

## Interim report

**1 January–31 March 2018**

Actic Group AB

**“Efficiency enhancements  
and acquisitions strengthen  
results”**



# Interim report

## 1 January–31 March 2018

### First quarter–January to March 2018

- Net sales rose to SEK 244.2 million (226.0), up 8%.
- Adjusted EBITDA amounted to SEK 39.5 million (36.3), corresponding to a margin of 16.2% (16.0).
- EBIT amounted to SEK 14.9 million (4.2).
- Net profit for the period was SEK 7.0 million (loss: 4.7).
- Earnings per share before and after dilution amounted to SEK 0.44 (neg: 10.68).
- Cash flow per share before and after dilution was SEK 0.67 (12.61).

### Key financial data

SEK million	Jan–Mar 2018	Jan–Mar 2017	Rolling 12 months	Jan–Dec 2017
Net sales	244.2	226.0	899.4	881.2
Adjusted EBITDA	39.5	36.3	147.4	144.2
Adjusted EBITA	24.1	20.4	88.5	84.8
Adjusted EBITA margin, %	9.9	9.0	9.8	9.6
EBIT	14.9	4.2	43.4	32.7
Net profit/loss for the period	7.0	-4.7	6.3	-5.4
Earnings per share before and after dilution, SEK	0.44	-10.68	0.34	-1.53
Cash flow from operating activities	50.4	31.0	122.5	103.2
Cash flow for the period	10.6	20.0	7.7	17.0
Average number of shares before and after dilution, thousands	15,897	1,583	15,661	12,122
Equity/assets ratio, %	44.3	27.6	44.3	43.7

For definitions of key financial data, see page 13.

### Clubs and members

SEK million	Jan–Mar 2018	Jan–Mar 2017	Rolling 12 months	Jan–Dec 2017
Number of clubs at the end of the period	181	168	181	178
Number of members at the end of the period	231,445	216,777	231,445	225,133
Average number of members during the period	230,700	216,149	220,501	216,666
ARPM, SEK *	353	349	340	339
Average number of full-time equivalent employees	822	768	777	752

	Openings last 12 months	Openings last 24 months	Mature clubs	Total clubs
Nordics	4	8	148	156
Germany	5	9	16	25

Acquired facilities should contribute positively to consolidated earnings from day one while new establishments are expected to reach break-even after 12 and full profitability after 24 months.

On average, a mature club in the Nordic segment generates annual revenues of SEK 6.0 million and an EBITDA of SEK 1.3 million. For the German segment, the corresponding figures are SEK 3.4 and 0.2 million respectively.

# Efficiency enhancements and acquisitions strengthen results

**Net sales for the first quarter of 2018 increased by 8 percent compared with the corresponding quarter of the previous year. Organic growth was -1 percent, which was partly explained by IFRS 15 which affected the income statement negatively by SEK 5 million. Adjusted for this, organic growth was 1 percent and EBITDA margin 17.9 (16.0) percent. January is our absolute best new sales month, why we have this one-off effect primarily during the first quarter of 2018.**

EBITDA rose by SEK 3.3 million compared with the preceding year and shows that our cost control and implemented efficiency enhancements are starting to have an impact.

A further factor contributing to the earnings trend is the successful integration of the acquisitions we completed in 2017. This is the first full quarter for the nine facilities we took over in December in the Gävle/Dala region and we can see that these have performed beyond our expectations.

In Germany, we now have 25 facilities after the three openings conducted in Schöningen, Pirmasens and Neustadt during the quarter. As a result, Actic has broken into the Top Ten in terms of number of clubs, if we consider the report on the European Health & Fitness Market 2018 from Europe Active/Deloitte. This reflects the fragmented market in Germany. Net sales increased by 11% compared with the year-earlier quarter and we foresee a positive trend for the new openings.

In the Nordic segment, the Swedish market continues to perform well, with our PT sales growing in particular, and we foresee continued major growth opportunities as the penetration among existing customers is far below 10%. In the Norwegian market, we had a slow start to membership sales, but an improvement in PT revenue during the quarter offset this to an extent. We are now moving forward in accordance with the changes we implemented in 2017 and are allocating more market resources to Norway.



