UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 07, 2024

LifeStance Health Group, Inc.
(Exact name of Registrant as Specified in Its Charter)

Delaware	001-40478	86-1832801
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

4800 N. Scottsdale Road Suite 2500 Scottsdale, Arizona	**85251**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: 602 767-2100

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	LFST	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On November 7, 2024, LifeStance Health Group, Inc. ("LifeStance Health Group", "LifeStance" or the "Company") issued a press release announcing its results of operations for the third quarter ended September 30, 2024. A copy of the press release is furnished as Exhibit 99.1.

The information furnished under Item 2.02 of this Current Report on Form 8-K, including the exhibit, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall it be deemed incorporated by reference into LifeStance Health Group's filings with the SEC under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 7.01 Regulation FD Disclosure.

A slide presentation, which includes supplemental information related to LifeStance Health Group, is furnished as Exhibit 99.2. The information furnished under Item 7.01 of this Current Report on Form 8-K, including the exhibit, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, nor shall it be deemed incorporated by reference into LifeStance Health Group's filings with the SEC under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
99.1	Press Release dated November 7, 2024.
99.2	Slide presentation providing supplemental information.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

			LifeStance Health Group, Inc.
Date:	November 7, 2024	By:	/s/ David Bourdon
			David Bourdon
			Chief Financial Officer and Treasurer
			(principal financial and accounting officer)

Exhibit 99.1

Investor Relations Contact

Monica Prokocki
VP of Finance & Investor Relations
602-767-2100
investor.relations@lifestance.com

LifeStance Reports Third Quarter 2024 Results

SCOTTSDALE, Ariz. – November 7, 2024 – LifeStance Health Group, Inc. (Nasdaq: LFST), one of the nation's largest providers of outpatient mental healthcare, today announced financial results for the third quarter ended September 30, 2024.

(All results compared to prior-year comparative period, unless otherwise noted)
Q3 2024 Highlights and FY 2024 Outlook

- Revenue of $312.7 million increased 19% compared to revenue of $262.9 million
- Clinician base increased 13% to 7,269 clinicians, a sequential net increase of 285 in the third quarter
- Third quarter visit volumes increased 15% to 2.0 million
- Net loss of $6.0 million compared to net loss of $61.6 million
- Adjusted EBITDA of positive $30.7 million compared to Adjusted EBITDA of positive $14.6 million
- For full year 2024, raising revenue expectations to $1.228 billion to $1.248 billion; raising Center Margin expectations to $382 million to $398 million; raising Adjusted EBITDA expectations to $105 million to $115 million; and reiterating expectations for positive Free Cash Flow

"Thanks to the great work and resilience of the LifeStance team, we mitigated much of the rate pressure that was expected in the third quarter. This enabled us to surpass our expectations for the quarter and raise guidance for the full year," said Ken Burdick, Chairman and CEO of LifeStance. "We are pleased with the performance thus far in 2024 and, as we look to 2025, will continue striving to meet our commitments as we have done for the past eight consecutive quarters."

Financial Highlights

	Q3 2024	Q3 2023	Y/Y
(in millions)			
Total revenue	$ 312.7	$ 262.9	19%
Income (loss) from operations	0.0	(74.4)	(100%)
Center Margin	100.4	76.2	32%
Net loss	(6.0)	(61.6)	(90%)
Adjusted EBITDA	30.7	14.6	110%
As % of Total revenue:			
Income (loss) from operations	*0.0%*	*(28.3%)*	
Center Margin	*32.1%*	*29.0%*	
Net loss	*(1.9%)*	*(23.4%)*	
Adjusted EBITDA	*9.8%*	*5.6%*	

(All results compared to prior-year period, unless otherwise noted)

- Revenue grew 19% to $312.7 million. Strong revenue growth in the third quarter was driven primarily by improvements in total revenue per visit and higher visit volumes from net clinician growth.
- Income from operations was $47 thousand. Net loss was $6.0 million.
- Center Margin grew 32% to $100.4 million, or 32.1% of total revenue.
- Adjusted EBITDA increased 110% to $30.7 million, or 9.8% of total revenue. Adjusted EBITDA as a percentage of revenue increased in the third quarter as a result of higher total revenue per visit, lower center costs as a percentage of revenue, and improved operating leverage from revenue growing faster than general and administrative expenses.

Balance Sheet, Cash Flow and Capital Allocation

For the nine months ended September 30, 2024, LifeStance provided $44.9 million cash flow from operations, including $22.7 million during the third quarter of 2024. The Company ended the third quarter with cash of $102.6 million and net long-term debt of $279.1 million.

2024 Guidance

LifeStance is providing the following outlook for 2024:

- The Company is raising full year revenue to $1.228 billion to $1.248 billion; raising Center Margin to $382 million to $398 million; and raising Adjusted EBITDA to $105 million to $115 million. Additionally, the Company continues to expect to generate positive Free Cash Flow for the full year.
- For the fourth quarter of 2024, the Company expects total revenue of $302.5 million to $322.5 million, Center Margin of $89 million to $105 million, and Adjusted EBITDA of $18 million to $28 million.

Conference Call, Webcast Information, and Presentations

LifeStance will hold a conference call today, November 7, 2024 at 8:30 a.m. Eastern Time to discuss the third quarter 2024 results. Investors who wish to participate in the call should dial 1-800-715-9871, domestically, or 1-646-307-1963, internationally, approximately 10 minutes before the call begins and provide conference ID number 2787723 or ask to be joined into the LifeStance call. A real-time audio webcast can be accessed via the Events and Presentations section of the LifeStance Investor Relations website (https://investor.lifestance.com), where related materials will be posted prior to the conference call.

About LifeStance Health Group, Inc.

Founded in 2017, LifeStance (Nasdaq: LFST) is reimagining mental health. We are one of the nation's largest providers of virtual and in-person outpatient mental healthcare for children, adolescents and adults experiencing a variety of mental health conditions. Our mission is to help people lead healthier, more fulfilling lives by improving access to trusted, affordable, and personalized mental healthcare. LifeStance and its supported practices employ approximately 7,200 psychiatrists, advanced practice nurses, psychologists and therapists and operates across 33 states and more than 550 centers. To learn more, please visit www.LifeStance.com.

We routinely post information that may be important to investors on the "Investor Relations" section of our website at investor.lifestance.com. We encourage investors and potential investors to consult our website regularly for important information about us.

