

1.5 Derivative financial instruments

Following the completion of the Group's refinancing in January 2026, the Group's existing hedge entered into on 19 December 2022 was terminated and the Group entered into two new interest rate swaps on 11 February 2026 to hedge against the interest rate component of the interest cash flows. The hedging instruments are as follows:

Swap 1: $240 million February 2026 – December 2026
Swap 2: $200 million December 2026 – July 2028

The previous swap was deemed ineffective at the time of termination and $0.1 million was recognised in the profit and loss within finance costs.

In order to qualify for hedge accounting, prospective hedge effectiveness testing must meet all of the following criteria:

- An economic relationship exists between the hedged item and hedging instrument;
- The effect of credit risk does not dominate the value changes resulting from the economic relationship; and
- The hedge ratio is the same as that resulting from actual amounts of hedged items and hedging instruments for risk management.

Derivative financial instruments are recognised initially at fair value and remeasured at each balance date.

The valuation of derivatives is an area of accounting estimation and judgement for the Group.

Third party valuations are used to determine fair value and consider inputs such as forward yield curves.

The interest rate swap qualifies for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

$000's	2026	2025
Interest rate swaps		
Carrying amount – asset / (liability)	**146**	(2,985)
Notional amount	**440,000**	240,000
Maturity date	**Dec-26 – Jul-28**	Dec-26
Change in fair value of outstanding hedging instruments since 1 July	**146**	(2,985)

Documentation for hedge accounting

At the inception of the transaction, the Group designates and documents these derivative instruments into a hedging relationship with the hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions.

The Group documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives used in hedging transactions have been and will continue to be effective in offsetting the cash flows of hedged items.

Cash flow hedge

The cash flow hedge has been adopted to hedge the exposure of variability in cash flows attributable to the interest rate fluctuations.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within finance income or expense.

Amounts in the cash flow hedge reserve are recognised in profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the hedging instrument matures or is sold, terminated or exercised, no longer qualifies for hedge accounting, or when the Group revokes designation. Any cumulative gain or loss recognised in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in equity is recognised immediately in profit or loss.

Reconciliation of cash flow hedge

$000's	2026	2025
Opening cash flow hedge	**(2,985)**	1,378
Net change in fair value of cash flow hedges	**3,131**	(4,363)
Closing cash flow hedge receivable/(payable)	**146**	**(2,985)**

The hedge position moved from a payable at 30 June 2025 to a receivable at 30 June 2026 due to changes in market interest rates, which affected the fair value of the interest rate derivative.

In addition, certain hedge contracts were terminated and replaced with new hedging arrangements during the year, contributing to the change in the net fair value position at year end.

1.6 Leases

The Group leases its support office at 68 Clarke Street, Southbank.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Amounts expected to be payable by the Group under residual value guarantees.
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability.
- Any lease payments made at or before the commencement date less any lease incentives received.
- Any initial direct costs, and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right of-use asset is depreciated over the underlying asset's useful life. Residential site agreement meets the definition of Lease and arrangement and weekly site fee revenue has been accounted in accordance with AASB 16 Leases.

1.7 Provisions

Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave, long service leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at the amounts based on remuneration rates that are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave and long service leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before 12 months after the end of the reporting period are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected further payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high-quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs. Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the consolidated statement of financial position.

Deferred Management Fee Repayment Provision

The Group has recognised a provision for Deferred Management Fee repayment of $77.1 million (FY25: $77.8 million). The provision has been determined by reference to the quantum of DMF paid for contracts executed from 1 September 2011 and other estimated outflows that may arise to satisfy the outcome of the VCAT ruling, should LIC be unsuccessful in its appeal.

The matter is subject to the outcome of an appeal process which may impact the ultimate provision amount and therefore there is uncertainty regarding the timing and quantum of the DMF repayment provision.

2. How we have performed this year

2.1 Profit from continuing operations

Profit from continuing operations before income tax has been determined after the following specific revenues and expenses:

Revenues

The Group has three primary fees which correspond to two primary revenue streams:

1. Home Settlement Revenue,
2. Residential Site Agreement revenue which includes Weekly Site Fees and, Deferred Management Fees/Upfront Management Fees.

In addition, there are two ancillary revenue streams, Utilities on-charged to homeowners and interest earned on the Group's bank accounts.

(i) Home settlement revenue

The Group develops and sells homes including a share of the community infrastructure. Revenue from home settlement is recognised at a point in time when each home purchase agreement transfers control of the home and community infrastructure to the homeowner. This occurs at settlement when Lifestyle Communities is paid and the homeowner accepts ownership and control of the home. Revenue is recognised for the amount specified in the home purchase agreement upon receipt of final settlement funds and transfer control of the home and the community infrastructure to the homeowner. The owner has legal title, physical control of the asset, exposure to the majority of the risk and rewards of ownership and the Group does not hold any obligation to repurchase on exit. Deposits received in advance from customers are recognised as a contract liability until the ownership transfers to the homeowner. The construction cost of the homes and infrastructure is capitalised to inventory during development and then expensed as costs of goods sold upon settlement and at the same time as revenue recognition.

$000's	2026	2025
Number of settlements	**240**	268
Home settlement revenue	**141,340**	163,026
Cost of sales	**(126,682)**	(141,613)
Gross profit from home settlements	**14,658**	21,413
Gross profit margin (%)	**10.4%**	13.1%
Development expenses (sales, marketing and project management)	**(14,667)**	(15,632)

New home settlements revenue was down year on year due to both volume (240 settlements in FY26 compared to 268 in FY25) and lower selling prices (average selling prices including GST were $652k in FY26 compared to $679k in FY25). The gross margin % has decreased year on year largely due to the lower sales prices and the project community mix.

Cost of sales includes $38 million for the share of community infrastructure sold to each homeowner and expensed upon settlement (FY25: $42 million).

(ii) Community Operations

Revenue is derived under the Residential Site Agreement. Residential Site Agreements are governed by the Residential Tenancies Act 1997 (Victoria) and grant the homeowners a right to use the Land for their property for 90 years as well as access to community facilities and other services as outlined in the agreement. The weekly site fee is calculated on a weekly basis per home as per the Residential Site Agreement. Revenue is recognised on a straight-line basis over the average tenure of a homeowner as it is earned in accordance with the Residential Site Agreement. Community operating expenses include salaries of onsite community managers and all costs necessary to ensure the efficient operation of the communities and delivery of services outlined in the Residential Site Agreement.

$000's	2026	2025
No. of homes under management at 30 June	**4,368**	4,128
Rental revenue	**51,385**	45,705
Rental straight-line adjustment	**973**	2,026
Rental revenue	**52,358**	**47,731**
Community operating costs	**(23,694)**	(20,950)
Net contribution from community operations incl. straight-line adjustment	**28,664**	26,781
Net contribution from community operations excl. straight-line adjustment	**27,691**	24,755
Margin (%) (excl. straight-line adjustments)	**53.9%**	54.2%

Weekly site fees and community operating expenses both increased during FY26 due to an increased number of homes under management as new communities commence operation and homes progressively settle. Weekly site fees are contractually fixed to increase by the greater of CPI or 3.5% annually. Gross margin decreased slightly due to the mix of new and established communities, with newer communities yet to achieve stabilised occupancy and margin profiles. Lifestyle Communities does not commence charging rent at new communities until the clubhouse opens however costs commence earlier.

(iii) Deferred Management Fee

The Deferred Management Fee (DMF) represents a key component of the Group's return for developing, investing in and operating residential communities. The DMF is contractually payable upon a homeowner's exit from the community and is calculated as a percentage of the homeowner's purchase price.

For residents who remain in the community for less than five years, the DMF is calculated at 4% of the purchase price for each year (or part thereof) of occupancy, determined on a pro-rata daily basis, subject to a maximum of 20% of the purchase price. Where a homeowner exits within one year of the commencement date, no DMF is payable.

The quantum and timing of DMF cash inflows are dependent on the timing of homeowner exits and resale transactions, with consideration based on the relevant percentage of the entry price at the time the home is acquired.

DMF revenue meets the definition of a lease arrangement accounted for in accordance with AASB 16 Leases and recognised on a straight-line basis over the average tenure of a homeowner as it is earned in accordance with the Residential Site Agreement.

Resale volumes increased in FY26 compared with FY25. Following the VCAT decision in July 2025, no DMF revenue has been recognised on VCAT-impacted contracts while the appeal outcome remains outstanding.

(iv) Upfront Management Fee

The Upfront Management Fee (UMF) represents a key component of the Group's return for developing, investing in and operating residential communities. The UMF is contractually payable upon entry into a community.

The UMF is calculated as 10% of the homeowner's purchase price and is received on or before the commencement date of the Residential Site Agreement.

Where a homeowner exits the community within one year from (and including) the commencement date, the UMF is refunded in full in accordance with the terms of the agreement.

