



LINDSEA[®]
HOMES

2022 **BUILDER**
of the **YEAR**

4Q 2023
Earnings Presentation



Disclaimer

Forward-Looking Statements

Certain statements in this presentation may constitute “forward-looking statements” within the meaning of the federal securities laws, including, but not limited to, our expectations for future financial performance, business strategies or expectations for our business, including as they relate to anticipated effects of the business combination pursuant to that Agreement and Plan of Merger (the “Merger Agreement”) by and among Landsea Homes Corporation (formerly LF Capital Acquisition Corp. or “LF Capital” and now the “Company” or “Landsea Homes”), a Delaware corporation, LFCA Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of LF Capital, Landsea Holdings Corporation, a Delaware corporation (“Landsea Holdings”), and Landsea Homes Incorporated, a Delaware corporation and wholly-owned subsidiary of Landsea Holdings, dated as of August 31, 2020 (the “Business Combination”). These statements constitute projections, forecasts and forward-looking statements, and are not guarantees of performance. Landsea Homes cautions that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Words such as “may,” “can,” “should,” “will,” “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “target,” “look” or similar expressions may identify forward-looking statements. Specifically, forward-looking statements may include statements relating to: the benefits of the Business Combination and the acquisition of Vintage Estate Homes (the “Acquisition”); the future financial performance of the Company; changes in the market for Landsea Homes’ products and services; and other expansion plans and opportunities.

These forward-looking statements are based on information available as of the date of this presentation and our management’s current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements.

These risks and uncertainties include, but are not limited to, the risk factors described by Landsea Homes in its filings with the Securities and Exchange Commission (“SEC”). These risk factors and those identified elsewhere in this press release, among others, could cause actual results to differ materially from historical performance and include, but are not limited to: the ability to recognize the anticipated benefits of the Business Combination and the Acquisition, which may be affected by, among other things, competition, the ability to integrate the combined business and the acquired business, and the ability of the combined business and the acquired business to grow and manage growth profitably; costs related to the Business Combination; the ability to maintain the listing of Landsea Homes’ securities on Nasdaq; the outcome of any legal proceedings that may be instituted against the Company; changes in applicable laws or regulations; the inability to launch new Landsea Homes products or services or to profitably expand into new markets; the possibility that Landsea Homes may be adversely affected by other economic, business, and/or competitive factors; and other risks and uncertainties indicated in Landsea Homes’ SEC reports or documents filed or to be filed with the SEC by Landsea Homes.

Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and you should not place undue reliance on these forward-looking statements in deciding whether to invest in our securities. We do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Non-GAAP Financial Measures

This presentation contains certain financial measures that are not calculated in accordance with accounting principles generally accepted in the United States (“GAAP”). Any non-GAAP financial measures and other non-GAAP financial information used in this presentation are in addition to, and should not be considered superior to, or a substitute for, financial measures prepared in accordance with GAAP. Non-GAAP financial measures and other non-GAAP financial information is subject to significant inherent limitations. The non-GAAP financial measures Landsea Homes uses in this presentation include net debt to net capital, adjusted home sales gross margin, adjusted net income, EBITDA and adjusted EBITDA.

We believe that the disclosure of these non-GAAP financial measures presents additional information which, when read in conjunction with our consolidated financial statements prepared in accordance with GAAP, facilitates the analysis of our results of operations. These non-GAAP financial measures are not based on any comprehensive or standard set of accounting rules or principles. Accordingly, the calculation of our non-GAAP financial measures may differ from the definitions of non-GAAP financial measures other companies may use with the same or similar names. This limits, to some extent, the usefulness of this information for comparison purposes. Non-GAAP financial measures have limitations in that they do not reflect all of the amounts associated with our financial results as determined in accordance with GAAP. This information should only be used to evaluate our financial results in conjunction with the corresponding GAAP information. Accordingly, we qualify our use of non-GAAP financial measures whenever non-GAAP financial measures are presented. A reconciliation of the non-GAAP financial measures used in this presentation to the most directly comparable GAAP measures is provided in the Appendix to this presentation.

