

Life Time

LTH seeing no weakness in demand or traffic in 2024

Reiterate Rating: BUY | PO: 21.00 USD | Price: 13.72 USD

4Q adj. EBITDA ahead led by lower center operations costs

Life Time (LTH) reported 4Q23 adjusted EBITDA of \$137.7mn (vs. our \$134.7mn) led by lower center operations costs vs. our expectations. Revenue of \$558.6mm (vs. our \$555.4mm) was in-line with LTH's re-affirmed guidance post CFO departure on 12/27. Center memberships of 763.2K was above our 754.3K and declined 21.1K QoQ given normal seasonality. Average monthly dues were \$183, or up 13.2 % vs. last year. We reiterate Buy and raise our PO to \$21 (from \$20) based on an EV of 9-10X our C25 adj. EBITDA of \$640mm as we rolled forward from C24.

Raise EBITDA on flat member adds & modest pricing uplift

We raise our C24 adj. EBITDA to \$600.1mn (from \$594.0mn & in-line with updated guidance). Our updated estimate reflects: (1) ~38K net member adds (similar to 2023) as LTH benefits from 9-10 new clubs which is helping to offset lower net adds at more mature clubs which are near capacity; (2) a modest pricing tailwind given natural membership churn to higher rack rate pricing (\$220 vs. current avg. of \$183) & \$17mm/month opportunity on price increases on legacy members which are paying below current rack rate.

Expect increases in enrollment fees and waitlists

We believe LTH will continue to see increases in the number of clubs on waitlists and enrollment fees (from 20 currently) as membership demand continues to exceed desired capacity. We believe LTH's one-stop shop offering with the inclusion of recent initiatives like pickleball provides value compared to traditional country clubs (\$500-\$600/month) or disparate fitness/leisure entertainment memberships.

Food and beverage revamp next big strategic initiative

We believe LTH next strategic initiative will focus around improving its Food & Beverage offering including a move to more club specific offerings to allow for more freedom and creativity. LTH is still running 760bps below 2019 in terms of its in-center revenue as a percent of total center revenue.

Estimates (Dec) (US\$)	2022A	2023A	2024E	2025E	2026E
EPS	(0.22)	0.63	0.78	0.86	0.80
GAAP EPS	(0.01)	0.37	0.64	0.72	0.67
EPS Change (YoY)	89.9%	NM	23.8%	10.3%	-7.0%
Consensus EPS (Bloomberg)			0.61	0.81	1.14
DPS	0	0	0	0	0
Valuation (Dec)					
P/E	NM	21.8x	17.6x	16.0x	17.2x
GAAP P/E	NM	37.1x	21.4x	19.1x	20.5x
EV / EBITDA*	24.7x	13.0x	11.6x	10.9x	10.3x
Free Cash Flow Yield*	-6.3%	-4.7%	2.3%	8.4%	9.1%

* For full definitions of *IQmethod*SM measures, see page 7.

28 February 2024

Equity

Key Changes

(US\$)	Previous	Current
Price Obj.	20.00	21.00
2024E Rev (m)	2,511.7	2,500.4
2025E Rev (m)	2,758.6	2,746.0
2026E Rev (m)	3,031.3	3,017.4
2024E EPS	0.69	0.78
2025E EPS	0.76	0.86
2026E EPS	0.82	0.80

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Stock Data

Price	13.72 USD
Price Objective	21.00 USD
Date Established	28-Feb-2024
Investment Opinion	C-1-9
52-Week Range	11.10 USD - 22.41 USD
Mkt Val (mn) / Shares Out (mn)	2,695 USD / 196.4
Free Float	35.2%
Average Daily Value (mn)	8.88 USD
BofA Ticker / Exchange	LTH / NYS
Bloomberg / Reuters	LTH US / LTH.N
ROE (2024E)	6.8%
Net Dbt to Eqty (Dec-2023A)	84.4%
ESGMeter TM	NLA

ESGMeter is not indicative of a company's future stock price performance and is not an investment recommendation or rating. ESGMeter is independent of BofA Global Research's equity investment rating, volatility risk rating, income rating, and price objective for that company. For full details, refer to ["BofA ESGMeter Methodology"](#).