UMF revenue meets the definition of a lease arrangement accounted for in accordance with AASB 16 Leases and recognised on a straight-line basis over the average tenure of a homeowner as it is earned in accordance with the Residential Site Agreement.

$000's	2026	2025
Number of resales	**171**	115
Deferred/Upfront management fees	**3,299**	(67,340)
DMF straight-line adjustment	**1,326**	–
Management fees	**4,625**	**(67,340)**

(v) Utilities revenue and expenses

Lifestyle Communities operates embedded networks for electricity and water. Gas (where applicable) is provided by third party retailers. Electricity and Water usage is individually metered, billed to homeowners monthly, and recorded as revenue in the respective month. Lifestyle Communities adjusts its rates to homeowners on a regular basis based on usage and the price Lifestyle Communities pays to the relevant wholesalers. It is the group's intention to utilise its increasing scale to negotiate favourable commercial outcomes for homeowners. The group does not seek to make a profit from utilities, however in any given period there will be small profits or losses driven by variations in usage.

$000's	2026	2025
Utilities revenue	**6,147**	5,670
Utilities expenses	**(6,563)**	(5,652)
Net Utilities (expenses)/income	**(416)**	**18**

(vi) Other income

$000's	2026	2025
Interest income	**1,095**	1,304
Other	**350**	216
Total	**1,445**	**1,520**

Interest income is recognised in the income statement as it accrues, using the effective interest method.

(vii) Finance costs

(a) Finance costs expensed

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset which are capitalised until the asset is ready for its intended use or sale. Lifestyle Communities' developments are classified as qualifying assets. Debt establishment costs including advisor and legal fees directly associated with obtaining or refinancing debt facilities are amortised over the life of the facility and include costs associated with the January 2026 refinance. The average interest rate paid in FY26, including commitment fees, was 6.56% up from 6.18% in FY25.

$000's	2026	2025
Interest on secured loans	**16,515**	4,299
Write-off of unamortised borrowing costs on refinanced debt facilities	**1,271**	–
Amortisation of loan facility fees	**582**	1,251
Total	**18,368**	**5,550**

(b) Finance costs capitalised

Finance costs capitalised refers to interest capitalised using the Group's weighted average cost of debt as part of inventory and land during development. Interest capitalised to inventory is then classified as costs of goods sold as a pro-rata amount upon settlement of each home. The decrease in interest capitalised during the period is due to a greater portion of interest expensed in relation to paused projects.

$000's	2026	2025
Interest on secured loans	**7,030**	20,562

(viii) Corporate overheads

Corporate overheads include the Group's support functions such as the Executive Leadership Team, People Experience, Finance, Information Technology and Legal. It also includes regulatory and other compliance costs, the cost of the Employee incentive scheme, and the support office located in Southbank.

$000's	2026	2025
Corporate overheads	**20,671**	20,129
Employee Incentive Scheme	**3,152**	2,073

Corporate overheads remained broadly consistent in FY26 relative to FY25, underpinned by a disciplined and sustained focus on cost management at the support office level.

(ix) Depreciation, amortisation and impairment

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136 Impairment of Assets. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired.

An impairment loss is recognised where the carrying amount of the asset or cash generating unit exceeds its recoverable amount. The recoverable amount of an asset cash generating unit is defined as the higher of its fair value less costs of disposal and value in use.

2.2 Write-down on paused projects

$000's	2026	2025
Write-down on paused projects	–	(25,050)

In prior year the Group recorded a write-down on the carrying value of inventory on paused projects totalling $25.0 million. Of the write-down, $17.0 million relates to the Merrifield and Ocean Grove II projects which have been sold. The remaining write-down of $8.0 million relates to the Group's Yarrawonga project which is currently on pause. The carrying value of the inventory for these projects included development costs that have been written down to the recoverable value based on the outcome of the sales process and current status of the Yarrawonga project.

2.3 Earning per share

The following reflects the income and weighted average number of shares used in the basic and diluted earnings per share computations:

(a) Earnings used in calculating earnings per share

	2026	2025
Net profit/ (loss)	**46,915**	(195,271)

(b) Weighted average number of shares

	2026	2025
Ordinary shares	**121,740**	121,740
Treasury shares	**(300)**	(336)
Weighted average number of ordinary shares for basic earnings per share	**121,440**	**121,404**
Effect of dilution		
Options	**1,089**	676
Weighted average number of ordinary shares adjusted for dilution	**122,829**	**122,416**

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these Financial Statements.

Treasury shares are purchased and held in an employee share trust to satisfy options issued to employees under the employee share scheme. It remains the company's intention to settle all outstanding options with equity purchased on market rather than issue new equity.

2.4 Income tax expense

Current income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax balances

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. No deferred tax asset or liability is recognised in relation to temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only when it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax consolidation

The parent entity and its wholly owned subsidiaries have implemented tax consolidation and have formed an income tax-consolidated Group from 18 March 2011. This means that: each entity recognises their own current and deferred tax amounts in respect of the transactions, events and balances of the entity; and the parent entity assumes the current tax liabilities and deferred tax assets arising in respect of tax losses, arising in the subsidiary, and recognises a contribution to (or distribution from) the subsidiaries. The tax consolidated Group also has a tax sharing agreement in place to limit the liability of subsidiaries in the tax-consolidated Group, arising under the joint and several liability provisions of the tax consolidation system, in the event of default by the parent entity to meet its payment obligations.

(a) Income tax expense/(credit):

$000's	2026	2025
Current tax	–	25
Prior period unders/ (over)	**(6,397)**	–
Deferred income tax	**17,758**	(83,578)
Tax expense/(credit)	**11,361**	**(83,553)**

(b) Reconciliation of income tax to accounting profit:

$000's	2026	2025
Accounting profit before tax	**58,276**	(278,824)
Tax	**30%**	30%
	17,483	(83,647)
Add / (less):		
Tax effect of:		
Donations	**31**	–
Capital loss	**200**	–
Entertainment	**44**	94
Prior period unders/ (overs)	**(6,397)**	–
Income tax expense/(credit)	**11,361**	**(83,553)**

(c) Current tax (receivables)/liabilities

Current tax relates to the following:

$000's	2026	2025
Opening balance	**(1,944)**	(7,042)
Income tax payable	–	25
Tax payments	**(1,012)**	(2,264)
Tax receipts	**1,455**	7,285
Under/over provision in prior years	**(25)**	52
Current tax receivable	**(1,526)**	**(1,944)**

(d) Deferred tax

Deferred tax relates to the following:

$000's	2026	2025
Deferred tax assets		
The balance comprises		
Lease liability	**657**	855
Lease incentive	**235**	–
Deferred deductions	**965**	1,634
Provision for employee entitlements	**408**	600
Impairment provision	**761**	144
DMF repayment provision	**23,122**	23,336
Accruals and business expenses	**1,125**	915
Write-off of paused projects	**4,833**	4,833
Superannuation	–	26
Tax losses	**3,877**	–
Share-based payments	**859**	–
Hedging reserve	**44**	819
	36,886	**33,162**
Deferred tax liabilities		
Interest capitalised	**9,265**	11,173
Investment property fair value adjustments	**144,120**	125,828
Share-based payments	–	87
Fixed assets	**1,727**	2,205
Right of use asset	**554**	487
	155,666	**139,780**
Net deferred tax liability	**118,780**	**106,618**

Deferred tax liabilities increased in line with the current year fair value adjustments. This tax liability will only be realised should an investment property be disposed of on an individual basis, which the Group views as unlikely.

(e) Unrecognised capital tax loss

$000's	2026	2025
Capital tax losses	–	6,416

2.5 Cash Flow Information

Reconciliation of result for the year to cash flows from operating activities

$000's	2026	2025
Profit / (loss) after income tax	**46,915**	(195,271)
Cash flows excluded from profit attributable to operating activities		
Non cash flows in profit:		
depreciation	**3,697**	3,437
write-off of PPE	**878**	–
amortisation	**1,948**	1,251
share based payments	**3,152**	2,073
fair value adjustment	**(72,789)**	186,892
straight-line of rent	**(973)**	(2,026)
straight-line of DMF	**(1,326)**	–
Changes in assets and liabilities:		
(increase)/decrease in trade and other receivables	**(341)**	(28)
(increase)/decrease in other assets	**(3,743)**	(5,463)
decrease/(increase) in inventories	**97,095**	27,205
increase/(decrease) in trade and other payables	**8,290**	(11,566)
increase/(decrease) in provisions	**(491)**	77,992
increase/(decrease) in current tax	**417**	5,098
(decrease)/increase in deferred tax	**12,163**	(84,942)
Net cash flow from operating activities	**94,892**	**4,652**

2.6 Trade and other receivables

$000's	2026	2025
Other receivables	**1,625**	1,284
Land receivables	–	16,336
Loan receivables	–	11,000
Total	**1,625**	**28,620**

Other receivables includes unbilled rental revenue which is deducted from final resale settlements together with a revenue accrual booked to account for the timing of utility income.