Forward-Looking Statements

Statements in this press release and on the related teleconference that express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements. These statements include, but are not limited to, statements with respect to: full year and fourth quarter guidance and management's related assumptions; the Company's financial position; business plans and objectives; operating results; working capital and liquidity; and other statements contained in this press release that are not historical facts. When used in this press release and on the related teleconference, words such as "may," "will," "should," "could," "intend," "potential," "continue," "anticipate," "believe," "estimate," "expect," "plan," "target," "predict," "project," "seek" and similar expressions as they relate to us are intended to identify forward-looking statements. They involve a number of risks and uncertainties that may cause actual events and results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to: we may not grow at the rates we historically have achieved or at all, even if our key metrics may imply future growth, including if we are unable to successfully execute on our growth initiatives and business strategies; if we fail to manage our growth effectively, our expenses could increase more than expected, our revenue may not increase proportionally or at all, and we may be unable to execute on our business strategy; our ability to recruit new clinicians and retain existing clinicians; if reimbursement rates paid by third-party payors are reduced or if third-party payors otherwise restrain our ability to obtain or deliver care to patients, our business could be harmed; we conduct business in a heavily regulated industry and if we fail to comply with these laws and government regulations, we could incur penalties or be required to make significant changes to our operations or experience adverse publicity, which could have a material adverse effect on our business, results of operations and financial condition; we are dependent on our relationships with supported practices, which we do not own, to provide healthcare services, and our business would be harmed if those relationships were disrupted or if our arrangements with these entities became subject to legal challenges; we operate in a competitive industry, and if we are not able to compete effectively, our business, results of operations and financial condition would be harmed; the impact of health care reform legislation and other changes in the healthcare industry and in health care spending on us is currently unknown, but may harm our business; if our or our vendors' security measures fail or are breached and unauthorized access to our employees', patients' or partners' data is obtained, our systems may be perceived as insecure, we may incur significant liabilities, including through private litigation or regulatory action, our reputation may be harmed, and we could lose patients and partners; our business depends on our ability to effectively invest in, implement improvements to and properly maintain the uninterrupted operation and data integrity of our information technology and other business systems; actual or anticipated changes or fluctuations in our results of operations; our existing indebtedness could adversely affect our business and growth prospects; and other risks and uncertainties set forth under "Risk Factors" included in the reports we have filed or will file with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2023 and subsequent filings made with the Securities and Exchange Commission. LifeStance does not undertake to update any forward-looking statements made in this press release to reflect any change in management's expectations or any change in the assumptions or circumstances on which such statements are based, except as otherwise required by law.

Non-GAAP Financial Information

This press release contains certain non-GAAP financial measures, including Center Margin, Adjusted EBITDA, and Adjusted EBITDA margin. Tables showing the reconciliation of these non-GAAP financial measures to the comparable GAAP measures are included at the end of this release. Management believes these non-GAAP financial measures are useful in evaluating the Company's operating performance, and may be helpful to securities analysts, institutional investors and other interested parties in understanding the Company's operating performance and prospects. This press release also refers to Free Cash Flow, which is calculated as net cash provided by (used in) operating activities less purchases of property and equipment. Management believes Free Cash Flow is a useful indicator of liquidity that provides information to management and investors about the amount of cash generated from our operations that, after investments in property and equipment, can be used for future growth. These non-GAAP financial measures, as calculated, may not be comparable to companies in other industries or within the same industry with similarly titled measures of performance. Therefore, the Company's non-GAAP financial measures should be considered in addition to, not as a substitute for, or in isolation from, measures prepared in accordance with GAAP, such as net loss or income (loss) from operations.

Center Margin and Adjusted EBITDA anticipated for the fourth quarter of 2024 and full year 2024 are calculated in a manner consistent with the historical presentation of these measures at the end of this release. Reconciliation for the forward-looking fourth quarter of 2024 and full year 2024 Center Margin, Adjusted EBITDA guidance and Free Cash Flow is not being provided, as LifeStance does not currently have sufficient data to accurately estimate the variables and individual adjustments for such reconciliation. As such, LifeStance management cannot estimate on a forward-looking basis without unreasonable effort the impact these variables and individual adjustments will have on its reported results.

Management acknowledges that there are many items that impact a company's reported results and the adjustments reflected in these non-GAAP measures are not intended to present all items that may have impacted these results.

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Consolidated Financial Information and Reconciliations

CONSOLIDATED BALANCE SHEETS
(unaudited)
(In thousands, except for par value)

	September 30, 2024	December 31, 2023
CURRENT ASSETS		
Cash and cash equivalents	$ 102,615	$ 78,824
Patient accounts receivable, net	158,161	125,405
Prepaid expenses and other current assets	26,244	21,502
Total current assets	287,020	225,731
NONCURRENT ASSETS		
Property and equipment, net	169,974	188,222
Right-of-use assets	154,835	170,703
Intangible assets, net	195,352	221,072
Goodwill	1,293,346	1,293,346
Other noncurrent assets	7,414	10,895
Total noncurrent assets	1,820,921	1,884,238
Total assets	$ 2,107,941	$ 2,109,969
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 7,282	$ 7,051
Accrued payroll expenses	111,858	102,478
Other accrued expenses	43,291	35,012
Contingent consideration	2,500	8,169
Operating lease liabilities, current	48,959	46,475
Other current liabilities	3,624	3,688
Total current liabilities	217,514	202,873
NONCURRENT LIABILITIES		
Long-term debt, net	279,055	280,285
Operating lease liabilities, noncurrent	158,679	181,357
Deferred tax liability, net	15,219	15,572
Other noncurrent liabilities	381	952
Total noncurrent liabilities	453,334	478,166
Total liabilities	$ 670,848	$ 681,039
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock – par value $0.01 per share; 25,000 shares authorized as of September 30, 2024 and December 31, 2023; 0 shares issued and outstanding as of September 30, 2024 and December 31, 2023	—	—
Common stock – par value $0.01 per share; 800,000 shares authorized as of September 30, 2024 and December 31, 2023; 382,640 and 378,725 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	3,826	3,789
Additional paid-in capital	2,243,673	2,183,684
Accumulated other comprehensive income	771	2,303
Accumulated deficit	(811,177)	(760,846)
Total stockholders' equity	1,437,093	1,428,930
Total liabilities and stockholders' equity	$ 2,107,941	$ 2,109,969