QoQ = Quarter over quarter

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iQprofileSM Life Time

iQmethodSM – Bus Performance*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Return on Capital Employed	1.2%	2.8%	3.1%	3.3%	3.1%
Return on Equity	-2.0%	5.8%	6.8%	7.1%	6.2%
Operating Margin	6.1%	10.2%	11.7%	11.7%	10.2%
Free Cash Flow	(169)	(127)	62	227	245

iQmethodSM – Quality of Earnings*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash Realization Ratio	NM	3.0x	2.9x	2.8x	3.0x
Asset Replacement Ratio	1.5x	2.1x	1.5x	1.0x	0.9x
Tax Rate	31.5%	19.8%	29.0%	29.0%	29.0%
Net Debt-to-Equity Ratio	84.5%	84.4%	76.0%	62.1%	49.6%
Interest Cover	1.0x	1.7x	2.7x	2.9x	2.8x

Income Statement Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Sales	1,823	2,217	2,500	2,746	3,017
% Change	38.3%	21.6%	12.8%	9.8%	9.9%
Gross Profit	754	1,032	1,180	1,293	1,348
% Change	59.2%	36.8%	14.3%	9.6%	4.2%
EBITDA	282	537	600	640	680
% Change	252.1%	90.6%	11.8%	6.7%	6.2%
Net Interest & Other Income	(113)	(130)	(108)	(110)	(109)
Net Income (Adjusted)	(43)	127	159	179	169
% Change	87.3%	NM	25.1%	12.4%	-5.6%

Free Cash Flow Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Net Income from Cont Operations (GAAP)	(2)	76	131	151	141
Depreciation & Amortization	229	244	267	277	305
Change in Working Capital	(48)	5	0	0	0
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	(10)	62	67	67	67
Capital Expenditure	(339)	(515)	(403)	(268)	(268)
Free Cash Flow	-169	-127	62	227	245
% Change	49.9%	25.0%	NM	264.8%	7.9%
Share / Issue Repurchase	92	(13)	(13)	(13)	(13)
Cost of Dividends Paid	0	0	0	0	0
Change in Debt	282	243	10	0	0

Balance Sheet Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash & Equivalents	26	30	89	302	534
Trade Receivables	13	24	24	24	24
Other Current Assets	92	121	121	121	121
Property, Plant & Equipment	2,901	3,172	3,308	3,299	3,262
Other Non-Current Assets	3,593	3,686	3,686	3,686	3,686
Total Assets	6,625	7,032	7,227	7,432	7,626
Short-Term Debt	NA	NA	NA	NA	NA
Other Current Liabilities	390	425	425	425	425
Long-Term Debt	1,821	1,933	1,943	1,943	1,943
Other Non-Current Liabilities	2,290	2,421	2,421	2,421	2,421
Total Liabilities	4,501	4,778	4,788	4,788	4,788
Total Equity	2,124	2,254	2,439	2,644	2,838
Total Equity & Liabilities	6,625	7,032	7,227	7,432	7,626

* For full definitions of iQmethodSM measures, see page 7.

Company Sector

Leisure

Company Description

Life Time is a leading lifestyle brand offering premium health, fitness, & wellness experiences through its resort-like athletic centers that avg. 100K square ft.

Investment Rationale

We rate LTH Buy as we believe it should benefit from significant whitespace & pricing opportunity as well as strong network benefits as center density increases.