(a) Fair value and credit risk

Due to the short term nature of other receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables.

2.7 Other assets

$000's	2026	2025
Current:		
Security deposits	**48**	162
Other assets	**8,600**	6,468
Prepayments	**894**	1,700
	9,542	8,330
Non-current:		
Other assets – borrowing costs	**3,482**	950
Total	**13,024**	**9,280**

Other current assets include a land tax receivable of $2.9 million (FY25: $2.9 million) and GST receivables of $5.0 million (FY25: $2.2 million).

At 30 June 2025, the Group recognised a receivable of $2.9 million for the amount of land tax paid but objected to. The Group has formed its objection position after taking independent advice from relevant subject matter experts, including Senior Counsel. The Group's sites are exempt from land tax once civil works are complete and caravan park registration is received.

(a) Fair value and credit risk

Due to the short-term nature of other current assets, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of other assets.

2.8 Trade and other payables

$000's	Note	2026	2025
Trade payables	(a)	**480**	277
Customer deposits	(b)	**2,185**	1,487
GST payable	(c)	**648**	2,471
Other payables and accruals	(d)	**43,212**	26,274
Total		**46,525**	**30,509**

(a) Trade payables

Trade payables are non-interest bearing and are normally settled on 7 to 30 day terms. Due to the short term nature of trade payables, their carrying amount is assumed to approximate their fair value.

(b) Customer deposits

These represent deposits received from customers that are recognised as revenue upon home settlement.

(c) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Where applicable receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(d) Other payables

Other payables includes accruals for works completed or commitments made prior to the end of the year where the invoices will be paid after the end of the year.

Other payables also includes future project accruals which relate to the portion of civils and infrastructure on the homes already settled however not yet paid and partially completed.

2.9 Segment information

The Group operates as one business segment being the property management and development industry and in one geographic segment being Australia. The Group's segments are based on reports used by the Board and Chief Executive Officer (as the Chief Operating Decision Makers) in making strategic decisions about the Group, assessing the financial performance and financial position of the Group, determining the allocation of resources and risk management. Refer to the Consolidated Statement of Comprehensive Income for the segment financial performance and the Consolidated Balance Sheet for the assets and liabilities.

A key financial metric used to define the results and performance of the Group is net operating profit. Net operating profit is a non-statutory measure of profit used to determine the underlying cash-based profit for the relevant period. Net operating profit excludes fair value changes from asset and derivative valuations and items of income or expense not representative of the underlying operating earnings or cash flow.

A reconciliation between statutory net profit per the Consolidated Statement of Comprehensive income and Net Operating Profit is set out below:

$000's	2026	2025
Profit/ (Loss) after tax from continuing operations	**58,276**	(278,824)
Less DMF revaluation post VCAT	**(7,000)**	193,477
Add back DMF provision for repayment	–	77,788
Add back one-off non-repeat costs related to VCAT + restructuring	**2,051**	3,355
Add back movement in property valuations related to market factors	**(30,017)**	19,500
Add back adjustment on land sales	**3,943**	49,210
Operating profit before tax	**27,252**	64,506
Operating profit after tax	**25,423**	45,154
Total shares for EPS calculation	**121,740**	121,740
Operating EPS ($/share)	**$0.21**	$0.37

3. Our business assets

3.1 Investment properties

Investment properties comprise interests in land held for long-term rental yields and/or for capital appreciation. Investment properties includes land under development as well as fully developed land.

Investment properties are measured initially at cost, including transaction costs. Subsequently, investment properties are stated at fair value, reflecting market conditions at reporting date.

Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of profit or loss and other comprehensive income in the period they arise.

(a) Reconciliation of carrying amounts at the beginning and end of the period

$000's	2026	2025
Opening balance	**915,062**	1,141,373
Additions (contracted land and capitalised costs)	**2,359**	23,828
Disposals	**(42,851)**	–
Net unrealised gain/(loss) from fair value adjustments	**78,338**	(184,866)
Transfers to Assets held for sale	–	(65,273)
Closing balance	**952,908**	**915,062**

(b) Reconciliation of fair value adjustments

$000's	2026	2025
Fair value movement – investment properties	**78,338**	(184,866)
Movements from market based sales campaign	**(3,250)**	–
Less straight-line of rent and DMF	**(973)**	(2,026)
Less straight line DMF revenue	**(1,326)**	–
Fair value adjustments in Consolidated Statement of Profit or Loss and Other comprehensive Income	**72,789**	**(186,892)**

The Group's Investment Property Valuation Policy requires that the program for independent valuations is signed off by the Board and aims to value a minimum of 50% of the portfolio each year. Valuations are to be conducted by independent external valuers who are considered industry specialists in valuing these types of investment properties. The independent valuer can only value an investment property on three separate occasions.

For FY26, all operating communities have been externally valued by independent valuers CBRE, Cushman & Wakefield and Valued Care. For the undeveloped land portfolio, three of the four land parcels were independently valued and for the remaining land parcel, the Directors have developed a fair value estimate. In doing so they have assessed against current year independent valuation assumptions and market evidence.

Fair value measurement, valuation techniques, and inputs

The fair value represents the amount at which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the date of the valuation, in accordance with Australian Accounting Standards.

The expected net cash flows applicable to each property comprise of weekly site fee revenue and expenses and deferred management fee revenue.

In determining fair values, the Group considers relevant information including the capitalisation of rental streams using market assessed capitalisation rates, expected net cash flows discounted to their present value using market determined risk adjusted discount rates, and other available market data such as recent comparable transactions.

Key valuation methodologies include:

Site rental revenue and expenses: Net community site fee income is valued using the income capitalisation approach.

Deferred Management Fee revenue: DMF revenue is valued using the discounted cash flow approach.

Following the VCAT decision, the management fee valuations have been undertaken on the following basis:

- All existing residents – Non-VCAT impacted contract: Deferred Management Fee to be payable on purchase price
- All existing residents – VCAT impacted contract: No Deferred Management Fee to be payable on exit
- All new residents (including future residents upon exit of existing resident): Management Fee based on purchase price.

Undeveloped land – developing communities: reflects the net present value of future site rental and DMF income streams associated with unsettled sites, together with the appropriate terminal value. The valuation excludes development profits associated with the Community.

Undeveloped land – land bank portfolio: valued using the market approach – direct comparison. The market approach provides an indication of the value by comparing the property with identical or comparable properties for which price information is available.

All weekly site fee income and deferred management fee income disclosed in the Statement of Profit or Loss was generated from investment properties. All community operating expenses relate to investment properties that generated rental income.

Investment properties, other than those owned as part of a joint operations, are subject to a first charge, forming in part the security of the Group's loans as disclosed in Note 4.3(c).

The investment properties are at various stages of completion and are subject to further development until fully completed.

The following table shows the valuation assumptions used in measuring the fair value of the investment properties.

Valuations assumptions

	FY26	FY25
Weekly site fees ($)	**245.23 – 259.61**	235.51 – 250.92
Anticipated % expenses (as a percentage of rental income)	**30.0% – 59.9%**	33.0% – 57.0%
Rental capitalisation rate (%)	**5.0% – 5.50%**	5.0% – 5.75%
Deferred management fee discount rates (%)	**13.50% – 14.00%**	13.50% – 14.50%
Deferred management fee sales price per unit ($)	**383,768 – 799,984**	382,333 – 808,673
Deferred management fee growth rate on sales price (%)	**2.37% – 3.00%**	2.11% – 3.48%
Deferred management fee average length of stay (years)	**10.0 – 15.5**	9.0 – 15.6