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited)
(In thousands, except for Net Loss per Share)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
TOTAL REVENUE	$ 312,722	$ 262,895	$ 925,490	$ 775,062
OPERATING EXPENSES				
Center costs, excluding depreciation and amortization shown separately below	212,291	186,686	632,527	556,280
General and administrative expenses	85,269	130,945	269,356	317,425
Depreciation and amortization	15,115	19,621	56,279	58,220
Total operating expenses	$ 312,675	$ 337,252	$ 958,162	$ 931,925
INCOME (LOSS) FROM OPERATIONS	$ 47	$ (74,357)	$ (32,672)	$ (156,863)
OTHER EXPENSE				
Gain on remeasurement of contingent consideration	15	1,867	1,975	4,443
Transaction costs	(29)	—	(821)	(89)
Interest expense, net	(5,413)	(5,477)	(17,139)	(15,688)
Other expense	(2)	(1)	(80)	(70)
Total other expense	$ (5,429)	$ (3,611)	$ (16,065)	$ (11,404)
LOSS BEFORE INCOME TAXES	(5,382)	(77,968)	(48,737)	(168,267)
INCOME TAX (PROVISION) BENEFIT	(575)	16,385	(1,594)	26,964
NET LOSS	$ (5,957)	$ (61,583)	$ (50,331)	$ (141,303)
NET LOSS PER SHARE, BASIC AND DILUTED	(0.02)	(0.17)	(0.13)	(0.39)
Weighted-average shares used to compute basic and diluted net loss per share	380,359	372,476	378,713	365,556
NET LOSS	$ (5,957)	$ (61,583)	$ (50,331)	$ (141,303)
OTHER COMPREHENSIVE (LOSS) INCOME				
Unrealized (losses) gains on cash flow hedge, net of tax	(1,872)	230	(1,532)	1,107
COMPREHENSIVE LOSS	$ (7,829)	$ (61,353)	$ (51,863)	$ (140,196)

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (50,331)	$ (141,303)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	56,279	58,220
Non-cash operating lease costs	29,431	30,225
Stock-based compensation	60,026	78,469
Amortization of discount and debt issue costs	1,264	1,592
Gain on remeasurement of contingent consideration	(1,975)	(4,443)
Other, net	998	5,105
Change in operating assets and liabilities, net of businesses acquired:		
Patient accounts receivable, net	(32,757)	(48,484)
Prepaid expenses and other current assets	(3,924)	(52,293)
Accounts payable	620	(3,848)
Accrued payroll expenses	9,381	7,622
Operating lease liabilities	(34,300)	(30,109)
Other accrued expenses	10,232	65,568
Net cash provided by (used in) operating activities	$ 44,944	$ (33,679)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(15,265)	(29,106)
Acquisitions of businesses, net of cash acquired	—	(19,820)
Net cash used in investing activities	$ (15,265)	$ (48,926)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	—	25,000
Payments of debt issue costs	—	(188)
Payments of long-term debt	(2,194)	(1,821)
Payments of contingent consideration	(3,694)	(6,402)
Net cash (used in) provided by financing activities	$ (5,888)	$ 16,589
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	23,791	(66,016)
Cash and Cash Equivalents - Beginning of period	78,824	108,621
CASH AND CASH EQUIVALENTS – END OF PERIOD	$ 102,615	$ 42,605
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest, net	$ 19,023	$ 15,424
Cash paid for taxes, net of refunds	$ 59	$ 416
SUPPLEMENTAL DISCLOSURES OF NON CASH INVESTING AND FINANCING ACTIVITIES		
Contingent consideration incurred in acquisitions of businesses	$ —	$ 1,985
Acquisition of property and equipment included in liabilities	$ 1,203	$ 5,303

RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO CENTER MARGIN

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
(in thousands)				
Income (loss) from operations	$ 47	$ (74,357)	$ (32,672)	$ (156,863)
Adjusted for:				
Depreciation and amortization	15,115	19,621	56,279	58,220
General and administrative expenses [(1)]	85,269	130,945	269,356	317,425
Center Margin	**$ 100,431**	**$ 76,209**	**$ 292,963**	**$ 218,782**

(1) Represents salaries, wages and employee benefits for our executive leadership, finance, human resources, marketing, billing and credentialing support and technology infrastructure and stock-based compensation for all employees.

RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
(in thousands)				
Net loss	$ (5,957)	$ (61,583)	$ (50,331)	$ (141,303)
Adjusted for:				
Interest expense, net	5,413	5,477	17,139	15,688
Depreciation and amortization	15,115	19,621	56,279	58,220
Income tax provision (benefit)	575	(16,385)	1,594	(26,964)
Gain on remeasurement of contingent consideration	(15)	(1,867)	(1,975)	(4,443)
Stock-based compensation expense	14,895	21,525	60,026	78,469
Loss on disposal of assets	2	1	80	70
Transaction costs [(1)]	29	—	821	89
Executive transition costs	—	114	591	636
Litigation costs [(2)]	224	45,418	1,053	49,267
Strategic initiatives [(3)]	134	790	1,292	3,242
Real estate optimization and restructuring charges [(4)]	—	1,257	(250)	4,977
Amortization of cloud-based software implementation costs [(5)]	298	—	478	—
Other expenses [(6)]	—	214	172	803
Adjusted EBITDA	**$ 30,713**	**$ 14,582**	**$ 86,969**	**$ 38,751**

(1) Primarily includes capital markets advisory, consulting, accounting and legal expenses related to our acquisitions and to the secondary offering completed in the second quarter of 2024.

(2) Litigation costs include only those costs which are considered non-recurring and outside of the ordinary course of business based on the following considerations, which we assess regularly: (i) the frequency of similar cases that have been brought to date, or are expected to be brought within two years, (ii) the complexity of the case (e.g., complex class action litigation), (iii) the nature of the remedy(ies) sought, including the size of any monetary damages sought, (iv) the counterparty involved, and (v) our overall litigation strategy. During the three and nine months ended September 30, 2024 and 2023, litigation costs included cash expenses related to three distinct litigation matters, including (x) a securities class action litigation, (y) a privacy class action litigation and (z) a compensation model class action litigation.

(3) Strategic initiatives consist of expenses directly related to a multi-phase system upgrade in connection with our recent and significant expansion. During each of the three and nine months ended September 30, 2024 and 2023, we continued a process of evaluating and adopting critical enterprise-wide systems for (i) human resources management, (ii) clinician credentialing and onboarding process, and for the three and nine months ended September 30, 2023, (iii) a scalable electronic health resources system. Strategic initiatives represents costs, such as third-party consulting costs and one-time costs, that are not part of our ongoing operations related to these enterprise-wide systems. We considered the frequency and scale of this multi-part enterprise upgrade when determining that the expenses were not normal, recurring operating expenses.

(4) Real estate optimization and restructuring charges consist of cash expenses and non-cash charges related to our real estate optimization initiative, which include certain asset impairment and disposal costs, certain gains and losses related to early lease terminations, and exit and disposal costs related to our real estate optimization initiative to consolidate our physical footprint during the three and nine months ended September 30, 2023. As the decision to close these centers was part of a significant strategic project driven by a historic shift in behavior, the magnitude of center closures has been and is expected to be greater than what would be expected as part of ordinary business operations and do not constitute normal recurring operating activities. During the nine months ended September 30, 2024, real estate optimization and restructuring charges consisted of certain gains and losses related to early lease terminations of previously abandoned real estate leases in 2023.