Stock Data

Average Daily Volume 647,373

Quarterly Earnings Estimates

	2023	2024
Q1	0.12A	0.19E
Q2	0.17A	0.19E
Q3	0.15A	0.19E
Q4	0.19A	0.19E







Exhibit 1: LTH quarterly earnings analysis

\$ millions, except per share data

	Center Revenue	Events, Living/Work & Other	Total Revenue	Center Operations Costs	Rent Exp.	G&A, Marketing Exp.	Other Operating	D&A	GAAP EBIT	Total Add-backs	Adj. EBITDA	Interest (Income) Exp.	Equity in Earnings of Affiliate	Non-recurring items	Pre-Tax Inc.	Inc. Tax Exp. (Benefit)	GAAP Net Inc.	Non-Controlling Interest	GAAP Net Inc. to LTH	GAAP EPS to LTH	ProForma Shs. Out (MM)
Mar-Q1	\$381.6	\$10.6	\$392.3	\$239.6	\$56.0	\$66.6	-\$17.0	\$58.1	-\$10.9	-\$6.6	\$40.6	\$29.9	\$0.0	\$0.0	-\$40.8	-\$2.9	-\$38.0	\$0.0	-\$38.0	-\$0.20	192.5
Jun-Q2	\$445.9	\$15.4	\$461.3	\$279.6	\$60.0	\$52.0	-\$8.2	\$57.2	\$20.8	-\$14.9	\$63.1	\$27.1	\$0.0	\$0.0	-\$6.275	-\$4.0	-\$2.3	\$0.0	-\$2.3	-\$0.01	193.7
Sep-Q3	\$480.0	\$16.4	\$496.4	\$295.3	\$63.2	\$57.1	-\$31.4	\$56.4	\$55.7	-\$41.2	\$71.0	\$27.7	-\$0.1	\$0.0	\$28.1	\$3.4	\$24.73	\$0.0	\$24.7	\$0.12	198.4
Dec-Q4	<u>\$462.0</u>	<u>\$10.6</u>	<u>\$472.7</u>	<u>\$253.8</u>	<u>\$66.1</u>	<u>\$38.3</u>	<u>\$12.3</u>	<u>\$57.2</u>	<u>\$45.0</u>	<u>\$4.8</u>	<u>\$107.0</u>	<u>\$28.8</u>	<u>-\$0.2</u>	<u>\$0.0</u>	<u>\$16.4</u>	<u>\$2.6</u>	<u>\$13.7</u>	<u>\$0.0</u>	<u>\$13.7</u>	<u>\$0.07</u>	<u>196.4</u>
2022	\$1,769.5	\$53.0	\$1,822.6	\$1,068.2	\$245.2	\$214.0	-\$44.4	\$228.9	\$110.6	-\$57.8	\$281.7	\$113.5	-\$0.3	\$0.0	-\$2.6	-\$0.8	-\$1.8	\$0.0	-\$1.8	-\$0.01	193.6
Mar-Q1	\$497.8	\$13.1	\$510.9	\$274.1	\$66.5	\$42.5	\$2.1	\$58.2	\$67.4	-\$5.5	\$120.1	\$31.2	-\$0.1	\$0.0	\$36.3	\$8.87	\$27.5	\$0.0	\$27.5	\$0.14	202.9
Jun-Q2	\$542.1	\$19.6	\$561.7	\$302.6	\$67.4	\$52.84	\$28.2	\$58.3	\$52.4	\$25.4	\$136.0	\$32.0	-\$0.1	\$0.0	\$20.5	\$3.51	\$17.0	\$0.0	\$17.0	\$0.08	204.8