Our membership base has stabilised and grown organically since the summer of 2017, which is important and, together with the completed acquisitions and the new establishments made, led to a strong increase in the number of members year-on-year.

Solna, May 2018

Christer Zaar

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# Operations

## Sales and EBIT

Net sales in the first quarter amounted to SEK 244.2 million (226.0), corresponding to growth of 8%. Acquisitions contributed with SEK 21.3 million. Measured at fixed exchange rates, organic growth totalled -1%. Exchange-rate changes affected net sales negatively by SEK 0.4 million. Growth was primarily attributable to acquired operations in the Nordics. Sales were negatively impacted by the application of a new policy for revenue recognition, IFRS 15, which entails that membership fees are to be recognised over the duration of the contract. The membership base increased to 231,445 (216,777) at the end of the period. Adjusted EBITDA amounted to SEK 39.5 million (36.3), corresponding to an adjusted EBITDA margin of 16.2% (16.0). Items affecting comparability amounted to SEK 0 million (10.3).

EBIT amounted to SEK 14.9 million (4.2).

## Financial income and expenses

Financial expenses amounted to SEK -6.2 million (-11.4) and financial income totalled SEK 1.6 million (2.3). The financial expenses were attributable to interest expenses for loan financing, while financial income mainly pertained to currency-related exchange-rate differences.

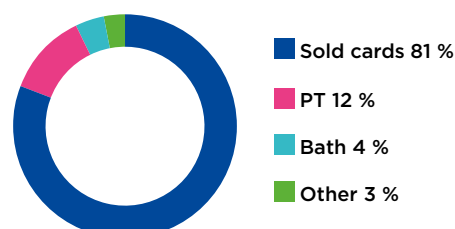
## Tax

The tax effect for the quarter amounted to -3.4 (0.2) million.

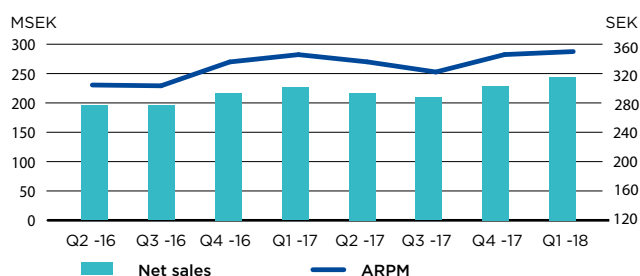
## Consolidated profit/loss

Consolidated net profit amounted to SEK 7.0 million (loss: 4.7), corresponding to earnings per share before and after dilution of SEK 0.44 (loss: 10.68).

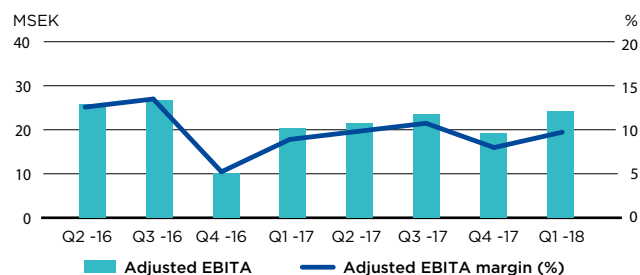
NET SALES PER CATEGORY



NET SALES & ARPM



ADJUSTED EBITA & EBITA MARGIN



# Sales and earnings per operating segment

Actic conducts operations in two operating segments. Actic's largest operating segment is the Nordics, which comprises its operations in Sweden, Norway and Finland. The operation has gradually expanded since 1981. The Nordics are home to just over 750 swimming halls and Actic conducts operations in approximately 100 of these. Actic's

second operating segment comprises Germany and Austria, where the company primarily operates Gym & Swim clubs.

Acquired clubs are to contribute positively to the Group's earnings from day one, while new establishments are expected to achieve break-even after 12 months and full profitability after 24 months.