Valuation summary

		Cap rate (%)		DMF discount rate (%)		Valuation ($ million)		
	Last independent valuation date	FY26	FY25	FY26	FY25	FY26	FY25	Land cost ($ million)
Brookfield	Jun-26	**5.25%**	5.25%	**13.50%**	14.50%	**41.2**	37.2	6.8
Seasons	Jun-26	**5.25%**	5.25%	**13.50%**	14.50%	**21.5**	15.7	3.7
Warragul	Jun-26	**5.25%**	5.25%	**13.50%**	14.50%	**31.3**	29.1	2.5
Casey Fields	Jun-26	**5.25%**	5.25%	**13.50%**	13.50%	**21.4**	25.0	3.4
Shepparton	Jun-26	**5.00%**	5.00%	**14.00%**	14.00%	**59.3**	55.1	3.2
Chelsea Heights	Jun-26	**5.50%**	5.50%	**13.50%**	13.50%	**17.9**	20.4	6.2
Hastings	Jun-26	**5.25%**	5.25%	**13.50%**	13.75%	**23.7**	23.3	7.4
Lyndarum	Jun-26	**5.50%**	5.25%	**13.50%**	13.75%	**23.9**	24.5	7.1
Geelong	Jun-26	**5.50%**	5.25%	**13.50%**	13.50%	**27.4**	26.9	6.9
Officer	Jun-26	**5.25%**	5.25%	**13.50%**	13.75%	**25.3**	23.2	5.5
Berwick Waters	Jun-26	**5.00%**	5.00%	**13.50%**	13.50%	**41.6**	38.9	12.1
Bittern	Jun-26	**5.00%**	5.00%	**13.50%**	13.50%	**43.5**	41.5	7.4
Ocean Grove	Jun-26	**5.50%**	5.25%	**13.50%**	13.50%	**40.7**	41.6	17.6
Mt Duneed	Jun-26	**5.50%**	5.50%	**13.50%**	13.50%	**32.4**	30.8	11.1
Kaduna Park	Jun-26	**5.25%**	5.25%	**13.50%**	14.00%	**27.8**	23.8	14.5
Wollert North	Jun-26	**5.00%**	5.25%	**13.50%**	13.50%	**49.7**	42.3	14.7
Deanside	Jun-26	**5.00%**	5.25%	**13.50%**	13.50%	**52.2**	41.4	25.1
St Leonards – The Waves	Jun-26	**5.50%**	5.50%	**13.50%**	13.50%	**36.5**	33.0	13.0
St Leonards – The Shores	Jun-26	**5.50%**	5.75%	**13.50%**	14.00%	**23.4**	15.6	16.5
Meridian	Jun-26	**5.00%**	5.25%	**13.50%**	13.50%	**57.3**	47.9	23.0
Bellarine	Jun-26	**5.50%**	5.50%	**13.50%**	13.75%	**24.4**	24.7	21.0
Woodlea	Jun-26	**5.00%**	5.00%	**13.50%**	13.50%	**29.1**	22.1	16.9
Clyde (Riverfield)	Jun-26	**5.00%**	5.00%	**13.50%**	13.50%	**40.8**	31.2	22.2
Phillip Island	Jun-26	**5.25%**	5.25%	**13.50%**	13.50%	**31.3**	34.5	31.1
Pakenham East (Ridgelea)	Jun-26	**5.00%**	5.25%	**13.50%**	13.50%	**28.6**	17.9	15.6
Ocean Grove II	–					**–**	42.9	42.9
Yarrawonga	–					**6.5**	6.5	6.5
Clyde 3	Jun-26					**41.8**	41.8	41.8
Inverloch	Jun-26					**30.5**	32.8	32.8
Armstrong Creek	Jun-26					**22.0**	23.8	23.8

Capitalisation rate
Capitalisation rate refers to the rate at which the annual free cash flow from weekly site fees, net of costs, is capitalised to ascertain its present value at a given date. The weekly rental is contracted under the Residential Site Agreement. The capitalisation rate reflects the nature, location and tenancy profile of the property together with current market evidence and sale of comparable properties.

Generally, a change in the assumption made for the adopted capitalisation rate is accompanied by a directionally opposite change in the investment property value. The adopted capitalisation rate forms part of the income capitalisation approach.

Capitalisation approach
When calculating the income capitalisation approach, the weekly rent has a strong interrelationship with the adopted capitalisation rate given the methodology involves assessing the total weekly income receivable from the property and capitalising this in perpetuity to derive a capital value. The below summary shows the impact on valuation of movement in the various key inputs:

Key input	Impact on valuation	
Increase in weekly rent/ decrease in rental expense rate	Increase in valuation	↑
Decrease in weekly rent/ increase in rental expense rate	Decrease in valuation	↓
Increase (softening) of the capitalisation rate	Decrease in valuation	↓
Decrease (tightening) of the capitalisation rate	Increase in valuation	↑

In theory, it is possible for the effects of movements in these key inputs to add to or offset each other depending on which way the assumptions move.

Deferred Management Fee discount rate
The discount rate is determined using a number of risk-based assumptions including cash flow variability risk, regulatory risk and market risk to reflect the risk profile of deferred management fee income stream, and is also considered against comparable market transactions.

Discounted cash flow approach
The discounted cash flow approach involves formulating a projection of the net cash flow from deferred management fees over a specified time horizon and discounting this cash flow at the end of the projection period at an appropriate rate. The present value of this discounted cash flow represents the fair value of the property.

In assessing the value of the discounted cash flow, a forecast model projects the likely cash flows to be derived from the deferred management fees less expenses using probability factors on the homeowners length of time in the community and also the property market growth rates.

When assessing a discounted cash flow valuation, the adopted discount rate has a strong interrelationship in deriving a fair value given the discount rate will determine the rate in which the deferred management fee is discounted to the present value.

3.2 Fair value measurements
(a) Fair value hierarchy
Assets and liabilities measured and recognised at fair value have been determined by the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data.

There have been no transfers between levels.

$'000's	Level 1	Level 2	Level 3	Total
30-Jun-26				
Recurring Fair Value Measurements				
Derivatives	–	**146**	–	**146**
Investment properties	–	–	**952,908**	**952,908**
Total assets measured at fair value	–	**146**	**952,908**	**953,054**
30-Jun-25				
Recurring Fair Value Measurements				
Assets held for sale	–	32,242	–	32,242
Derivatives	–	(2,985)	–	(2,985)
Investment properties	–	–	915,062	915,062
Total assets measured at fair value	–	**29,257**	**915,062**	**944,319**

Refer to note 3.1 for information regarding valuation techniques and inputs.

Sensitivity analysis for recurring level 3 fair value measurements

Investment properties

The impact of changes to the inputs that affect the valuation of investment properties is as follows:

	Post Tax Profit Higher/(Lower)		Equity Higher/(Lower)	
$000's	**2026**	**2025**	**2026**	**2025**
Rental expense rate				
+2%	**(15,210)**	(14,338)	**(15,210)**	(14,338)
–2%	**15,210**	14,338	**15,210**	14,338
Rental capitalisation rate				
+0.50%	**(40,641)**	(37,338)	**(40,641)**	(37,338)
–0.50%	**49,317**	45,247	**49,317**	45,247
Deferred management fee per unit				
+5%	**3,382**	2,593	**3,382**	2,593
–5%	**(3,382)**	(2,593)	**(3,382)**	(2,593)

3.3 Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories include housing not sold as well as capitalised civils, infrastructure and holding costs. Inventories are classified as either current or non-current assets pursuant to the timing of their anticipated sale.

$000's	2026	2025
Current		
Housing	**59,835**	67,874
Civils, Infrastructure & Interest	**36,798**	36,830
	96,633	**104,704**
Non current		
Housing	**14,912**	62,612
Civils, Infrastructure & Interest	**85,355**	126,679
	100,267	**189,291**
Total	**196,900**	**293,995**

The housing balance contained above includes:

- 195 completed homes with a carrying value of $60.6 million (30 June 2025: 400 homes, $121.6 million carrying value). Of the 195 homes, 92 were contracted for sale at 30 June 2026
- 46 homes under construction with a carrying value of $8.9 million (30 June 2025: 24 homes, $3.5 million)
- $5.2 million of costs relating to homes yet to commence construction (30 June 2025: $5.4 million)

(a) Inventory expense

Inventories recognised as an expense for the year ended 30 June 2026 totalled $126.7 million for the Group (2025: $141.6 million). The expense has been included in the cost of sales line item.

During the year, an inventory impairment of $1.7 million (2025: $nil) was recognised to reduce the carrying value of inventories to their net realisable value.

3.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

$000's	2026	2025
Buildings	40 years	40 years
Plant and equipment	4 to 25 years	4 to 25 years
Computer equipment	2 to 3 years	2 to 3 years
Motor vehicles	4 to 12 years	4 to 12 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

$000's	Buildings	Plant and Equipment	Motor Vehicles	Computer Equipment	Total
Year ended 30 June 2026					
Balance at the beginning of the year	13,473	12,198	2,992	1,266	29,929
Additions	327	1,171	123	1,265	2,886
Disposals	(278)	(574)	(26)	–	(878)
Depreciation	(405)	(2,125)	(421)	(746)	(3,697)
Balance at the end of the year	**13,117**	**10,670**	**2,668**	**1,785**	**28,240**
At 30 June 2026 cost	15,049	20,033	5,081	5,536	45,699
Accumulated depreciation	(1,932)	(9,363)	(2,413)	(3,751)	(17,459)
Net carrying amount	**13,117**	**10,670**	**2,668**	**1,785**	**28,240**

$000's	Buildings	Plant and Equipment	Motor Vehicles	Computer Equipment	Total
Year ended 30 June 2025					
Balance at the beginning of the year	12,854	11,281	2,845	1,751	28,731
Additions	1,004	2,849	735	214	4,802
Disposals	–	–	(167)	–	(167)
Depreciation	(385)	(1,932)	(421)	(699)	(3,437)
Balance at the end of the year	**13,473**	**12,198**	**2,992**	**1,266**	**29,929**
At 30 June 2025 cost	15,008	19,838	5,100	4,271	44,217
Accumulated depreciation	(1,535)	(7,640)	(2,108)	(3,005)	(14,288)
Net carrying amount	**13,473**	**12,198**	**2,992**	**1,266**	**29,929**

3.5 Assets held for sale

$000's	2026	2025
St Leonards residential lots	–	5,206
Merrifield	–	27,036
Total	–	**32,242**

In the prior year, assets held for sale included 21 residential lots established through the subdivision of surplus land acquired as part of the St Leonards land acquisition. All lots were sold and settled during the year.