Today's Presenters



John Ho
Chief Executive Officer



Michael Forsum
President and
Chief Operating Officer



Chris Porter
Chief Financial Officer

BUSINESS REVIEW

hartwell
PLAN ELEVEN
ELEVATION A
4-6 Beds, 3.5+ Baths
3,375 Sq. Ft.

PLEASE
WATCH
YOUR STEP

Financial Highlights



Note: Adjusted EBITDA and Net Debt to Total Capital are non-GAAP metrics. Refer to the Appendix for reconciliation thereof to the most directly comparable GAAP measure

4Q 23 Highlights

- Net income attributable to Landsea Homes of \$12.5M, or \$0.33 per diluted share
- Total revenue of \$397.6M
- Pretax income of \$18.8M
- Adjusted EBITDA of \$40.3M
- Total homes delivered of 664
- Net new home orders of 398 with an order value of \$219M
- Year-end homes in backlog of 517 for a total of \$336M
- Repurchased 1,274,297 shares of common stock for \$13.2M during the fourth quarter
- Book Value per share of \$17.88

Live in your element™

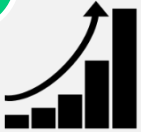
Business Priorities

1



Meaningfully increase scale through organic growth and integration of 6 transformative acquisitions

2



Transitioning towards asset-light business model, with acquisitions improving profitability and returns

3



Increase geographic diversity of platform, with expansion into new Texas and Colorado markets

4



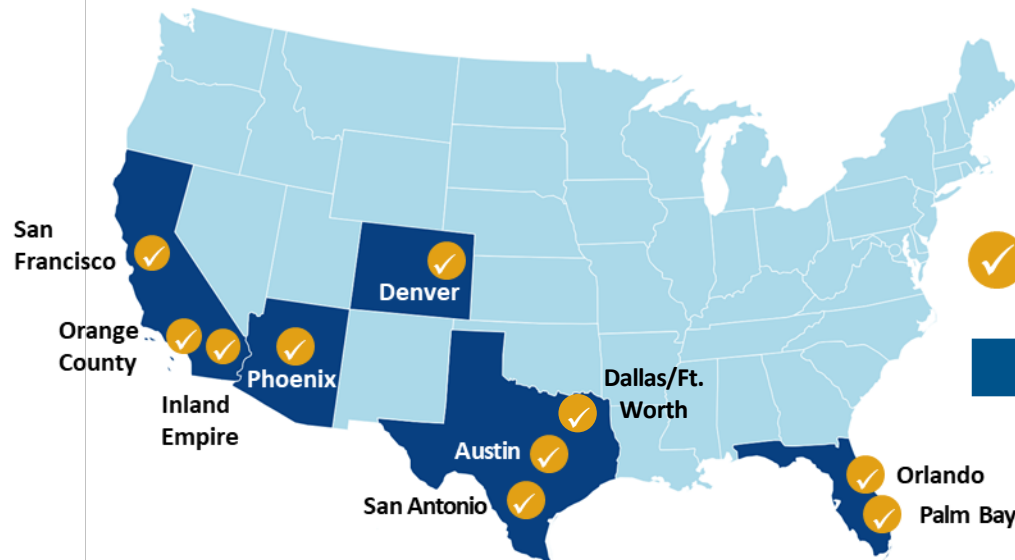
Continue to drive improvements in cycle times and additional cost reductions

Diversified National Footprint

California

- Markets:
 - San Francisco Bay Area
 - Inland Empire
 - Orange County
- Lots Owned or Controlled: ~2,100 (68% Controlled)
- 4Q23 ASP \$850k

% of 4Q 23 Revenue



Signifies Landsea presence in the market

Signifies Landsea core market

Florida

- Markets:
 - Orlando Metro Area
 - Palm Bay
- Lots Owned or Controlled: ~3,600 (46% Controlled)
- 4Q23 ASP \$454k