(5) Represents amortization of capitalized implementation costs related to cloud-based software arrangements that are included within general and administrative expenses included in our unaudited consolidated statements of operations and comprehensive loss.

(6) Primarily includes costs incurred to consummate or integrate acquired centers, certain of which are wholly-owned and certain of which are supported practices, in addition to the compensation paid to former owners of acquired centers and related expenses that are not reflective of the ongoing operating expenses of our centers. Acquired center integration and other are components of general and administrative expenses included in our unaudited consolidated statements of operations and comprehensive loss. Former owner fees is a component of center costs, excluding depreciation and amortization included in our unaudited consolidated statements of operations and comprehensive loss.

Exhibit 99.2

LifeStance HEALTH

Reimagining Mental Health

Q3 2024 Earnings Presentation • November 7, 2024

Forward-Looking Statements

DISCLAIMERS

Cautionary Note Regarding Forward-Looking Statements

This presentation and related oral statements, including during any question and answer portion of the presentation, contain forward-looking statements about LifeStance Health Group, Inc. and its subsidiaries ("LifeStance") and the industry in which LifeStance operates, including statements regarding: full-year and fourth quarter guidance and management's related assumptions; the Company's financial position; business plans and objectives; including capital allocation; operating results; working capital and liquidity; and other statements contained in this presentation that are not historical facts. These statements are subject to known and unknown uncertainties and contingencies outside of LifeStance's control and which are largely based on our current expectations and projections about future events and financial trends that we believe may affect LifeStance's financial condition, results of operations, business strategy, and prospects. LifeStance's actual results, events, or circumstances may differ materially from these statements. Forward-looking statements include all statements that are not historical facts. Words such as "anticipate," "believe," "envision," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," "contemplate" and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are subject to a number of risks, uncertainties, factors and assumptions, including, among other things: if reimbursement rates paid by third-party payors are reduced or if third-party payors otherwise restrain our ability to obtain or deliver care to patients, our business could be harmed; we may not grow at the rates we historically have achieved or at all, even if our key metrics may imply future growth, including if we are unable to successfully execute on our growth initiatives and business strategies; if we fail to manage our growth effectively, our expenses could increase more than expected, our revenue may not increase proportionally or at all, and we may be unable to execute on our business strategy; our ability to recruit new clinicians and retain existing clinicians; we conduct business in a heavily regulated industry and if we fail to comply with these laws and government regulations, we could incur penalties or be required to make significant changes to our operations or experience adverse publicity, which could have a material adverse effect on our business, results of operations and financial condition; we are dependent on our relationships with supported practices, which we do not own, to provide health care services, and our business would be harmed if those relationships were disrupted or if our arrangements with these entities became subject to legal challenges; we operate in a competitive industry, and if we are not able to compete effectively, our business and financial performance would be harmed; the impact of health care reform legislation and other changes in the healthcare industry and in health care spending on us is currently unknown, but may harm our business; if our or our vendors' security measures fail or are breached and unauthorized access to our employees', patients' or partners' data is obtained, our systems may be perceived as insecure, we may incur significant liabilities, including through private litigation or regulatory action, our reputation may be harmed, and we could lose patients and partners; our business depends on our ability to effectively invest in, implement improvements to and properly maintain the uninterrupted operation and data integrity of our information technology and other business systems; our existing indebtedness could adversely affect our business and growth prospects; and the other factors set forth in our filings with the Securities and Exchange Commission.

The forward-looking statements, together with statements relating to our past performance, should not be regarded as a reliable indicator of our future performance. We undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as may be required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future mergers, dispositions, joint ventures, or investments.

Use of Non-GAAP Financial Measures

In addition to financial measures presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes certain non-GAAP financial measures, including Center Margin, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow. These non-GAAP measures are in addition to, and not a substitute for, or superior to, measures of financial performance prepared in accordance with U.S. GAAP. The non-GAAP financial measures used by LifeStance may differ from the non-GAAP financial measures used by other companies. A reconciliation of these measures to the most directly comparable U.S. GAAP measure is included in the Appendix to these slides or as otherwise described in these slides.

Market and Industry Data

This presentation also contains information regarding our market and industry that is derived from third-party research and publications. This information involves a number of assumptions and limitations. Forecasts, assumptions, expectations, beliefs, estimates and projections involve risk and uncertainties and are subject to change based on various factors.

LifeStance: Reimagining Mental Healthcare

OUR MISSION Increasing access to trusted, affordable, and personalized mental healthcare

OUR VISION A truly healthy society where mental and physical healthcare are unified to make lives better

Building the Leading Outpatient Mental Health Platform

1. **National platform** with unmatched scale
2. **Multidisciplinary clinician model** composed of W-2 employed psychiatrists, APNs, psychologists & therapists
3. **Tech-enabled platform** supporting **hybrid model** of virtual and in-person care
4. **In-network reimbursement** providing affordable access to high-quality care

7,269
Clinicians
13% Y/Y Growth

$1,206M
Revenue | TTM[(1)]
20% Y/Y TTM[(1)] Growth

7.6M
Visits | TTM[(1)]