## REVENUES PER OPERATING SEGMENT, SEK MILLION

	Jan-Mar 2018	Jan-Mar 2017	Rolling 12 mths	Jan-Dec 2017
Nordics	226.4	210.7	834.1	818.4
Germany	17.8	15.4	65.2	62.8
<b>Revenues total</b>	<b>244.2</b>	<b>226.0</b>	<b>899.3</b>	<b>881.2</b>

## ADJUSTED EARNINGS BEFORE INTEREST AND TAX (EBITDA) PER SEGMENT, SEK M

	Jan-Mar 2018	Jan-Mar 2017	Rolling 12 mths	Jan-Dec 2017
Nordics	46.3	45.6	174.6	173.9
Germany	0.0	0.0	3.3	3.3
Shared Group expenses, excl. items affecting comparability	-6.8	-9.3	-30.5	-33.0
<b>Adjusted EBITDA total</b>	<b>39.5</b>	<b>36.3</b>	<b>147.4</b>	<b>144.2</b>
Items affecting comparability	-	-10.3	-15.3	-25.6
Depreciations	-24.6	-21.8	-88.7	-86.0
<b>EBIT</b>	<b>14.9</b>	<b>4.2</b>	<b>43.4</b>	<b>32.7</b>
Financial net	-4.6	-9.1	-29.6	-34.1
<b>EBT</b>	<b>10.4</b>	<b>-4.9</b>	<b>13.9</b>	<b>-1.4</b>

### Nordics operating segment

Net sales for the Nordics segment amounted to SEK 226.4 million (210.7), corresponding to growth of 8%. EBITDA amounted to SEK 46.3 million (45.6) corresponding to a margin of 20.4% (21.7). Earnings were positively impacted by the acquisitions made and the completed establishments beginning to show profitability. New revenue recognition (IFRS 15) and an unsatisfactory trend in the Norwegian business had a negative impact whereof IFRS 15 stand for SEK 4.8 million. Average revenue per member and month (ARPM) was SEK 358 during the quarter, compared with SEK 355 for the year-earlier period. For full-year 2017, it was SEK 344.

At the end of the quarter, there were 156 clubs, with no change since year-end 2017.

### German operating segment

Net sales for the Germany segment amounted to SEK 17.8 million (15.4), corresponding to growth of 11%. EBITDA amounted to SEK 0.0 million (0.0) corresponding to a margin of 0.0% (0.0). Earnings

were positively impacted by establishments completed earlier beginning to show profitability and efficiency enhancements in the operation. New revenue recognition (IFRS 15) and new establishments that are not mature had a negative impact whereof IFRS 15 stand for SEK 0.2 million. Average revenue per member and month (ARPM) was SEK 297 during the quarter, compared with SEK 283 for the year-earlier period. For full-year 2017, it was SEK 283.

At the close of the quarter, there were 25 clubs, three more since the preceding report.

### SEASONAL VARIATIONS

Actic's operations are subject to seasonal variations related to the level of activity at the clubs, which is highest in the first quarter of the year. After activity levels decline at the end of the second quarter, member flows and activities at the clubs increase again after the summer months at the end of the third quarter. The introduction of IFRS 15 is expected to have an equalising factor over the financial year.



# Financial position

## PERSONNEL

The number of full-time equivalent employees during the period totalled 822, compared with 752 for full-year 2017. This increase in the number of employees was mainly attributable to acquisitions and new establishments.

## PARENT COMPANY

Net loss for the period was SEK 2.3 million (loss: 1.9). Equity at the end of the period totalled SEK 831.5 million, compared with SEK 833.8 million at year-end.

## CASH FLOW, CASH AND CASH EQUIVALENTS

Cash flow from operating activities totalled SEK 50.4 million (31.0) for the period. Available unutilised loans amounted to SEK 93 million at the end of the period, compared with SEK 73 million at year-end 2017.

## EQUITY AND LIABILITIES

The equity/assets ratio was 44.3% at the end of the period, compared with 43.7% at 31 December 2017. Interest-bearing liabilities amounted to SEK 489.8 million compared with SEK 506.5 million at year-end 2017. The net debt amounted to SEK 412.7 and the net debt/adjusted EBITDA ratio for the most recent 12-month period amounted to 2.8, compared with 3.1 for full-year 2017.