% of 4Q 23 Revenue

Arizona

- Markets:
 - Phoenix Metro Area
- Lots Owned or Controlled: ~3,400 (50% Controlled)
- 4Q23 ASP \$436k

% of 4Q 23 Revenue

Colorado

- Markets:
 - North Denver
 - Fort Collins Area
- Lots Owned or Controlled: ~300 (55% Controlled)

% of 4Q 23 Revenue

Texas

- Markets:
 - Austin
 - San Antonio Metro Area
- Lots Owned or Controlled: ~1,900 (93% Controlled)

% of 4Q 23 Revenue

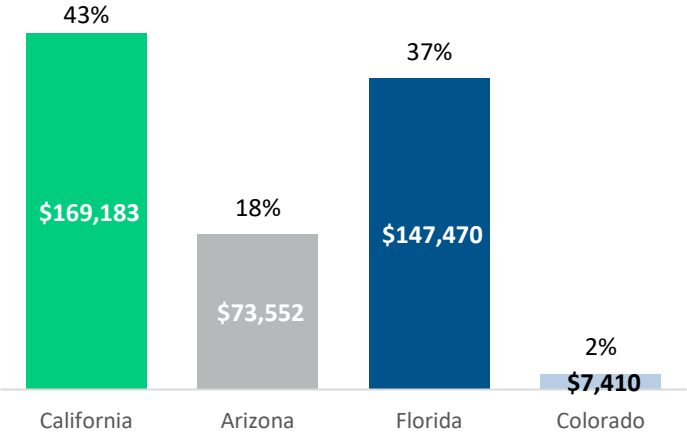
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Diversified Revenue Base

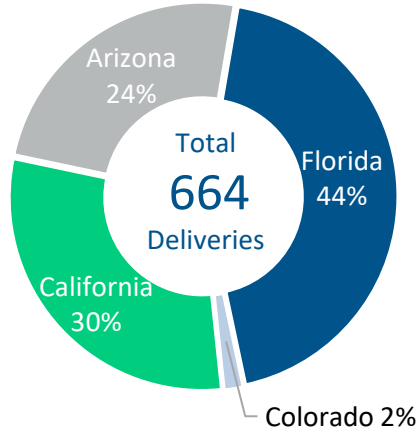
4Q 2023 Highlights

Total Revenue by Segment (\$ in thousands)