3.6 Derivative financial instruments

$000's	2026	2025
Hedge receivable	**146**	–
Hedge payable	–	2,985

The effective portion of changes in the fair value of the swaps has been recognised in other comprehensive income and accumulated in the cash flow hedge reserve. Amounts deferred in equity are reclassified to profit or loss in the same period the hedged interest expense is recognised. Refer to note 1.5.

3.7 Leases

Year ended 30 June 2026	Right of use assets $000's
Balance as at the beginning of the year	**1,622**
Additions	**2,005**
Depreciation	**(1,781)**
Balance as at the end of year	**1,846**
Year ended 30 June 2025	
Balance as at the beginning of the year	2,737
Depreciation	(1,115)
Balance as at the end of year	**1,622**

$000's	2026	2025
Current liabilities		
Lease liabilities	**345**	937
Non current liabilities		
Lease liabilities	**1,845**	1,913

During the financial year, the Group relocated its support office to new premises at 68 Clarke Street, Southbank, Victoria. The Group entered into a five-year lease arrangement, with the lease commencement date being 1 June 2026. The Group obtained and exercised early access rights to the premises from 1 March 2026 and, accordingly, recognised the lease from that date in accordance with AASB 16 Leases.

The lease for the Group's former premises at 101 Moray Street, South Melbourne, was terminated on 02 February 2026. In connection with the early termination, the Group incurred a lease exit payment of $0.7 million, which is payable over 24 months in equal monthly instalments.

4. How we fund the business and manage risks

4.1 Capital Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity by assessing the cost of equity (share issue), cost of debt (borrowings) or a combination of both.

We maintain our balance sheet settings with a margin of safety over and above the requirements in our funding agreements. Our goal is to maintain debt facilities that have sufficient facility size, headroom, and tenure to meet our committed development plans. We closely monitor our cash flow forecasts and tightly manage the commencement and rate of development of new communities to ensure we have sufficient funds to meet our commitments as and when they fall due.

Financial risk management objectives and policies

The Group's principal financial instruments comprise bank loans, cash, trade and other receivables and trade payables.

(i) Classification

The consolidated entity classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (through profit and loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in the profit or loss.

(ii) Recognition and derecognition

The regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVPL are expensed in profit and loss.

Non derivative financial instruments

Non-derivative financial instruments consist of trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are initially recognised at fair value, plus directly attributable transactions costs (if any). After initial recognition, non-derivative financial instruments are measured as described below.

Loans and receivables

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Interest bearing loans and borrowings

Interest bearing loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Financial liabilities

Financial liabilities include trade payables, other creditors and loans from third parties.

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

The Group manages its exposure to key financial risk, including interest rate risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The main risks arising from the Group's financial instruments are interest rate risk, market risk, credit risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

These procedures are sufficient to identify when mitigating action might be required. The Board reviews and agrees policies for managing each of these risks as summarised as follows:

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations. The level of debt is disclosed in Note 4.3.

Long-term debt obligations

As at balance date, the Group had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk (being the bank bill business rate):

$000's	2026	2025
Financial assets		
Cash and cash equivalents	**16,765**	2,473
Financial liabilities		
Secured loans—bank finance	**290,500**	463,000
Net exposure	**(273,735)**	**(460,527)**

Financial assets for net exposure exclude cash and cash equivalents – quarantined DMF of $5.1 million.

If interest rates had moved and been effective for the period, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

	Post Tax Loss/Profit Higher/(Lower)		Equity Higher/(Lower)	
$000's	2026	2025	2026	2025
Consolidated				
+1% (100 basis points)	**(819)**	(1,134)	**(819)**	(1,134)
–1% (100 basis points)	**819**	1,134	**819**	1,134

When determining the parameters for a possible change in interest rate risk, management has taken into consideration the current economic environment at balance sheet date and historical movements.

A proportion of the impact on post tax profit is deferred due to the capitalisation of interest to inventory which is recognised when units are sold. We also have a portion capitalised to Investment Properties.

Market risk

At balance date, the Group has no financial instruments exposed to material market risks other than interest rate risk.

Credit risk

There are no significant concentrations of credit risk within the Group.

Credit risk arises from the financial assets for the Group, which comprise cash and cash equivalents, and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date has been assessed as minimal as the financial assets have been assessed as having a high likelihood of being received.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of a bank facility. The Group ensures that there is sufficient liquidity within the bank facility by maintaining internal credit requirements that are more conservative than the financier.

The Group's debt as at balance date is outlined at note 4.3.

The table below represents the undiscounted contractual settlement terms for financial instruments and management expectation for settlement of undiscounted maturities.

The remaining contractual maturities of the Group's financial liabilities are:

$000's	2026	2025
6 months or less[1]	**57,782**	43,362
6–12 months[2]	**11,259**	12,862
1–2 years[3]	**22,542**	25,789
2–5 years[4]	**102,048**	500,551
Over 5 years[5]	**283,180**	–
	476,811	**582,564**

1. This amount is represented by the following financial liabilities[6]:
   - $44.3 million relates to trade and other payables, refer to Note 2.8 for further detail (2025: $29 million);
   - $11.0 million relates to expected interest on the secured loan (2025: $12.5 million);
   - $2.2 million relates to customer deposits which typically convert to settlement within six months or less (2025: $1.5 million); and
   - $0.2 million relates to lease liabilities at Clarke St. (2025: $0.3 million related to Moray St)
2. - $11.02 million relates to expected interest on the secured loan (2025: $12.6 million); and
   - $0.2 million relates to lease liabilities at Clarke St. (2025: $0.3 million Moray St.)
3. - $22.03 million relates to expected interest on the secured loan (2025: $25.1 million)
   - $0.5 million relates to lease liabilities at Clarke St. (2025: $0.7 million relates to Moray St.)
4. - $59.95 million relates to expected interest on the secured loan (2025: $37 million), the balance of $40.1 million relates to future principal repayments (2025: $463 million)
   - $1.6 million relates to lease liabilities at Clarke St. (2025: $0.5 million relates to Moray St.)
5. - $33.18 million relates to expected interest on the secured loan, the balance of $250 million relates to future principal repayments
6. - The DMF repayment is not included in the above due to the uncertainty of the timing of repayment, outcome of the appeal process and quantum of the repayment.

The above commitments will be funded using cash received from new home sales and the company's existing debt facilities. The Group has met all required covenants since the arrangements commenced and therefore expects that all current arrangements will continue until the sooner of repayment, refinance, or expiry.

4.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, bank overdrafts and short-term deposits with an original maturity of three months or less held at call with financial institutions.

Cash and cash equivalents - quarantined DMF relates to DMF collected on VCAT impacted contracts and held in a separate account pending VCAT appeal outcome.

$000's	2026	2025
Cash and cash equivalents	**16,765**	2,473
Cash and cash equivalents – quarantined DMF	**5,094**	–

4.3 Interest bearing loans and borrowings

$000's	2026	2025
Secured loans—bank finance	**290,500**	463,000

(a) Secured loans bank finance maturity

In January 2026 the group completed the restructuring and right-sizing of its existing debt facilities. The new facilities were used to refinance the group's existing debt and provide ongoing funding flexibility for the group's operations.

The new facilities comprise:

- $300.0 million Note Purchase and Private Shelf facility with an initial draw down of $250.0 million and weighted average tenor of 6.75 years
- $125.0 million revolving bank facility with a tenor of 3 years.

The transaction simplified Lifestyle Communities' financing structure while providing longer tenor with no Interest Cover Ratio covenant until the 30 June 2028 reporting period.

Material amendments to the group's existing Common Terms Deed were as follows:

Interest Cover ratio (ICR) modified as follows:

- ICR reduced from ≥1.75x to Nil for reporting periods up to and including 31 December 2027
- ICR steps up to ≥1.75x from the 30 June 2028 reporting period for the remainder of the term

Loan to value ratio (LVR) covenant modified as follows:

- Reduced from ≤ 65% to ≤ 55% for reporting periods up to and including 31 December 2027
- Stepping up to ≤ 65% from the 30 June 2028 reporting period for the remainder of the term

For the period that the ICR ratio has been reduced to Nil, a review event will occur if Lifestyle Communities' number of new home settlements is less than 185 for FY26 and less than 175 for the 12 months ending 31 December 2026, 30 June 2027 and 31 December 2027.