550+
Centers
in 33 States

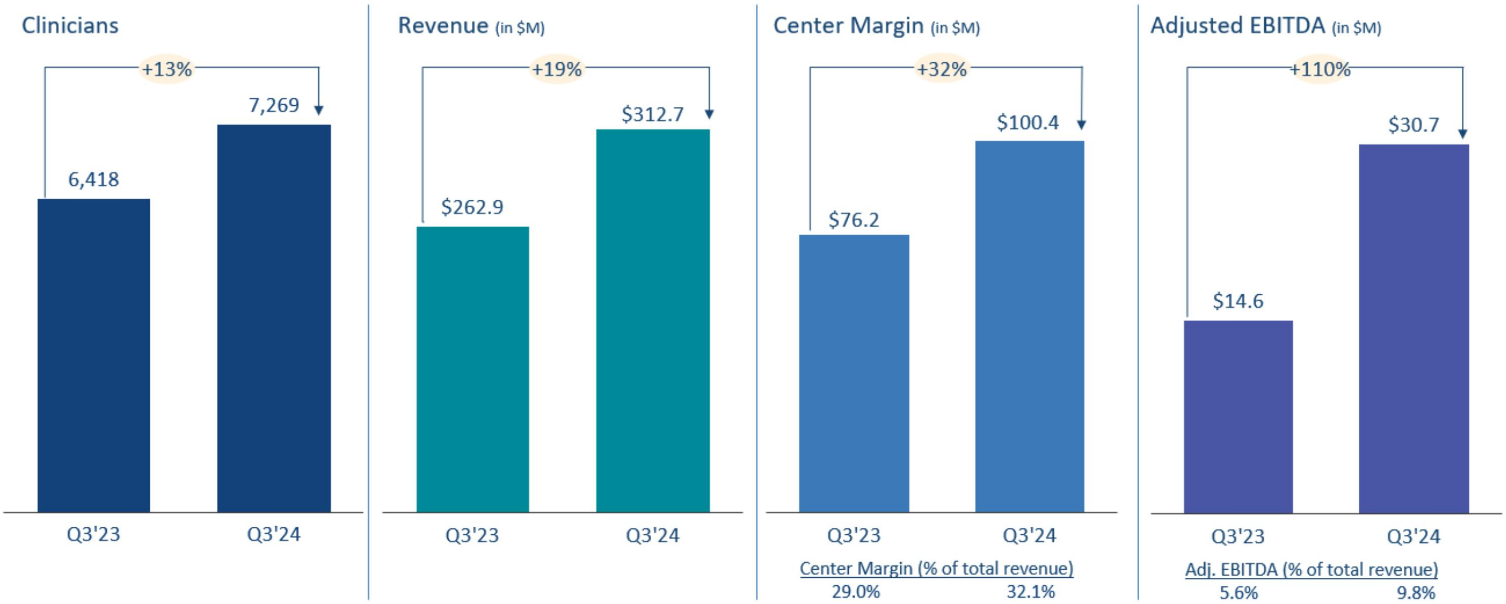
Note: Unless otherwise stated, data is as of September 30, 2024; [(1)] Trailing twelve months

Q3 2024 Highlights

- Q3 Revenue of $312.7 million increased 19% year-over-year
- Total Clinicians of 7,269 increased +13% Y/Y; 285 net clinician adds in Q3
- Q3 Visit Volumes of 2.0 million increased +15% Y/Y
- Q3 Center Margin of $100.4 million, or 32.1% as a percentage of revenue
- Q3 Adjusted EBITDA of $30.7 million, or 9.8% as a percentage of revenue
- Ended Q3 with a Cash position of $102.6 million

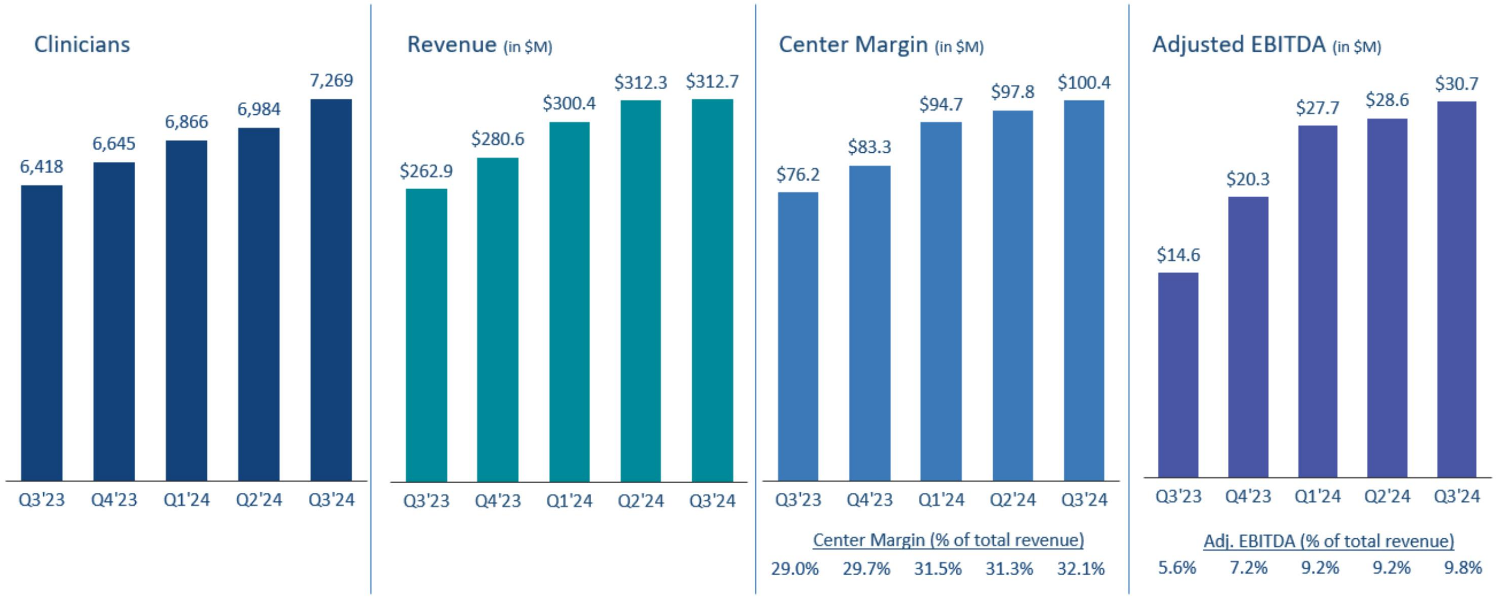
Note: See reconciliation of GAAP to non-GAAP measures in the Appendix to this presentation.

Q3 2024 Results



Note: See reconciliation of GAAP to non-GAAP measures in the Appendix to this presentation. Amounts are unaudited.

Quarterly Trends



Note: See reconciliation of GAAP to non-GAAP measures in the Appendix to this presentation. Amounts are unaudited.

Balance Sheet, Cash Flow, and Capital Allocation

Balance Sheet & Cash Flow

$103M
Cash & Cash Equivalents

$279M
Net Long-term Debt*

$45M
Operating Cash Flow (YTD)

$15M
Capital Expenditures (YTD)

Capital Allocation

De Novos
Selective deployment to enable clinician and market growth

Acquisitions
No M&A anticipated in 2024

Evolving from purely growth mindset to balanced set of objectives that include operational excellence, profitable growth, and disciplined capital deployment

*Long-Term Debt is Net of Current Portion and Unamortized Discount and Debt Issue Costs

2024 Guidance

(All $ in M)	FY 2024	Q4 2024
Revenue	$1,228 – $1,248 *(Raised from $1,200 - $1,242)*	$302.5 – $322.5
Center Margin	$382 – $398 *(Raised from $363 - $383)*	$89 – $105
Adj. EBITDA	$105 – $115 *(Raised from $90 - $100)*	$18 – $28
Free Cash Flow	Positive *(Reaffirmed)*	

Note: Center Margin and Adjusted EBITDA anticipated for fourth quarter of 2024 and full year 2024 are calculated in a manner consistent with the historical presentation of these measures in the Appendix to this presentation. Reconciliation for the forward-looking fourth quarter of 2024 and full year 2024 Center Margin, Adjusted EBITDA guidance and Free Cash Flow is not being provided, as LifeStance does not currently have sufficient data to accurately estimate the variables and individual adjustments for such reconciliation. LifeStance management cannot estimate on a forward-looking basis without unreasonable effort the impact these variables and individual adjustments will have on its reported results.