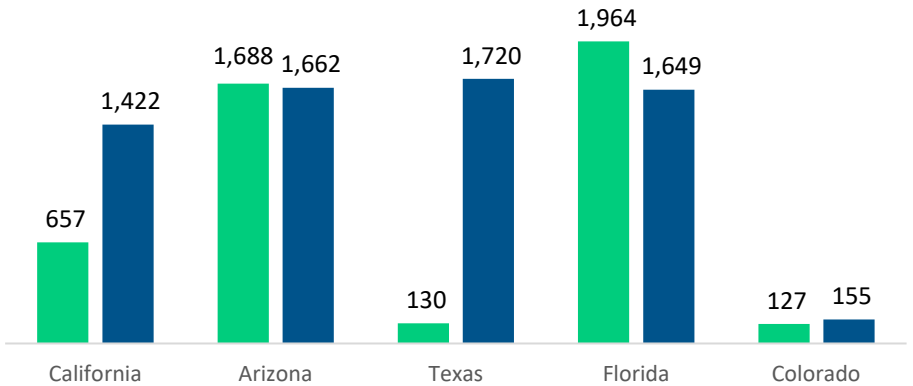
Total Revenue: \$397.6mm



Home Sale Deliveries

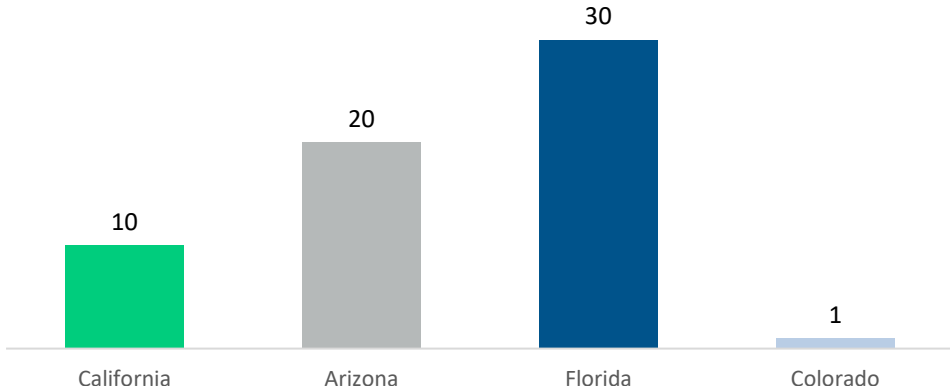


Lots Owned / Controlled



Total Number of Active Communities

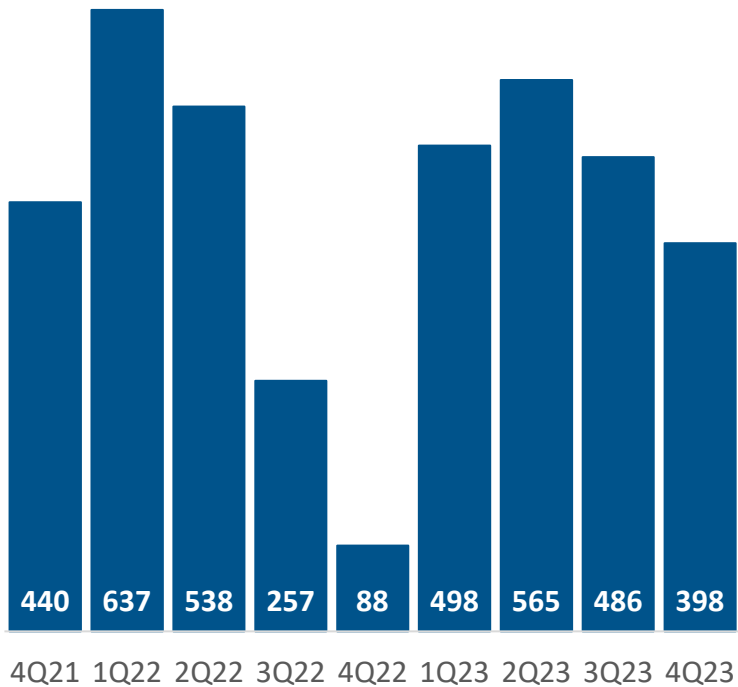
Total Active Selling Communities: 61



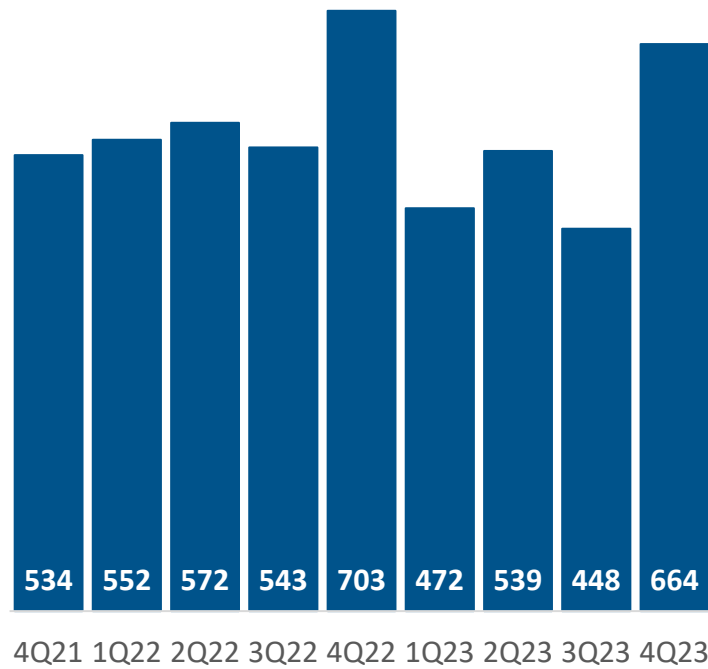
Key Operating Metrics

Operating Metrics by Quarter

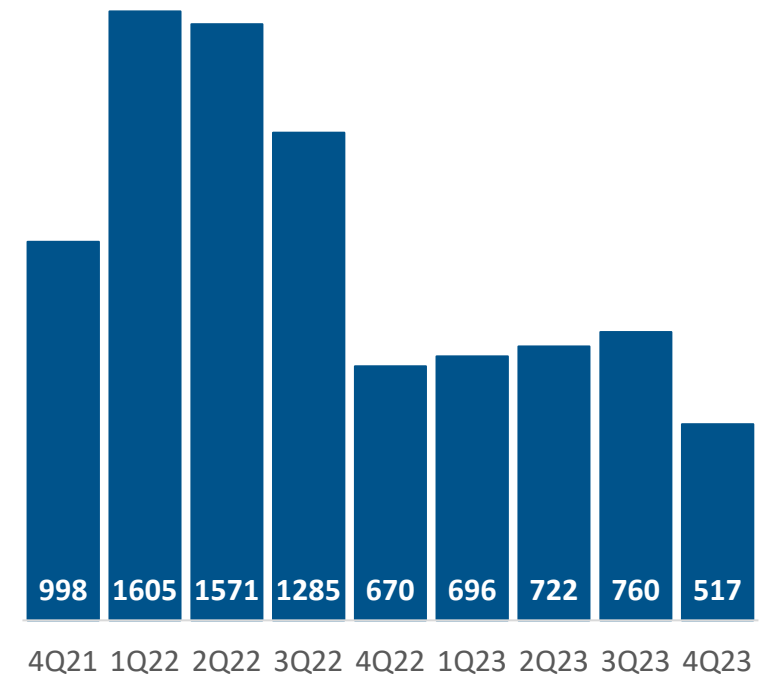
New Home Orders (Units)



Home Deliveries (Units)



Backlog (Units)



Landsea Homes Key Differentiator

High Performance Homes Program

The High-Performance Homes program provides homebuyers with a four-tiered approach that includes home automation, **sustainability**, energy savings and healthy lifestyle

Designed to provide a superior living environment, the program is aimed at:

- Enhancing a home's comfort
- Improving indoor air quality
- Delivering home automation solutions through a strategic partnership with a leading technology company
- Reducing energy costs
- Lessening the consumption of the Earth's precious resources



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Features of High-Performance Homes



Home Automation

Live the Connected Life

- Meshnet wireless internet
- Apple TV included®



Sustainability

To Live Lightly on the Land

- Construction material waste reduced (plaster, drywall, plumbing)
- Architecturally designed to provide a lighter environmental imprint



Energy Savings

Modern Living Made Smarter

- Enhanced insulation
- Tankless water heater
- LED & ENERGY STAR® features to use less energy



Healthy Lifestyle

For Your Well-Being

- Introduced Healthy Lifestyle features in 2021
- REME HALO® whole home and building air purifier
- Low volatile organic compounds (VOC) paint



Financial Highlights

Income Statement

2023 Highlights

- Total Revenues were \$397.6M
- Home sales gross profit margin was 15.9%, compared to prior year of 19.0%. Excluding interest, inventory impairments and purchase price amortization, adjusted home sales gross profit margin was 20.8%.
- SG&A expenses at 12.9% of home sales revenue
- Net income attributed to Landsea Homes Corporation was \$12.5M or \$0.33 pre diluted share
- 517 homes in backlog with a value of \$335.6M and an average sales price of \$649k.
- During the quarter, the Company repurchased 1,274,297 shares of its outstanding common stock at a total cost of \$13.2M

Note: Adjusted home sales gross margin is a non-GAAP metric. Refer to the Appendix for reconciliation thereof to the most directly comparable GAAP measure