## INVESTMENTS

During the period, the company invested SEK 20.5 million in tangible fixed assets, with most of the amount earmarked for newly opened clubs and the upgrade of existing clubs. SEK 2.7 million was invested in intangible fixed assets, mainly accounting systems and the company's members app.



### EVENTS AFTER THE END OF THE PERIOD

Jörgen Fritz joined the Group as a new CFO May 2<sup>nd</sup>.

### MATERIAL RISKS AND UNCERTAINTIES

Actic is exposed to a number of business and financial risks. The company's business risks can be divided into three categories: strategic, operational and legal risks. Among other factors, the company's financial risks are attributable to exchange rates, interest rates, liquidity and credit granting. Risk management within the Actic Group aims to iden-

tify, control and reduce these risks. This is accomplished through an assessment of risk probability and the potential impact on the Group. The company's risk assessment is unchanged compared with the risk scenario presented on pages 81-83 of the 2017 Annual Report. The Parent Company's risks and uncertainties are indirectly the same as those of the Group.

### OUTLOOK

Actic does not publish forecasts.

Solna, 15 May 2018

**Christer Zaar**

President and CEO

The information in this year-end report is of the type that Actic Group AB (publ) is required to disclose according to the Securities Market Act.

The information was submitted for publication on Tuesday, 15 May at 7:45 a.m. (CET).

This report has not been audited by the company's auditors.

## Condensed consolidated income statement

SEK 000s	Jan-Mar 2018	Jan-Mar 2017	Jan-Dec 2017
Net sales	244,247	226,048	881,206
Other operating income	8,554	7,691	29,121
<b>Total revenue</b>	<b>252,801</b>	<b>233,739</b>	<b>910,326</b>
Operating expenses	-213,351	-207,793	-791,704
Depreciation of tangible fixed assets	-15,319	-15,847	-59,416
Amortisation of intangible fixed assets	-9,186	-5,916	-26,545
<b>EBIT</b>	<b>14,945</b>	<b>4,183</b>	<b>32,661</b>
Financial net	-4,575	-9,092	-34,088
<b>Profit/loss before tax</b>	<b>10,370</b>	<b>-4,909</b>	<b>-1,427</b>
Estimated tax	-3,366	245	-3,976
<b>Net profit/loss for the period</b>	<b>7,005</b>	<b>-4,664</b>	<b>-5,403</b>
of which, attributable to Parent Company shareholders	7,005	-4,664	-5,403
<b>Profit/loss per share</b>			
before dilution (SEK)	0.44	-10.68	-1.53
after dilution (SEK)	0.44	-10.68	-1.53

## Consolidated statement of comprehensive income

SEK 000s	Jan-Mar 2018	Jan-Mar 2017	Jan-Dec 2017
Net profit/loss for the period	7,005	-4,664	-5,403
<b>Other comprehensive income</b>			
<b>Items that have been transferred or may be transferred to net income for the year</b>			
Translation differences for the year on translation of foreign operations	12,905	-2,550	-9,821
<b>Total other comprehensive income</b>	<b>12,905</b>	<b>-2,550</b>	<b>-9,821</b>
<b>Comprehensive income for the period</b>	<b>19,910</b>	<b>-7,214</b>	<b>-15,224</b>

## Condensed consolidated statement of cash flows

SEK 000s	Jan-Mar 2018	Jan-Mar 2017	Jan-Dec 2017
Cash flow from operating activities before changes in working capital	32,273	14,193	97,145
Cash flow from changes in working capital	18,089	16,851	6,065
<b>Cash flow from operating activities</b>	<b>50,362</b>	<b>31,044</b>	<b>103,210</b>
<b>Cash flow from investing activities</b>	<b>-23,233</b>	<b>-14,045</b>	<b>-179,996</b>
<b>Cash flow from financing activities</b>	<b>-16,546</b>	<b>2,953</b>	<b>93,835</b>
Cash flow for the period	10,583	19,953	17,050
Cash and cash equivalents at the beginning of the period	66,077	49,057	49,057
Exchange-rate difference in cash and cash equivalents	508	-30	-29
<b>Cash and cash equivalents at the end of the period</b>	<b>77,168</b>	<b>68,980</b>	<b>66,077</b>