Planning Assumptions

- Assumes 6 de novo center openings
- Assumes no M&A spend in 2024

Appendix

Quarterly Statements of Operations and Comprehensive Loss

	2024			2023			
($M)	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenue	**$312.7**	**$312.3**	**$300.4**	**$280.6**	**$262.9**	**$259.6**	**$252.6**
Operating expenses							
Center costs, excluding depreciation and amortization	212.3	214.5	205.7	197.3	186.7	186.6	183.0
General and administrative expenses	85.3	95.2	88.9	93.4	130.9	101.9	84.6
Depreciation and amortization	15.1	18.6	22.6	22.2	19.6	19.5	19.1
Income (loss) from operations	**0.0**	**(15.9)**	**(16.8)**	**(32.3)**	**(74.4)**	**(48.4)**	**(34.1)**
Other expense							
Gain (loss) on remeasurement of contingent consideration	0.0	(0.1)	2.0	(0.5)	1.9	1.5	1.0
Transaction costs	(0.0)	(0.8)	—	—	—	(0.0)	(0.1)
Interest expense, net	(5.4)	(5.8)	(5.9)	(5.5)	(5.5)	(5.1)	(5.1)
Other expense	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)
Total other expense	(5.4)	(6.7)	(4.0)	(6.0)	(3.6)	(3.6)	(4.2)
Loss before income taxes	**(5.4)**	**(22.6)**	**(20.7)**	**(38.3)**	**(78.0)**	**(52.0)**	**(38.3)**
Income tax (provision) benefit	(0.6)	(0.7)	(0.4)	(6.6)	16.4	6.5	4.0
Net loss	**($6.0)**	**($23.3)**	**($21.1)**	**($45.0)**	**($61.6)**	**($45.5)**	**($34.2)**
Other comprehensive (loss) income							
Unrealized (losses) gains on cash flow hedge, net of tax	(1.9)	(0.2)	0.6	(2.1)	0.2	2.1	(1.3)
Comprehensive loss	**($7.8)**	**($23.5)**	**($20.5)**	**($47.0)**	**($61.4)**	**($43.3)**	**($35.5)**

Subtotals in the schedule above may not foot or cross-foot due to rounding. Amounts are unaudited.

Quarterly GAAP to Non-GAAP Reconciliations – Center Margin

($M)	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1
Income (loss) from operations	**$0.0**	**($15.9)**	**($16.8)**	**($32.3)**	**($74.4)**	**($48.4)**	**($34.1)**
Adjusted for:							
Depreciation and amortization	15.1	18.6	22.6	22.2	19.6	19.5	19.1
General and administrative expenses (1)	85.3	95.2	88.9	93.4	130.9	101.9	84.6
Center Margin	**$100.4**	**$97.8**	**$94.7**	**$83.3**	**$76.2**	**$73.0**	**$69.6**

Subtotals in the schedule above may not foot or cross-foot due to rounding. Amounts are unaudited.

(1) Represents salaries, wages and employee benefits for our executive leadership, finance, human resources, marketing, billing and credentialing support and technology infrastructure and stock-based compensation for all employees.

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Quarterly GAAP to Non-GAAP Reconciliations – Adjusted EBITDA

	2024			2023			
($M)	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net loss	**($6.0)**	**($23.3)**	**($21.1)**	**($45.0)**	**($61.6)**	**($45.5)**	**($34.2)**
Adjusted for:							
Interest expense, net	5.4	5.8	5.9	5.5	5.5	5.1	5.1
Depreciation and amortization	15.1	18.6	22.6	22.2	19.6	19.5	19.1
Income tax provision (benefit)	0.6	0.7	0.4	6.6	(16.4)	(6.5)	(4.0)
(Gain) loss on remeasurement of contingent consideration	(0.0)	0.1	(2.0)	0.5	(1.9)	(1.5)	(1.0)
Stock-based compensation	14.9	24.6	20.6	20.9	21.5	33.1	23.9
Loss on disposal of assets	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Transaction costs (1)	0.0	0.8	—	—	—	0.0	0.1
Executive transition costs	—	0.6	0.0	—	0.1	0.4	0.2
Litigation costs (2)	0.2	0.3	0.5	1.8	45.4	3.4	0.4
Strategic initiatives (3)	0.1	0.4	0.8	0.7	0.8	2.0	0.4
Real estate optimization and restructuring charges (4)	—	(0.1)	(0.1)	6.0	1.3	3.7	—
Amortization of cloud-based software implementation costs (5)	0.3	0.2	0.0	—	—	—	—
Other expenses (6)	—	0.1	0.1	1.0	0.2	0.3	0.3
Adjusted EBITDA	**$30.7**	**$28.6**	**$27.7**	**$20.3**	**$14.6**	**$14.1**	**$10.1**

Subtotals in the schedule above may not foot or cross-foot due to rounding. Amounts are unaudited.

(1) Primarily includes capital markets advisory, consulting, accounting and legal expenses related to our acquisitions and to the secondary offering completed in the second quarter of 2024.
(2) Litigation costs include only those costs which are considered non-recurring and outside of the ordinary course of business based on the following considerations, which we assess regularly: (i) the frequency of similar cases that have been brought to date, or are expected to be brought within two years, (ii) the complexity of the case (e.g., complex class action litigation), (iii) the nature of the remedy(ies) sought, including the size of any monetary damages sought, (iv) the counterparty involved, and (v) our overall litigation strategy. During the three and nine months ended September 30, 2024 and 2023, litigation costs included cash expenses related to three distinct litigation matters, including (x) a securities class action litigation, (y) a privacy class action litigation and (z) a compensation model class action litigation.
(3) Strategic initiatives consist of expenses directly related to a multi-phase system upgrade in connection with our recent and significant expansion. During each of the three and nine months ended September 30, 2024 and 2023, we continued a process of evaluating and adopting critical enterprise-wide systems for (i) human resources management, (ii) clinician credentialing and onboarding process, and for the three and nine months ended September 30, 2023, (iii) a scalable electronic health resources system. Strategic initiatives represents costs, such as third-party consulting costs and one-time costs, that are not part of our ongoing operations related to these enterprise-wide systems. We considered the frequency and scale of this multi-part enterprise upgrade when determining that the expenses were not normal, recurring operating expenses.
(4) Real estate optimization and restructuring charges consist of cash expenses and non-cash charges related to our real estate optimization initiative, which include certain asset impairment and disposal costs, certain gains and losses related to early lease terminations, and exit and disposal costs related to our real estate optimization initiative to consolidate our physical footprint during the three and nine months ended September 30, 2023. As the decision to close these centers was part of a significant strategic project driven by a historic shift in behavior, the magnitude of center closures has been and is expected to be greater than what would be expected as part of ordinary business operations and do not constitute normal recurring operating activities. During the nine months ended September 30, 2024, real estate optimization and restructuring charges consisted of certain gains and losses related to early lease terminations of previously abandoned real estate leases in 2023.
(5) Represents amortization of capitalized implementation costs related to cloud-based software arrangements that are included within general and administrative expenses included in our unaudited consolidated statements of operations and comprehensive loss.
(6) Primarily includes costs incurred to consummate or integrate acquired centers, certain of which are wholly-owned and certain of which are supported practices, in addition to the compensation paid to former owners of acquired centers and related expenses that are not reflective of the ongoing operating expenses of our centers. Acquired center integration and other are components of general and administrative expenses included in our unaudited consolidated statements of operations and comprehensive loss. Former owner fees is a component of center costs, excluding depreciation and amortization included in our unaudited consolidated statements of operations and comprehensive loss.