Sep-Q3	\$568.4	\$16.8	\$585.2	\$319.4	\$69.2	\$51.67	\$34.5	\$63.6	\$46.7	\$32.6	\$143.0	\$33.1	-\$0.1	\$0.0	\$13.7	\$5.82	\$7.9	\$0.0	\$7.9	\$0.04	204.3
Dec-Q4	<u>\$546.1</u>	<u>\$12.8</u>	<u>\$558.8</u>	<u>\$288.3</u>	<u>\$71.9</u>	<u>\$54.13</u>	<u>\$21.5</u>	<u>\$64.3</u>	<u>\$58.7</u>	<u>\$14.7</u>	<u>\$137.7</u>	<u>\$34.5</u>	<u>-\$0.1</u>	<u>\$0.0</u>	<u>\$24.2</u>	<u>\$0.53</u>	<u>\$23.7</u>	<u>\$0.0</u>	<u>\$23.7</u>	<u>\$0.12</u>	<u>203.4</u>
2023	\$2,154.3	\$62.3	\$2,216.6	\$1,184.4	\$275.1	\$201.1	\$86.4	\$244.4	\$225.2	\$67.2	\$536.8	\$130.8	-\$0.4	\$0.0	\$94.8	\$18.7	\$76.1	\$0.0	\$76.1	\$0.37	203.8
Mar-Q1E	\$572.4	\$13.1	\$585.5	\$308.4	\$73.9	\$57.5	\$11.8	\$65.3	\$68.6	\$10.2	\$144.1	\$27.0	-\$0.1	\$0.0	\$41.7	\$12.09	\$29.6	\$0.0	\$29.6	\$0.14	204.3
Jun-Q2E	\$628.9	\$19.6	\$648.5	\$345.0	\$75.9	\$66.84	\$17.6	\$66.3	\$76.8	\$10.1	\$153.2	\$27.0	-\$0.1	\$0.0	\$49.8	\$14.44	\$35.4	\$0.0	\$35.4	\$0.17	205.2
Sep-Q3E	\$625.2	\$16.8	\$642.0	\$341.8	\$77.9	\$65.67	\$15.1	\$67.3	\$74.2	\$10.1	\$151.6	\$27.0	-\$0.1	\$0.0	\$47.2	\$13.70	\$33.5	\$0.0	\$33.5	\$0.16	206.1
Dec-Q4E	<u>\$611.6</u>	<u>\$12.8</u>	<u>\$624.4</u>	<u>\$325.7</u>	<u>\$79.9</u>	<u>\$66.13</u>	<u>\$11.5</u>	<u>\$68.3</u>	<u>\$72.7</u>	<u>\$10.1</u>	<u>\$151.2</u>	<u>\$27.0</u>	<u>-\$0.1</u>	<u>\$0.0</u>	<u>\$45.8</u>	<u>\$13.28</u>	<u>\$32.5</u>	<u>\$0.0</u>	<u>\$32.5</u>	<u>\$0.16</u>	<u>207.0</u>
2024E	\$2,438.1	\$62.3	\$2,500.4	\$1,320.8	\$307.7	\$256.1	\$56.0	\$267.3	\$292.3	\$40.4	\$600.1	\$108.2	-\$0.4	\$0.0	\$184.5	\$53.5	\$131.0	\$0.0	\$131.0	\$0.64	205.7
2025E	\$2,681.9	\$64.1	\$2,746.0	\$1,452.91	\$357.7	\$278.1	\$57.7	\$277.3	\$322.3	\$40.4	\$640.0	\$110.2	-\$0.4	\$0.0	\$212.4	\$61.6	\$150.8	\$0.0	\$150.8	\$0.72	209.0