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(\$ in millions except ASP)

| | 4Q23 | 4Q22 | % Change |
|---------------------------------------|-------|-------|----------|
| Home Sales Revenues | \$380 | \$417 | -9% |
| Deliveries | 664 | 703 | -6% |
| ASP of Home Deliveries (\$000) | \$572 | \$594 | -4% |
| Net Orders | 398 | 88 | 352% |
| Net Order Value | \$219 | \$57 | 284% |
| Backlog Homes | 517 | 670 | -23% |
| Backlog Value | \$336 | \$381 | -12% |
| Ending Active Community Count | 61 | 58 | 5% |
| Avg. Selling Community Count | 60 | 58 | 3% |
| Absorption | 2.2 | 0.5 | 340% |

Consolidated Balance Sheet

2023 Highlights

- Debt to Capital of 44%
- Net Debt to Total Capital 30%
- Total liquidity of \$432M (\$169M cash and equivalents and held in escrow, plus \$263M availability under revolver)
- \$17.88 Book Value Per Share⁽¹⁾; 11.4% increase over 2022
- \$16.00 Tangible Book Value per Share⁽²⁾; 11.4% increase over 2022

| (\$000s) | December 30, 2023 | December 31, 2022 |
|-------------------------------------|-------------------|-------------------|
| Assets | | |
| Cash and cash equivalents | 168,646 | 140,735 |
| Real estate inventories | 1,121,726 | 1,093,369 |
| Goodwill | 68,639 | 68,639 |
| Other assets | 112,221 | 137,753 |
| Total assets | 1,471,232 | 1,440,496 |
| Liabilities | | |
| Accounts payable & accrued expenses | 238,225 | 223,871 |
| Due to affiliates | 881 | 884 |
| Notes and other debts payable, net | 543,774 | 505,422 |
| Total liabilities | 782,880 | 730,177 |
| Equity | | |
| Total stockholders' equity | 652,878 | 655,950 |
| Noncontrolling interests | 35,474 | 54,369 |
| Total equity | 688,352 | 710,319 |
| Total liabilities and equity | 1,471,232 | 1,440,496 |
| Debt to Capital | 44% | 42% |
| Net Debt to Total Capital | 30% | 30% |

Note: Net debt to total capital is a non-GAAP metric. Refer to the appendix for additional information regarding this non-GAAP measure and a reconciliation thereof to the most directly comparable GAAP measure.

(1) Book value is total stockholders' equity divided by total shares outstanding.

(2) Tangible book value is total stockholders' equity minus goodwill divided by the total shares outstanding.

APPENDIX



Reconciliations Of Adjusted Metrics

(Non-GAAP)

In this presentation, we include certain non-GAAP financial measures, including net debt to total capital, adjusted home sales gross margin, adjusted net income, EBITDA and adjusted EBITDA. These non-GAAP financial measures are presented to provide investors additional insights to facilitate the analysis of our results of operations. These non-GAAP financial measures are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP financial measures are not based on any comprehensive or standard set of accounting rules or principles. Accordingly, the calculation of our non-GAAP financial measures may differ from the definitions of non-GAAP financial measures other companies may use with the same or similar names. This limits, to some extent, the usefulness of this information for comparison purposes. Non-GAAP financial measures have limitations in that they do not reflect all of the amounts associated with our financial results as determined in accordance with GAAP. This information should only be used to evaluate our financial results in conjunction with the corresponding GAAP information. Accordingly, we qualify our use of non-GAAP financial measures whenever non-GAAP financial measures are presented.