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Non-GAAP Financial Metrics

	2024			2023			
($M)	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Key Metrics							
Clinicians	**7,269**	**6,984**	**6,866**	**6,645**	**6,418**	**6,132**	**5,961**
Total Revenue	**$312.7**	**$312.3**	**$300.4**	**$280.6**	**$262.9**	**$259.6**	**$252.6**
Center costs, excluding depreciation and amortization	212.3	214.5	205.7	197.3	186.7	186.6	183.0
Center Margin (Non-GAAP)	**$100.4**	**$97.8**	**$94.7**	**$83.3**	**$76.2**	**$73.0**	**$69.6**
% Margin	*32.1%*	*31.3%*	*31.5%*	*29.7%*	*29.0%*	*28.1%*	*27.6%*
General and administrative expenses	85.3	95.2	88.9	93.4	130.9	101.9	84.6
Depreciation and amortization	15.1	18.6	22.6	22.2	19.6	19.5	19.1
Income (loss) from operations	**0.0**	**(15.9)**	**(16.8)**	**(32.3)**	**(74.4)**	**(48.4)**	**(34.1)**
Other (expense) income							
Other (expense) income	(6.0)	(7.3)	(4.3)	(12.7)	12.8	2.9	(0.1)
Net loss	**(6.0)**	**(23.3)**	**(21.1)**	**(45.0)**	**(61.6)**	**(45.5)**	**(34.2)**
Other comprehensive (loss) income							
Unrealized (losses) gains on cash flow hedge, net of tax	(1.9)	(0.2)	0.6	(2.1)	0.2	2.1	(1.3)
Comprehensive loss	**($7.8)**	**($23.5)**	**($20.5)**	**($47.0)**	**($61.4)**	**($43.3)**	**($35.5)**
Adjusted EBITDA build							
Net loss	(6.0)	(23.3)	(21.1)	(45.0)	(61.6)	(45.5)	(34.2)
Interest expense, net	5.4	5.8	5.9	5.5	5.5	5.1	5.1
Depreciation and amortization	15.1	18.6	22.6	22.2	19.6	19.5	19.1
Income tax provision (benefit)	0.6	0.7	0.4	6.6	(16.4)	(6.5)	(4.0)
(Gain) loss on remeasurement of contingent consideration	(0.0)	0.1	(2.0)	0.5	(1.9)	(1.5)	(1.0)
Stock-based compensation	14.9	24.6	20.6	20.9	21.5	33.1	23.9
Loss on disposal of assets	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Transaction costs	0.0	0.8	—	—	—	0.0	0.1
Executive transition costs	—	0.6	0.0	—	0.1	0.4	0.2
Litigation costs	0.2	0.3	0.5	1.8	45.4	3.4	0.4
Strategic initiatives	0.1	0.4	0.8	0.7	0.8	2.0	0.4
Real estate optimization and restructuring charges	—	(0.1)	(0.1)	6.0	1.3	3.7	—
Amortization of cloud-based software implementation costs	0.3	0.2	0.0	—	—	—	—
Other expenses	—	0.1	0.1	1.0	0.2	0.3	0.3
Adjusted EBITDA (Non-GAAP)	**$30.7**	**$28.6**	**$27.7**	**$20.3**	**$14.6**	**$14.1**	**$10.1**
% Margin	*9.8%*	*9.2%*	*9.2%*	*7.2%*	*5.6%*	*5.4%*	*4.0%*

Subtotals in the schedule above may not foot or cross-foot due to rounding. Amounts are unaudited.

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Quarterly Balance Sheets

	2024			2023			
($M)	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Current assets							
Cash and cash equivalents	102.6	87.0	49.5	78.8	42.6	79.6	68.3
Patient accounts receivable, net	158.2	167.2	175.9	125.4	149.7	121.8	118.4
Prepaid expenses and other current assets	26.2	23.6	18.7	21.5	71.9	36.5	25.8
Total current assets	**287.0**	**277.7**	**244.1**	**225.7**	**264.3**	**237.9**	**212.5**
Property and equipment, net	170.0	175.9	182.4	188.2	190.1	193.1	193.5
Right-of-use assets	154.8	160.2	165.8	170.7	180.7	191.4	196.2
Intangible assets, net	195.4	200.1	208.5	221.1	233.6	243.8	254.0
Goodwill	1293.3	1,293.3	1,293.3	1,293.3	1,293.4	1,293.5	1,293.6
Other noncurrent assets	7.4	12.0	12.1	10.9	13.0	11.2	8.8
Total noncurrent assets	**1,820.9**	**1,841.6**	**1,862.2**	**1,884.2**	**1,910.8**	**1,933.0**	**1,946.1**
Total assets	**$2,107.9**	**$2,119.4**	**$2,106.3**	**$2,110.0**	**$2,175.1**	**$2,170.9**	**$2,158.6**
Accounts payable	7.3	10.0	11.9	7.1	10.4	8.0	7.7
Accrued payroll expenses	111.9	122.6	100.4	102.5	83.6	81.1	83.7
Other accrued expenses	43.3	38.5	37.3	35.0	91.0	34.3	32.0
Contingent consideration	2.5	3.8	4.5	8.2	9.0	10.5	13.3
Operating lease liabilities, current	49.0	49.2	49.7	46.5	43.6	43.4	41.6
Other current liabilities	3.6	3.6	3.6	3.7	3.3	3.3	2.8
Total current liabilities	**217.5**	**227.7**	**207.5**	**202.9**	**240.9**	**180.9**	**181.1**
Long-term debt, net	279.1	279.5	279.9	280.3	248.4	248.7	224.8
Operating lease liabilities, noncurrent	158.7	165.8	173.3	181.4	191.5	205.6	207.9
Deferred tax liability, net	15.2	15.9	16.0	15.6	38.4	38.3	37.6
Other noncurrent liabilities	0.4	0.6	0.8	1.0	0.9	2.6	2.1
Total noncurrent liabilities	**453.3**	**461.7**	**469.9**	**478.2**	**479.1**	**495.2**	**472.3**
Total liabilities	**$670.8**	**$689.3**	**$677.3**	**$681.0**	**$720.0**	**$676.0**	**$653.4**
Common stock	3.8	3.8	3.8	3.8	3.8	3.8	3.8
Additional paid-in capital	2,243.7	2,228.8	2,204.2	2,183.7	2,162.8	2,141.2	2,108.2
Accumulated other comprehensive income	0.8	2.6	2.9	2.3	4.4	4.2	2.0
Accumulated deficit	(811.2)	(805.2)	(781.9)	(760.8)	(715.9)	(654.3)	(608.8)
Total stockholders' equity	**1,437.1**	**1,430.0**	**1,429.0**	**1,428.9**	**1,455.0**	**1,494.9**	**1,505.1**
Total liabilities and stockholders' equity	**$2,107.9**	**$2,119.4**	**$2,106.3**	**$2,110.0**	**$2,175.1**	**$2,170.9**	**$2,158.6**