E = BofA Global Research Estimates

PERCENTAGE CHANGE %										MARGIN ANALYSIS (% OF NET SALES)										
Comparable										Center Ops.										
Center Sales	Center Revenue	Other Revenue	Total Net Sales	Center Operations Costs	Rent Exp.	G&A, Marketing Exp.	Adj. EBITDA	GAAP EPS to LTH	Adj. EPS to LTH	Cost Ratio	Rent Exp. Ratio	G&A, Marketing Ratio	Other Oper. Exp. Ratio	Adj. EBITDA Margin	D&A % of Sales	Op. Margin	Tax Rate	GAAP Net Inc. to LTH	Adj. Net Inc. to LTH	
Mar-Q1	50.3%	55.7%	152.9%	57.3%	37.2%	10.8%	73.9%	-314.4%	-81.3%	-78.7%	62.8%	14.7%	17.0%	-160.2%	10.4%	14.8%	-2.8%	7.0%	-9.7%	-10.9%
Jun-Q2	36.2%	40.8%	133.4%	42.7%	27.8%	16.7%	20.0%	1414.2%	-97.8%	-86.9%	62.7%	13.5%	11.3%	-53.4%	13.7%	12.4%	4.5%	63.6%	-0.5%	-2.8%
Sep-Q3	25.6%	29.0%	25.7%	28.9%	27.3%	20.4%	26.1%	50.9%	-139.9%	-91.8%	61.5%	13.2%	11.5%	-191.4%	14.3%	11.4%	11.2%	12.1%	5.0%	-0.9%
Dec-Q4	26.0%	30.9%	40.2%	31.1%	16.0%	19.5%	-89.2%	122.9%	-103.4%	-117.6%	54.9%	14.3%	8.1%	115.2%	22.6%	12.1%	9.5%	16.1%	2.9%	3.6%
2022	33.0%	37.5%	68.8%	38.3%	26.5%	17.0%	-55.5%	252.1%	-99.8%	-89.8%	60.4%	13.9%	11.7%	-83.6%	15.5%	12.6%	6.1%	31.5%	-0.1%	-2.4%
Mar-Q1	24.6%	30.4%	23.2%	30.2%	14.4%	18.9%	-36.2%	195.6%	-168.6%	-152.2%	55.1%	13.4%	8.3%	16.2%	23.5%	11.4%	13.2%	24.4%	5.4%	4.6%
Jun-Q2	15.5%	21.6%	27.4%	21.8%	8.2%	12.4%	1.7%	115.6%	-803.7%	-357.1%	55.8%	12.4%	9.4%	143.8%	24.2%	10.4%	9.3%	17.1%	3.0%	6.2%
Sep-Q3	11.4%	18.4%	2.4%	17.9%	8.2%	9.5%	-9.6%	101.5%	-68.9%	-761.0%	56.2%	12.2%	8.8%	205.8%	24.4%	10.9%	8.0%	42.4%	1.4%	5.3%
Dec-Q4	11.7%	18.2%	20.2%	18.2%	13.6%	8.9%	41.2%	28.7%	66.6%	115.3%	52.8%	13.2%	9.7%	168.4%	24.6%	11.5%	10.5%	2.2%	4.2%	6.8%
2023	15.4%	21.7%	17.4%	21.6%	10.9%	12.2%	-6.0%	90.6%	-4128.3%	-381.3%	55.0%	12.8%	9.1%	138.7%	24.2%	11.0%	10.2%	19.8%	3.4%	5.7%
Mar-Q1E	9.0%	15.0%	0.0%	14.6%	12.5%	11.1%	35.3%	20.0%	7.0%	55.3%	53.9%	12.9%	9.8%	90.0%	24.6%	11.2%	11.7%	29.0%	5.1%	6.3%
Jun-Q2E	9.0%	16.0%	0.0%	15.4%	14.0%	12.6%	26.5%	12.6%	107.5%	21.2%	54.9%	12.1%	10.3%	90.0%	23.6%	10.2%	11.8%	29.0%	5.5%	6.5%
Sep-Q3E	9.0%	10.0%	0.0%	9.7%	7.0%	12.6%	27.1%	6.1%	320.1%	29.9%	54.7%	12.5%	10.2%	90.0%	23.6%	10.5%	11.6%	29.0%	5.2%	6.3%
Dec-Q4E	9.0%	12.0%	0.0%	11.7%	13.0%	11.1%	22.2%	9.8%	34.9%	2.5%	53.3%	13.1%	10.6%	90.0%	24.2%	10.9%	11.7%	29.0%	5.2%	6.3%
2024E	9.0%	13.2%	0.0%	12.8%	11.5%	11.8%	27.3%	11.8%	70.7%	24.0%	54.2%	12.6%	10.2%	90.0%	24.0%	10.7%	11.7%	29.0%	5.2%	6.4%
2025E	9.0%	10.0%	3.0%	9.8%	10.0%	16.2%	8.6%	6.7%	13.3%	10.6%	54.2%	13.3%	10.1%	90.0%	23.3%	10.1%	11.7%	29.0%	5.5%	6.5%

