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15 February 2021

Immediate release to the ASX

Lifestyle Communities FY21 Half Year Results

Lifestyle Communities Limited (ASX: LIC) made solid progress during the first half of FY21 despite the challenges presented by the ongoing Covid-19 global health pandemic. Melbourne's stage 4 lockdown impacted operations for most of the period, with stay at home orders in place for greater Melbourne impeding the team's ability to meet customers face to face and which effectively brought residential sales to a standstill.

The Company achieved a net profit after tax attributable to shareholders of $14.1 million for the first half of the 2021 financial year, compared to $15.1 million in the same period last year. Lower new home settlements relative to last year was the primary driver for the variance; however the impact was partially offset by an 8% increase in annuity income from site rentals, which was up from $11.4 million to $12.3 million due to an increased number of homes under management.

Managing Director, Mr James Kelly, said "Given the circumstances we faced during the period, I am pleased with these results. Whilst our marketing continued to engage and bring new customers onto our database, we understood that new customers' buying decisions would be difficult without the ability to view our display homes, visit our completed communities, or meet with our Lifestyle Consultants. We adjusted our sales process to focus more on sharing information and building knowledge. As a result of this, customers are advanced on understanding the benefits of the Lifestyle model now that restrictions have eased and we are once again able to meet customers face to face. This, combined with an increase in completed and available homes sees us well placed to meet the demands of customers ready to move after restrictions eased".

Construction continued throughout the period, with six communities currently in development phase and an increased supply of homes available to facilitate the anticipated increase in demand from new residents ready to move post lockdown.

The Company was pleased with the acquisition of a new site in Rockbank during the period, part of Melbourne's fast growing North West corridor. With the current pipeline of projects, the business reaffirmed it has the capacity to deliver 900 to 1,100 settlements over the next three years, subject to the effect of further restrictions or lock-downs and the associated uncertainty for house sales in relation to the Covid-19 pandemic

Mr Kelly said "This was a very difficult period for Victoria and we thank our homeowners and our team for their patience, empathy and resilience. We are excited to welcome our first homeowners at Plumpton and St Leonards and planning activities continue at Tyabb, Pakenham, Clyde North, Clyde and Rockbank. We are very much looking forward to switching our Wellness program back to face-to-face events and have a number of exciting events planned for our homeowners in 2021."

Lifestyle Communities shareholders will receive an interim fully franked dividend of 3.0 cents per share, consistent with 3.0 cents per share paid for the same period in the prior year.

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Conference call details

Both James Kelly and Darren Rowland (CFO) will be available for a teleconference call at 3.00pm (AEDT) today the 15th of February 2021.

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

https://s1.c-conf.com/DiamondPass/10011852-6ro3m8.html

Once pre-registered, participants will receive an email with a calendar invite that contains a dial in number, passcode and a unique pin. Just prior to 3pm, participants should dial the number provided, and enter the passcode and unique pin when prompted. They will then be connected directly.

Authorised for lodgement by the Board. For further information please contact:

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About Lifestyle Communities
Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable independent living residential land lease communities. Lifestyle Communities has twenty-three residential land lease communities in planning, development or under management.