In order to comply with the undertaking in the Group's financing arrangements, the group entered into a new interest rate swap as described in note 1.5.

All other material terms and covenants remain unchanged.

Loan to value ratio

$000's	FY26	FY25
Investment property	952,908	915,062
Assets held for sale/land receivable	–	48,578
Total investment property	**952,908**	**963,640**
Net debt	**273,735**	**460,527**
LVR	**28.7%**	**47.8%**

There is also a $2.0 million (30 June 2025: $2.0 million) bank guarantee facility held with the National Australia Bank (FY25: Commonwealth Bank of Australia). $1.3 million remains unused at 30 June 2026 (30 June 2025: $1.2 million).

(b) Fair values

Unless disclosed below, the carrying amount of the Group's current and non-current borrowings approximate their fair value.

(c) Assets pledged as security

The Group's facilities are secured by the following:

General Security Deeds between the PGIM Inc. and National Australia Bank, and:

- Lifestyle Communities Limited
- Lifestyle Investments 1 Pty Ltd
- Lifestyle Management 1 Pty Ltd
- Lifestyle Developments 1 Pty Ltd
- Lifestyle Investments 2 Pty Ltd
- Lifestyle Management 2 Pty Ltd
- Lifestyle Developments 2 Pty Ltd
- Lifestyle Communities Investments Cranbourne Pty Ltd
- Brookfield Village Management Pty Ltd; and
- Brookfield Village Development Pty Ltd

Mortgage granted by Lifestyle Investments 1 Pty Ltd over the properties at Melton (Brookfield), Tarneit (Seasons) and Warragul.

Mortgage granted by Lifestyle Investments 2 Pty Ltd over the properties at Shepparton, Hastings, Wollert (Lyndarum), Geelong, Officer, Berwick Waters, Bittern, Ocean Grove, Mount Duneed, Kaduna Park, Wollert North, Deanside, St Leonards, Meridian, Woodlea, Clyde (Riverfield), Bellarine (Leopold), Phillip Island, Ridgelea and Yarrawonga.

Mortgages were granted by Lifestyle Investments 2 Pty Ltd over land held at Clyde III, Inverloch and Armstrong Creek.

(d) Defaults and breaches

During the current or prior year there have been no defaults or breaches of any banking covenants as set out in the Group's borrowing arrangements.

(e) Interest rate swap

In February 2026, the Company entered into an interest rate swap with the National Australia Bank with a maturity of December 2026.

The interest rate swap is fixed over the following periods:

- **Swap 1:** $240 million February 2026 – December 2026
- **Swap 2:** $200 million December 2026 – July 2028.

4.4 Contributed equity

$000's	2026	2025
121,740,054 Ordinary shares (30 June 2025: 121,740,054)		
Ordinary Shares	**334,136**	334,136
300,314 Treasury shares (30 June 2025: 336,458)	**(4,501)**	(5,037)
Total	**329,635**	**329,099**

(i) Reconciliation of Ordinary shares

	2026		2025	
	Number	$'000	Number	$'000
Opening balance	121,740,054	**334,136**	121,740,054	334,136
Closing balance	**121,740,054**	**334,136**	**121,740,054**	**334,136**

(a) Ordinary shares

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Treasury shares represent shares purchased by an Employee Share Trust to satisfy obligations under the employee incentive scheme that have not been issued to Employees at balance date pursuant to the Equity Incentive Scheme.

4.5 Retained earnings and reserves

(a) Movements in retained earnings were as follows

$000's	2026	2025
Opening balance	**296,174**	497,532
Profit/(loss) for the year	**46,915**	(195,271)
Dividends paid	–	(6,087)
Closing balance	**343,089**	**296,174**

(b) Reserves

$000's	2026	2025
Opening balance	**4,143**	8,008
Employee incentive scheme expense	**2,190**	2,073
Vesting of employee shares	**(536)**	(2,884)
Movement in hedge reserve	**2,259**	(3,054)
Closing balance	**8,056**	**4,143**

4.6 Dividends

(a) Dividend considerations

The Directors have made the decision to pause dividends and retain the capital within the business until such time as the external environment improves and there is greater clarity on the sales rate.

Considerations in determining the level of free cash flow from which to pay dividends include: operating cash flow generated from community management; the projected tax liability of Lifestyle Communities Limited; the level of corporate overheads attributable to community roll out; the level of interest to be funded from free cash flow; and additional capital needs of the development business.

(b) Franking account balance

$000's	2026	2025
Franking account balance	**27,279**	27,710

Balance of franking account on a tax paid basis at balance date adjusted for franking credits arising from payment of current tax payable and franking debits arising from the payment of dividends declared at balance date.

Franked dividends declared or paid during the year were franked at the tax rate of 30%.

5. How we remunerate our Employees and auditors

5.1 Employee benefits expense

(i) Short term Employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and any other Employee benefits expected to be settled wholly within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term Employee benefits in the form of compensated absences such as annual leave is recognised in the provision for Employee benefits. All other short-term Employee benefit obligations are presented as payables.

(ii) Long-term Employee benefit obligations

The provision for Employee benefits in respect of long service leave and annual leave which are not expected to be settled wholly within twelve months of reporting date, are measured at the present value of the estimated future cash outflow to be made in respect of services provided by Employees up to the reporting date.

Employee benefit obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Retirement benefit obligations

The consolidated entity makes contributions to defined contribution superannuation plans in respect of Employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the Employee services are received.

(iv) Share based payments

The consolidated entity operates an equity incentive scheme (EIS). The Employee Incentive Scheme is explained in section 5.4 of the Remuneration Report and additional information is contained in note 5.3 below.

	2026	2025
Employee number	**147**	164
$000's		
Wages and salaries	**21,932**	20,913
Defined contribution superannuation expense	**2,178**	2,192
Employee incentive scheme expense	**3,152**	2,073
Movement in employee provisions	**225**	203
Total employee benefits	**27,487**	**25,381**

5.2 Employee provisions

	2026	2025
Current		
Annual leave	**1,380**	1,220
Long service leave	**469**	410
Total	**1,849**	**1,630**
Non current		
Long service leave	**377**	371
Total	**377**	**371**

5.3 Share based payments

(a) Recognised share based payment expenses

$000's	2026	2025
Expenses arising pursuant to the EIS	**3,152**	2,073

(b) Equity Incentive Scheme

The Equity Incentive Scheme is explained in section 5.4 of the Remuneration Report.

(c) Options granted pursuant to the EIS

The following table outlines options granted pursuant to the EIS:

	(Maximum potential)		Forfeited			Value at grant date (final entitlement)	Vested			Balance at 30 June 2026	
	Granted as compensation	Value at grant date ($)	No.	%	Final entitlement No.	($)	No.	%	Exercised/ lapsed	Vested & exercisable	Unvested
FY19 Options - granted Nov 2019	149,000	864,200	–	–	149,000	864,200	149,000	100%	145,586	3,414	–
FY21 Options – granted Nov 2020	166,734	1,879,092	(22,747)	(14)%	143,987	1,622,733	143,987	86%	135,824	8,163	–
FY22 Options – granted Nov 2021	300,481	6,558,159	(73,563)	(24)%	226,918	4,954,503	226,918	76%	212,806	14,112	–
FY23 Options – granted Nov 2022	418,675	6,510,396	(190,076)	(45)%	57,289	890,844	55,353	13%	54,153	1,200	–
FY24 Options – granted Nov 2023	482,925	7,654,361	(308,056)	(64)%	174,869	2,771,674	174,869		107,544	67,325	–
FY25 Options - granted Dec 2024	591,766	4,852,481	(159,921)	(27)%	431,845	3,541,129	201,825	–	108,160	93,665	230,020
FY26 Options - granted Dec 2025	764,560	4,120,978	(92,929)	(12)%	671,631	3,620,091	–	–	–	–	671,631
							951,952		**764,073**	**187,879**	**901,651**

All options issued in relation to the employee incentive scheme for FY20 have lapsed as the performance hurdles were not met.

Reconciliation of vested and non-vested options

000's	2026	2025
Opening balance	676	366
Issued during the year	765	592
Exercised during the year	(35)	(174)
Forfeited/lapsed during the year	(317)	(108)
Closing balance	**1,089**	**676**

Of the 925,118 unvested options:

- 48,358 options related the Executive retention scheme - tranche 2 are planned to vest 31 October 2026,
- 90,831 options related to the Executive FY25 LTI tranche 1 are planned to vest 30 September 2027
- 90,831 options related to the Executive FY25 LTI tranche 2 are planned to best 30 June 2028
- 279,299 options related to the Executive FY26 LTI tranche 1 are planned to vest 30 September 2028
- 279,299 options related to the Executive FY26 LTI tranche 2 are planned to best 30 June 2029
- 136,500 options related to the Employee scheme and are planned to vest 30 September 2026

All unvested options have ongoing service, competency and behavioural requirements and vesting is at the discretion of the Board.