Source: Company Filings, BofA Global Research Estimates

BofA GLOBAL RESEARCH

Price objective basis & risk

Life Time (LTH)

Our \$21 PO is based on an enterprise value of 9-10X our F25 adj. EBITDA estimate of \$640mn, a valuation more in line with other Best-in-Class Experience Membership Models.

Risks to the downside are: 1) Life Time operates in a highly competitive U.S. market with other luxury fitness providers including Equinox, high-end boutique fitness studios including F45 & Xponential Fitness, and other fitness/experience based membership models incl. country clubs, (2) rise in COVID-19 case counts could pressure Life Time recovery trends especially if case counts continue to pressure consumer sentiment, (3) strong momentum during the peak new member sign up period of mid-December/January is important for Centers to achieve strong results for the full new year, (4) Continued rise of at home fitness, including Peloton, could pressure demand for in-center fitness models, and (5) New Center construction/opening delays could push off timing of contribution from new Centers vs. current model expectations.

Analyst Certification

I, Alexander Perry, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

US - Broadlines, Hardlines, Food Retailers & Leisure Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Academy Sports + Outdoors	ASO	ASO US	Robert F. Ohmes, CFA
	BJ's Wholesale Club Holdings	BJ	BJ US	Robert F. Ohmes, CFA
	Costco Wholesale Corporation	COST	COST US	Robert F. Ohmes, CFA
	Grocery Outlet Holding Corp.	GO	GO US	Robert F. Ohmes, CFA
	Harley-Davidson	HOG	HOG US	Alexander Perry
	Life Time	LTH	LTH US	Alexander Perry
	Planet Fitness, Inc.	PLNT	PLNT US	Alexander Perry
	Sprouts Farmers Market, Inc.	SFM	SFM US	Robert F. Ohmes, CFA
	Sysco Corporation	SY	SY US	Kendall Toscano
	Target Corp.	TGT	TGT US	Robert F. Ohmes, CFA
	The Kroger Co.	KR	KR US	Robert F. Ohmes, CFA
	Topgolf Callaway Brands Corp	MODG	MODG US	Alexander Perry
	Walmart Inc	WMT	WMT US	Robert F. Ohmes, CFA
NEUTRAL				
	Dick's Sporting Goods	DKS	DKS US	Robert F. Ohmes, CFA
	Fox Factory Holding Corp	FOXF	FOXF US	Alexander Perry
	Xponential Fitness	XPOF	XPOF US	Alexander Perry
	YETI Holdings, Inc.	YETI	YETI US	Robert F. Ohmes, CFA
UNDERPERFORM				
	Canada Goose Holdings Inc	YGOOS	GOOS CN	Alexander Perry
	Canada Goose Holdings Inc	GOOS	GOOS US	Alexander Perry
	Columbia Sportswear	COLM	COLM US	Alexander Perry
	Dollar General Corporation	DG	DG US	Robert F. Ohmes, CFA
	Dollar Tree, Inc.	DLTR	DLTR US	Robert F. Ohmes, CFA
	Hibbett Sports, Inc.	HIBB	HIBB US	Alexander Perry
	National Vision	EYE	EYE US	Robert F. Ohmes, CFA

