

July 1, 2024



Life Time Closes on \$90 Million Sale-Leaseback Transaction

CHANHASSEN, Minn., July 1, 2024 /PRNewswire/ -- Life Time Group Holdings, Inc. ("Life Time" or the "Company") (NYSE: LTH) announced that on Friday, June 28, 2024, it closed on a sale-leaseback transaction for two properties totaling \$90 million in gross proceeds. This transaction brings the Company's total gross proceeds from sale-leasebacks to \$130 million year-to-date. The Company is also in negotiations for additional sale-leasebacks with expected gross proceeds of \$40-\$65 million, which it expects to close by the end of the third quarter. Terms are similar to recent transactions.

The majority of the proceeds from this transaction will be used to reduce debt and accelerate the timing for the Company to achieve its priority of a net debt-to-Adjusted EBITDA leverage ratio under 3 times. The **continued strong financial performance of the Company's business will be more than sufficient to cover the incremental rent expense** from these transactions.

"We are excited that we are on track to deliver positive free cash flow in the second quarter even without the proceeds from these sale-leasebacks," said Life Time Founder, Chairman, and CEO, Bahram Akradi. "These sale-leaseback transactions will additionally support the great progress we are making towards reducing our net debt-to-Adjusted EBITDA leverage ratio to under 3 times sooner than expected, and we are confident that we will grow our revenue and Adjusted EBITDA by low double digits while continuing to deliver positive free cash flow."

About Life Time

Life Time (NYSE: LTH) empowers people to live healthy, happy lives through its portfolio of more than 170 athletic country clubs across the United States and Canada. The health and wellness pioneer also delivers a range of healthy way of life programs and information via its complimentary Life Time Digital app. The Company's healthy living, healthy aging, healthy entertainment communities and ecosystem serve people 90 days to 90+ years old and is supported by a team of more than 39,000 dedicated professionals. In addition to delivering the best programs and experiences through its clubs, Life Time owns and produces nearly 30 of the most iconic athletic events in the country.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of federal securities regulations. Forward-looking statements in this press release include, but are not limited to, the Company's plans, strategies and prospects, both business and financial, including its priorities for 2024, growth, improvements to its balance sheet, net debt and leverage ratio, free cash flow, rent expense, and successful signings and closings of sale-leaseback transactions (including the amount, pricing and timing thereof). These statements are based on the beliefs and assumptions of the Company's management. Forward-looking statements are inherently subject to risks, uncertainties and assumptions. Generally,

statements that are not historical facts, including statements concerning the Company's possible or assumed future actions, business strategies, events or results of operations, are forward-looking statements. These statements may be preceded by, followed by or include the words "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. In addition, any statements or information that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking.

Factors that could cause actual results to differ materially from those forward-looking statements included in this press release include, but are not limited to, risks relating to our business operations and competitive and economic environment, risks relating to our brand, risks relating to the growth of our business, risks relating to our technological operations, risks relating to our capital structure and lease obligations, risks relating to our human capital, risks relating to legal compliance and risk management and risks relating to ownership of our common stock and the other important factors discussed under the caption "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission (the "SEC") on February 28, 2024, (File No. 001-40887), as such factors may be updated from time to time in the Company's other filings with the SEC, which are accessible on the SEC's website at www.sec.gov. These and other important factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Any forward-looking statement that the Company makes in this press release speaks only as of the date of such statement. Except as required by law, the Company does not have any obligation to update or revise, or to publicly announce any update or revision to, any of the forward-looking statements, whether as a result of new information, future events or otherwise.

View original content to download multimedia:<https://www.prnewswire.com/news-releases/life-time-closes-on-90-million-sale-leaseback-transaction-302186406.html>

SOURCE Life Time Group Holdings, Inc.