The weighted average exercise price of options is nil. The weighted average share price at the date of exercise for share options exercised during the period was $5.37 and the expiry date for all options outstanding at the end of the year is 10 years from the date of grant.

5.4 Auditors remuneration

$	2026	2025
Amounts received or due and receivable for current auditors:		
An audit or review of the financial report of the entity and any other entity in the consolidated group	**315,435**	411,869
Other services in relation to the entity and any other entity in the consolidated group – tax compliance, general tax advice, GST advice and other agreed upon procedures	**34,060**	41,775
Other services in relation to the capital raise	–	15,000
Total	**349,495**	**468,644**

The 2025 audit fee has been revised to reflect additional billing in relation the FY25 audit, not agreed as at the date of signing.

The auditor of Lifestyle Communities Limited is PricewaterhouseCoopers who were appointed on the 18 November 2019.

6. How we structure the business

6.1 Related party disclosures

(a) Ultimate parent

Lifestyle Communities Limited is the ultimate Australian parent entity.

(b) Subsidiaries

The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

	Country	2026 %	2025 %
Lifestyle Investments 1 Pty Ltd	Australia	100	100
Lifestyle Developments 1 Pty Ltd	Australia	100	100
Lifestyle Management 1 Pty Ltd	Australia	100	100
Brookfield Management Trust (Trustee: Brookfield Village Management Pty Ltd)	Australia	100	100
Brookfield Development Trust (Trustee: Brookfield Village Development Pty Ltd)	Australia	100	100
Lifestyle Communities Investments Cranbourne Pty Ltd	Australia	100	100
Lifestyle Investments 2 Pty Ltd	Australia	100	100
Lifestyle Developments 2 Pty Ltd	Australia	100	100
Lifestyle Management 2 Pty Ltd	Australia	100	100

(c) Loans from related parties

There are no loans from related parties.

(d) Transactions with related parties

There were no transactions with related parties in the current or prior years.

Key Management Personnel Compensation

	2026	2025
Short-term employee benefits	**2,363**	945
Post-employment benefits	**77**	39
Long-term benefits	**(27)**	43
Termination benefits	**488**	–
Share-based payments	**77**	302
Total	**2,978**	**1,329**

The remuneration disclosed above includes amounts earned by the current CFO in both non-KMP and KMP capacities during the financial year (KMP appointment effective 13 October 2025).

Detailed remuneration disclosures are provided in the remuneration report on pages 53 to 74.

6.2 Joint operations

The Group has a 50% interest in the joint arrangement at Chelsea Heights and Casey Fields together with BGDU Pty Ltd. and Tradewynd Pty Ltd respectively to develop and manage the communities.

The principal place of business of the joint operations is in Victoria, Australia.

The agreements related to the joint arrangements require unanimous consent from all parties for all relevant activities. The two partners have direct rights to the assets of the partnership and are jointly and severally liable for the liabilities incurred by the partnership. This entity is therefore classified as a joint operation and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses.

6.3 Deed of Cross Guarantee

Pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 dated 17 December 2016, the wholly-owned subsidiaries listed below are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports, and Directors' reports as they are part of a Closed Group as defined by the Corporations Act 2001:

- Lifestyle Communities Limited
- Lifestyle Investments 2 Pty Ltd
- Lifestyle Developments 2 Pty Ltd
- Lifestyle Management 2 Pty Ltd
- Lifestyle Communities Investments Cranbourne Pty Ltd
- Lifestyle Investments 1 Pty Ltd
- Lifestyle Management 1 Pty Ltd
- Lifestyle Developments 1 Pty Ltd
- Brookfield Village Management Pty Ltd
- Brookfield Village Development Pty Ltd

Pursuant to the above-mentioned legislative instrument, the Company and each of the subsidiaries entered into a Deed of Cross Guarantee on the 19 June 2015 or have been added as parties to the Deed of Cross Guarantee by way of an Assumption Deed dated the 4 June 2019. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the Corporations Act 2001. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

The Consolidated Statement of Profit and Loss and Other Comprehensive Income and Consolidated Statement of Financial Position for the Closed Group are the same as the financial statements for Lifestyle Communities Limited and its controlled entities.

6.4 Parent entity

Required disclosures relating to Lifestyle Communities Limited as a parent entity:

Statement of Financial Position

$000's	2026	2025
Assets		
Current assets	**647,995**	791,919
Non-current assets	**3,783**	3,050
Total Assets	**651,778**	**794,969**
Liabilities		
Current liabilities	**1,887**	12,857
Non-current liabilities	**292,719**	374,871
Total Liabilities	**294,606**	**387,728**
Equity		
Issued capital	**315,770**	315,770
Reserves	**12,035**	8,166
Retained earnings	**29,367**	83,305
Total Equity	**357,172**	**407,241**
Statement of Profit or Loss and Other Comprehensive Income		
Net (loss)/profit	**(53,938)**	52,493
Total comprehensive (loss)/income	**(53,938)**	**52,493**

7. Information not recognised in the financial statements

7.1 Lessor Commitments

Operating lease commitments receivable

The Group has entered into leases with its residents in relation to its investment property portfolio, consisting of the Group's land. The residential site agreements provide for future lease commitments receivable as disclosed below.

These leases have remaining terms of up to 90 years. Generally all leases include a clause to enable annual increases of the rental charge at the greater of 3.5% or inflation.

Whilst homeowners are able to terminate their lease agreements with 14 days notice, the Group estimates the remaining lease term based on the average length of stay. Applying this estimated lease term, the minimum future lease payments are as follows:

$000's	2026	2025
Within 1 year	**41,361**	37,879
Between 1 and 2 years	**38,233**	35,338
Between 2 and 3 years	**34,319**	31,848
Between 3 and 4 years	**29,979**	27,802
Between 4 and 5 years	**26,074**	23,510
More than 5 years	**69,979**	60,359
Total	**239,945**	**216,736**

Minimum lease payments were determined by measuring the current year's rentals and measuring this over an average 10.5 year period.

7.2 Commitments

Commitments for future development costs not recognised in the financial statements at balance date, which have received Board approval to commence construction is $160.5 million (commitment period 1–5 years). This is an estimate and Lifestyle Communities retains the right to defer, delay, or bring forward project commitments subject to prevailing market conditions and the sales rate at each project.

The Group has no capital commitments at 30 June 2026.

Projects included in the above estimate are Wollert, Deanside, St Leonards – The Shores and Meridian, Bellarine, Woodlea, Riverfield, Phillip Island and Ridgelea.

7.3 Events after reporting date

VCAT Proceedings and Appeal

On 18 August 2026, the Court of Appeal – Supreme Court of Victoria advised that it will deliver its judgment in relation to the group's appeals of the orders made by President Woodward in VCAT in July 2025 on Friday, 21 August 2026.

If the company is unsuccessful in its appeal, the Group has recognised a provision for the repayment of DMFs collected from previous homeowners impacted by the VCAT decision. Refer to note 1.7 for further details. If the appeal is successful, the provisioning is expected to be reversed.

At the time of the release of this report, the outcome of the appeal (and its impact, if any) is unknown.

Joint Venture Land Acquisition

On 13 July 2026, the Group exchanged an unconditional Contract of Sale to acquire its joint venture partner's 50% interest in the land at Lifestyle Chelsea Heights. The consideration for the acquisition is $15.5 million, with settlement to occur at the earlier of 20 business days after a successful outcome of the VCAT appeal, a change in control of the group or 30 December 2027.


WHITE-LINE
CARPENTRY

Consolidated entity disclosure statement

As at 30 June 2026

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Lifestyle Communities Limited	Body corporate		n/a	Australia	Australian	n/a
Lifestyle Investments 1 Pty Ltd	Body corporate		100	Australia	Australian	n/a
Lifestyle Developments 1 Pty Ltd	Body corporate		100	Australia	Australian	n/a
Lifestyle Management 1 Pty Ltd	Body corporate		100	Australia	Australian	n/a
Trustee: Brookfield Village Management Pty Ltd	Body corporate	Trustee	100	Australia	Australian	n/a
Brookfield Management Trust	Trust		n/a	n/a	n/a	n/a
Trustee: Brookfield Village Development Pty Ltd	Body corporate	Trustee	100	Australia	Australian	n/a
Brookfield Development Trust	Trust		n/a	n/a	n/a	n/a
Lifestyle Communities Investments Cranbourne Pty Ltd	Body corporate		100	Australia	Australian	n/a
Lifestyle Investments 2 Pty Ltd	Body corporate		100	Australia	Australian	n/a
Lifestyle Developments 2 Pty Ltd	Body corporate		100	Australia	Australian	n/a
Lifestyle Management 2 Pty Ltd	Body corporate		100	Australia	Australian	n/a

Directors' Declaration

The Directors of the Company declare that:

1. **The consolidated financial statements and notes for the year ended 30 June 2026 are in accordance with the Corporations Act 2001 and:**

   a. Comply with Accounting Standards, which, as stated in basis of preparation Note 1.1 to the consolidated financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
   b. Give a true and fair view of the financial position and performance of the consolidated Group;

2. **Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A that:**

   a. The financial records of the Group for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
   b. The consolidated financial statements and notes for the financial year comply with the Accounting Standards; and
   c. The consolidated financial statements and notes for the financial year give a true and fair view.