iQmethodSM Measures Definitions

Business Performance

Return On Capital Employed

Return On Equity

Operating Margin

Earnings Growth

Free Cash Flow

Numerator

NOPAT = (EBIT + Interest Income) × (1 – Tax Rate) + Goodwill Amortization

Net Income

Operating Profit

Expected 5 Year CAGR From Latest Actual

Cash Flow From Operations – Total Capex

Denominator

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill

Amortization

Shareholders' Equity

Sales

N/A

N/A

Quality of Earnings

Cash Realization Ratio

Asset Replacement Ratio

Tax Rate

Net Debt-To-Equity Ratio

Interest Cover

Numerator

Cash Flow From Operations

Capex

Tax Charge

Net Debt = Total Debt – Cash & Equivalents

EBIT

Denominator

Net Income

Depreciation

Pre-Tax Income

Total Equity

Interest Expense

Valuation Toolkit

Price / Earnings Ratio

Price / Book Value

Dividend Yield

Free Cash Flow Yield

Enterprise Value / Sales

Numerator

Current Share Price

Current Share Price

Annualised Declared Cash Dividend

Cash Flow From Operations – Total Capex

EV = Current Share Price × Current Shares + Minority Equity + Net Debt +

Other LT Liabilities

Enterprise Value

Denominator

Diluted Earnings Per Share (Basis As Specified)

Shareholders' Equity / Current Basic Shares

Current Share Price

Market Cap = Current Share Price × Current Basic Shares

Sales

Basic EBIT + Depreciation + Amortization

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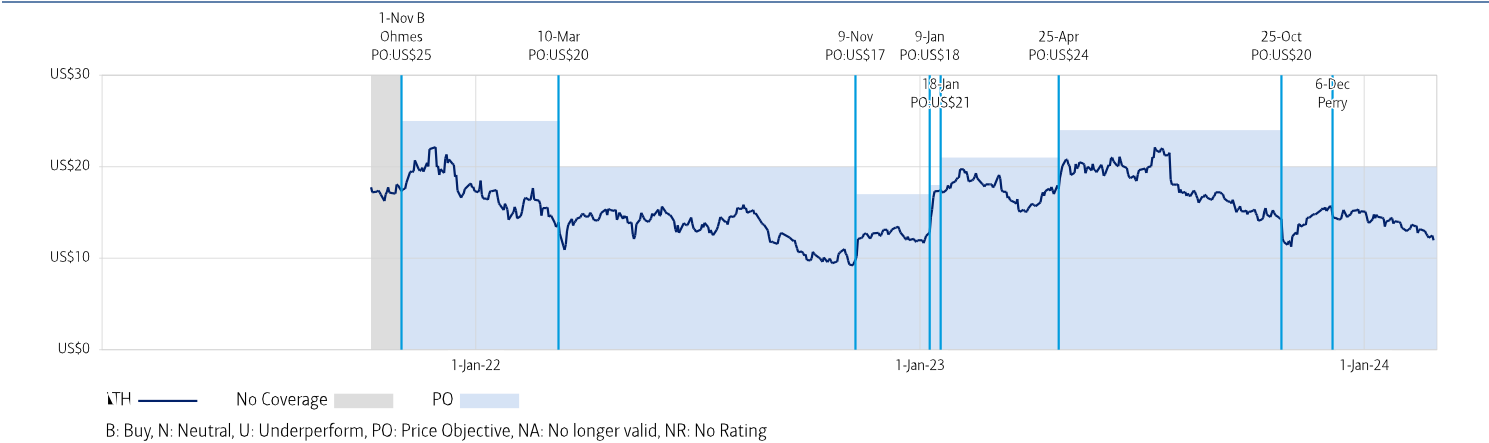
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Life Time (LTH) Price Chart



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Equity Investment Rating Distribution: Leisure Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	16	55.17%	Buy	9	56.25%
Hold	7	24.14%	Hold	5	71.43%
Sell	6	20.69%	Sell	4	66.67%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1895	53.62%	Buy	1083	57.15%
Hold	832	23.54%	Hold	454	54.57%
Sell	807	22.84%	Sell	383	47.46%

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R2}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

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