Subtotals in the schedule above may not foot due to rounding. Amounts are unaudited.

Statements of Cash Flows

($M)	Nine Months Ended Q3'24	Six Months Ended Q2'24	Q1'24	Nine Months Ended Q3'23	Six Months Ended Q2'23	Q1'23
CASH FLOWS FROM OPERATING ACTIVITIES						
Net loss	**(50.3)**	**(44.4)**	**(21.1)**	**(141.3)**	**(79.7)**	**(34.2)**
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:						
Depreciation and amortization	56.3	41.2	22.6	58.2	38.6	19.1
Non-cash operating lease costs	29.4	19.5	9.7	30.2	20.3	10.1
Stock-based compensation	60.0	45.1	20.6	78.5	56.9	23.9
Amortization of discount and debt issue costs	1.3	0.8	0.4	1.6	1.1	0.5
Gain on remeasurement of contingent consideration	(2.0)	(2.0)	(2.0)	(4.4)	(2.6)	(1.0)
Other, net	1.0	0.2	(0.0)	5.1	2.7	0.0
Change in operating assets and liabilities, net of businesses acquired:						
Patient accounts receivable, net	(32.8)	(41.8)	(50.5)	(48.5)	(20.6)	(17.1)
Prepaid expenses and other current assets	(3.9)	(2.8)	2.5	(52.3)	(15.2)	(4.5)
Accounts payable	0.6	3.2	5.0	(3.8)	(5.4)	(5.5)
Accrued payroll expenses	9.4	20.1	(2.0)	7.6	5.2	7.7
Operating lease liabilities	(34.3)	(22.1)	(9.6)	(30.1)	(16.9)	(8.7)
Other accrued expenses	10.2	5.1	2.8	65.6	7.3	2.0
Net cash provided by (used in) operating activities	**$44.9**	**$22.2**	**($21.8)**	**($33.7)**	**($8.3)**	**($7.9)**
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of property and equipment	(15.3)	(10.2)	(5.1)	(29.1)	(19.3)	(7.7)
Acquisitions of businesses, net of cash acquired	—	—	—	(19.8)	(19.8)	(19.8)
Net cash used in investing activities	**($15.3)**	**($10.2)**	**($5.1)**	**($48.9)**	**($39.1)**	**($27.5)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from long-term debt	—	—	—	25.0	25.0	—
Payments of debt issue costs	—	—	—	(0.2)	(0.2)	—
Payments of long-term debt	(2.2)	(1.5)	(0.7)	(1.8)	(1.2)	(0.6)
Payments of contingent consideration	(3.7)	(2.4)	(1.7)	(6.4)	(5.2)	(4.3)
Net cash (used in) provided by financing activities	**($5.9)**	**($3.9)**	**($2.4)**	**$16.6**	**$18.4**	**($4.9)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**$23.8**	**$8.1**	**($29.4)**	**($66.0)**	**($29.0)**	**($40.3)**
Cash and Cash Equivalents - Beginning of period	78.8	78.8	78.8	108.6	108.6	108.6
CASH AND CASH EQUIVALENTS – END OF PERIOD	**$102.6**	**$87.0**	**$49.5**	**$42.6**	**$79.6**	**$68.3**

Subtotals in the schedule above may not foot due to rounding. Amounts are unaudited.

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Quarterly GAAP to Non-GAAP Reconciliations – Free Cash Flow (FCF)

	2024			2023			
($M)	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net cash provided by (used in) operating activities	**$22.7**	**$44.0**	**($21.8)**	**$16.8**	**($25.4)**	**($0.4)**	**($7.9)**
Purchases of property and equipment	**($5.1)**	**($5.1)**	**($5.1)**	**($11.4)**	**($9.8)**	**($11.6)**	**($7.7)**
Free Cash Flow	**$17.7**	**$38.9**	**($26.9)**	**$5.4**	**($35.2)**	**($12.0)**	**($15.6)**

We define FCF, a non-GAAP performance measure, as net cash provided by (used in) operating activities less purchases of property and equipment. We believe that FCF is a useful indicator of liquidity that provides information to management and investors about the amount of cash generated from our operations that, after investments in property and equipment, can be used for future growth. FCF is presented for supplemental informational purposes only and has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of other GAAP financial measures, such as net cash provided by (used in) operating activities. It is important to note that other companies, including companies in our industry, may not use this metric, may calculate metrics differently, or may use other financial measures to evaluate their liquidity, all of which could reduce the usefulness of this non-GAAP metrics as a comparative measure.

The above table presents a reconciliation of net cash provided by (used in) operating activities to FCF, the most directly comparable financial measure calculated in accordance with GAAP. Amounts are unaudited.

Quarterly Visits and Total Revenue Per Visit

	2024			2023			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total Revenue ($M)	$312.7	$312.3	$300.4	$280.6	$262.9	$259.6	$252.6
Total Visits (000s)	1,973	1,969	1,912	1,783	1,714	1,705	1,665
Total Revenue Per Visit (TRPV)	$158.5	$158.6	$157.1	$157.4	$153.4	$152.3	$151.7

Amounts are unaudited.