3. **The consolidated entity disclosure statement on page 111 is true and correct.**

4. **In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.**

The Company has entered into a deed of cross guarantee under which the Company and its subsidiaries guarantee the debts of each other, refer to Note 6.3.

At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

Signed in accordance with a resolution of the Board of Directors.

David Blight
Chair

Mark Blackburn
Director

Melbourne, 21 August 2026

Independent auditor's report

To the members of Lifestyle Communities Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Lifestyle Communities Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors' declaration.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Fair value of investment properties (Refer to note 3.1) Investment properties comprise interests in land held for long-term rental yields and/or for capital appreciation. Investment properties include land under development as well as fully developed land. Investment properties are measured initially at cost, including transaction costs. Subsequently, investment properties are stated at fair value, reflecting market conditions at reporting date. The following assumptions were key in establishing fair value, amongst others: • capitalisation rates, • weekly site fees; and, • rental expense rates. This was a key audit matter because of the: • financial significance of the investment property balance in the consolidated statement of financial position and of the impact of changes in the fair value of investment properties on the Group's profit or loss; and, • sensitivity of valuations to movements in significant assumptions.	Our procedures included the following, amongst others: • developed an understanding of the Group's processes and controls for determining the fair value of investment properties; • assessed the scope, competence and objectivity of the external valuers engaged to provide external valuations at the reporting date; • inquired of the external valuer, for a selection of investment properties to understand the valuation methodology and significant assumptions applied; • with the assistance of PwC real estate valuation experts, for a selection of investment properties, assessed the appropriateness of the significant assumptions applied in determining fair value by reference to available market evidence; • for a selection of investment properties, tested the accuracy and completeness of input data provided to the valuer; • for a selection of investment properties, tested the mathematical accuracy of the valuation reports;

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Key audit matter	*How our audit addressed the key audit matter*
	• agreed the fair value of investment properties determined by the Group's external valuers to the accounting records; and, • evaluated the adequacy and completeness of related disclosures against the requirements of Australian Accounting Standards.
Carrying value of inventory (Refer to note 3.3) Inventories include completed homes, homes under construction and capitalised civils, infrastructure and holding costs. Inventories are measured at the lower of cost and net realisable value. The Group records inventories at the lower of cost and net realisable value. The net realisable value of inventory is determined as the estimated selling price in the ordinary course of business less estimated costs to complete and selling costs. This was a key audit matter given the relative size of the inventories balance in the consolidated statement of financial position, and judgement involved in estimating net realisable value.	Our procedures included the following, amongst others: • developed an understanding of the Group's processes and controls for determining the net realisable value of inventory; • assessed the appropriateness of the methodology used in the Group's assessment of net realisable value of inventories; • for a sample of completed and yet to be completed homes, assessed the reasonableness of the Group's forecast sales prices by comparing to approved price lists and recent sales contracts; • for a sample of development communities, assessed the reasonableness of estimated costs to complete, including capitalised borrowing costs; and, • evaluated the adequacy and completeness of related disclosures made in the note against the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion, the remuneration report of Lifestyle Communities Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Marcus Laithwaite
Partner

Melbourne
21 August 2026

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ASX Additional Information

Additional information required by the Australian Stock Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 7 August 2026.

(a) Distribution of equity securities

(i) Ordinary share capital
121,740,054 fully paid ordinary shares are held by 2,948 individual shareholders.

(b) Substantial shareholders

The number of substantial shareholders and their associates are set about below in accordance with their most recent substantial shareholder notices lodged with the ASX:

Name	Number	%	Current at (last notification date)
AustralianSuper Pty Ltd	**20,623,438**	**16.94%**	20-Jan-25
Brahman Capital Management Pty Ltd	**18,536,561**	**15.23%**	23-Mar-26
ACN 688 994 845 Pty Ltd	**16,113,043**	**13.24%**	20-May-26
James Kelly	**7,702,001**	**6.33%**	21-Mar-24
The Vanguard Group, Inc. & its controlled entities	**6,100,572**	**5.01%**	10-Apr-26

Voting rights

At meetings of members or classes of members :

(a) each member entitled to vote may vote in person or by proxy, attorney or respective:

(b) on a show of hands, every person present who is a member or proxy, attorney or representative of a member has one vote; and

(c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:

  (i) for each fully paid share held by person, or in respect of which he/she is appointed a proxy, attorney or representative, one vote for the share;

  (ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited).

Subject to any rights or restrictions attached to any shares or class of shares.

On-Market Buyback

There is no current on-market buy-back in relation to the Company's securities.

Restricted Securities

There is no restricted securities on issue at 7 August 2026.

(c) The number of shareholders by range of units and unmarketable parcel holders

Holding	Total holders	Units	% of issued capital
1 – 1,000	**1,779**	542,894	0.45%
1,001 – 5,000	**760**	1,866,282	1.53%
5,001 – 10,000	**181**	1,346,000	1.10%
10,001 – 100,000	**195**	6,145,293	5.05%
100,000 and over	**33**	111,839,585	91.87%
Total	**2,948**	**121,740,054**	**100.0%**

At 7 August 2026, the number of security holders holding less than a marketable parcel of 93 Securities ($500) was 541 and they held a total of 17,133 securities.

(d) Twenty largest holders of quoted equity securities

		Shares held	% issued
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	26,525,469	21.79%
2	BRAHMAN PURE ALPHA PTE LTD	19,082,959	15.67%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	17,774,945	14.60%
4	CONFIDENTIAL HA	16,299,769	13.39%
5	CITICORP NOMINEES PTY LIMITED	6,524,002	5.36%
6	MASONKELLY PTY LTD	4,891,265	4.02%
7	BOND STREET CUSTODIANS LIMITED <JW1 - Y01993 A/C>	4,441,257	3.65%
8	DAKEN INVESTMENTS PTY LTD	3,149,539	2.59%
9	KELLY SUPERANNUATION FUND PTY LTD	2,116,801	1.74%
10	ARMADA INVESTMENTS PTY LTD	1,408,229	1.16%
11	BNP PARIBAS NOMS PTY LTD	1,242,380	1.02%
12	TRACEY RYAN INVESTMENTS PTY LTD <RYAN INVESTMENT A/C>	1,183,400	0.97%
13	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	1,128,822	0.93%
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	950,319	0.78%
15	AUSTRALIAN SHAREHOLDER NOMINEES PTY LTD <LEGAL EAGLE PL COLMANSF A/C>	689,464	0.56%
16	BNP PARIBAS NOMS (NZ) LTD	596,826	0.49%
17	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	478,547	0.39%
18	ELIZABETH KELLY FOUNDATION PTY LTD <BLUE SKY FOUNDATION A/C>	462,500	0.38%
19	MAXIMA ETHAN PTY LTD <MAXI FOGELGARN S/FUND A/C>	412,593	0.34%
20	ACRES HOLDINGS PTY LTD <NOEL EDWARD KAGI FAMILY A/C>	290,000	0.24%
	Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	**109,649,086**	**90.07%**
	Total remaining holders balance	**12,090,968**	**9.93%**

Securities exchange

The Company is listed on the Australian Securities Exchange. ASX ticker code LIC.

Unquoted Equity Schedule

120 holders of short term unvested options issued as part of the incentive scheme	901,651
79 holders of short term vested options issued as part of the incentive scheme	187,879
	1,089,530

Corporate Information

Lifestyle Communities Limited	ABN 11 078 675 153
Registered Office	Suite 2.02, Level 2, 68 Clarke Street Southbank VIC 3006 Australia Telephone 61 3 9682 2249
Directors	David Blight – Non Executive Director Mark Blackburn – Non Executive Director Claire Hatton – Non Executive Director JoAnne Stephenson – Non Executive Director
Company Secretary	Anita Addorisio
Principal Place of Business	Suite 2.02, Level 2, 68 Clarke Street Southbank VIC 3006 Australia
Share Registry	Computershare Investor Services Pty Limited Yarra Falls 452 Johnston Street, Abbotsford VIC 3067 Telephone 61 3 9415 5000 Fax 61 3 9473 2500 Investor queries (within Australia) 1300 850 505
Solicitors	Thomson Geer Level 39, 525 Collins Street Melbourne VIC 3000 Australia
Auditors	PricewaterhouseCoopers 2 Riverside Quay Southbank VIC 3006 Australia

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