NET DEBT TO TOTAL CAPITAL

| | December 31, | |
|--|-------------------------------|--------------|
| | 2023 | 2022 |
| | <i>(dollars in thousands)</i> | |
| Total notes and other debts payable, net | \$ 543,774 | \$ 505,422 |
| Total equity | 688,352 | 710,319 |
| Total capital | \$ 1,232,126 | \$ 1,215,741 |
| Ratio of debt to capital | 44.1 % | 41.6 % |
| Total notes and other debts payable, net | \$ 543,774 | \$ 505,422 |
| Less: cash, cash equivalents and restricted cash | 119,555 | 123,634 |
| Less: cash held in escrow | 49,091 | 17,101 |
| Net debt | \$ 375,128 | \$ 364,687 |
| Total capital | \$ 1,232,126 | \$ 1,215,741 |
| Ratio of net debt to total capital | 30.4 % | 30.0 % |

Reconciliations Of Adjusted Metrics

CONT'D (Non-GAAP)

ADJUSTED HOME SALES GROSS MARGIN

| | Three Months Ended December 31, | | | |
|--|---------------------------------|---------|------------|---------|
| | 2023 | % | 2022 | % |
| | <i>(dollars in thousands)</i> | | | |
| Home sales revenue | \$ 379,668 | 100.0 % | \$ 417,481 | 100.0 % |
| Cost of home sales | 319,392 | 84.1 % | 337,984 | 81.0 % |
| Home sales gross margin | 60,276 | 15.9 % | 79,497 | 19.0 % |
| Add: Interest in cost of home sales | 14,045 | 3.7 % | 8,968 | 2.1 % |
| Add: Real estate inventories impairments | — | — % | — | — % |
| Adjusted home sales gross margin excluding interest and inventory impairments | 74,321 | 19.6 % | 88,465 | 21.2 % |
| Add: Purchase price accounting for acquired inventory | 4,760 | 1.3 % | 9,250 | 2.2 % |
| Adjusted home sales gross margin excluding interest, inventory impairments, and purchase price accounting for acquired inventory | \$ 79,081 | 20.8 % | \$ 97,715 | 23.4 % |

(1) This non-GAAP financial measure should not be used as a substitute for the Company's operating results in accordance with GAAP. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP. We believe this non-GAAP measure is meaningful because it provides insight into the impact that financing arrangements and acquisitions have on our homebuilding gross margin and allows for comparability of our gross margins to competitors that present similar information.

Reconciliations Of Adjusted Metrics

CONT'D (Non-GAAP)

ADJUSTED NET INCOME

| | Three Months Ended December 31, | |
|---|---|-----------|
| | 2023 | 2022 |
| | <i>(dollars in thousands, except share and per share amounts)</i> | |
| Net income attributable to Landsea Homes Corporation | \$ 12,475 | \$ 25,581 |
| Pre-Merger capitalized related party interest included in cost of sales | 131 | 1,299 |
| Equity in net income of unconsolidated joint ventures | — | (10) |
| Purchase price accounting for acquired inventory | 4,760 | 9,250 |
| Total adjustments | 4,891 | 10,539 |
| Tax-effected adjustments ⁽¹⁾ | 3,609 | 7,726 |
| Adjusted net income attributable to Landsea Homes Corporation | \$ 16,084 | \$ 33,307 |

(1) Our tax-effected adjustments are based on our federal rate and a blended state rate adjusted for certain discrete items.

Reconciliations Of Adjusted Metrics

CONT'D (Non-GAAP)

EBITDA AND ADJUSTED EBITDA

| | Three Months Ended December 31, | |
|--|---------------------------------|-----------|
| | 2023 | 2022 |
| | <i>(dollars in thousands)</i> | |
| Net income | \$ 13,178 | \$ 26,469 |
| Provision for income taxes | 5,572 | 7,940 |
| Interest in cost of sales | 14,452 | 9,152 |
| Depreciation and amortization expense | 1,326 | 1,104 |
| EBITDA | 34,528 | 44,665 |
| Purchase price accounting for acquired inventory | 4,760 | 9,250 |
| Transaction costs | 757 | — |
| Abandoned project costs | 253 | — |
| Equity in net income of unconsolidated joint ventures, excluding interest relieved | — | (10) |
| Adjusted EBITDA | \$ 40,298 | \$ 53,905 |

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