## Condensed consolidated financial position

SEK 000s	18-03-31	17-03-31	17-12-31
<b>Assets</b>			
Intangible fixed assets	874,211	804,858	870,650
Tangible fixed assets	343,262	320,096	333,766
Financial and other fixed assets	5,970	4,611	5,163
<b>Total fixed assets</b>	<b>1,223,443</b>	<b>1,129,565</b>	<b>1,209,579</b>
Other current assets	109,512	93,831	111,383
Cash and cash equivalents	77,168	68,979	66,078
<b>Total current assets</b>	<b>186,680</b>	<b>162,810</b>	<b>177,461</b>
<b>Total assets</b>	<b>1,410,123</b>	<b>1,292,375</b>	<b>1,387,040</b>
<b>Equity and liabilities</b>			
Equity	625,546	357,301	605,638
Non-current interest-bearing liabilities	468,925	602,236	466,252
Other non-current liabilities	30,193	34,588	27,766
Current interest-bearing liabilities	20,903	57,394	40,219
Other current liabilities	264,557	240,856	247,166
<b>Total liabilities</b>	<b>784,577</b>	<b>935,074</b>	<b>781,402</b>
<b>Total equity and liabilities</b>	<b>1,410,123</b>	<b>1,292,375</b>	<b>1,387,040</b>

## Consolidated statement of changes in shareholders' equity, condensed

SEK 000s	18-03-31	17-03-31	17-12-31
Equity at the end of the period	605,638	364,515	364,515
Comprehensive income for the period	19,908	-7,214	-15,224
New share issue			256,346
<b>Equity at the end of the period</b>	<b>625,546</b>	<b>357,301</b>	<b>605,637</b>

## Parent Company condensed income statement

SEK 000s	Jan-Mar 2018	Jan-Mar 2017	Jan-Dec 2017
Net sales	633	1,500	11,954
Operating expenses	-2,814	-3,973	-29,788
Amortization of intangible fixed assets	-6	0	-25
<b>EBIT</b>	<b>-2,187</b>	<b>-2,473</b>	<b>-17,859</b>
Financial net	-85	0	-1,656
Appropriations	0	0	43,499
<b>Profit/loss before tax</b>	<b>-2,272</b>	<b>-2,473</b>	<b>23,984</b>
Estimated tax	0	542	-5,284
<b>Net profit/loss for the period</b>	<b>-2,272</b>	<b>-1,932</b>	<b>18,700</b>

Net profit/loss for the period corresponds to comprehensive income for the period for the Parent Company.

## Parent Company's condensed balance sheet

SEK 000s	18-03-31	17-03-31	17-12-31
Financial fixed assets	794,803	542,929	794,803
Other fixed assets	104	0	110
Current assets	44,845	26,919	45,820
<b>Total assets</b>	<b>839,752</b>	<b>569,848</b>	<b>840,733</b>
Equity	831,478	557,010	833,750
Liabilities	8,274	12,839	6,983
<b>Total equity and liabilities</b>	<b>839,752</b>	<b>569,848</b>	<b>840,733</b>

## Quarterly data

Amount in SEK, Group	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4
Net sales	244.2	229.2	209.1	216.8	226.0	216.4
Adjusted EBITDA	39.5	33.9	39.0	35.0	36.3	25.7
Adjusted EBITDA margin	16.2	14.8	18.7	16.2	16.0	11.9
Items affecting comparability	0.0	0.6	-1.2	15.8	10.3	13.3
Adjusted EBITA	24.1	19.2	23.6	21.5	20.4	10.2
Adjusted EBITA margin, %	9.9	8.4	11.3	9.9	9.0	4.7
EBIT	14.9	11.1	17.7	-0.4	4.2	-10.3
Net profit/loss for the period	7.0	1.6	12.8	-15.1	-4.7	-19.7
Cash flow from operating activities	50.4	52.0	27.7	-7.5	31.0	14.0

# Condensed notes to the financial statements

## NOTE 1 REPORTING UNITS

The parent company Actic Group AB is a Swedish public limited-liability company, with corporate registration number 556895-3409. This condensed consolidated interim report for the period ending 31 March 2018 encompasses the company and its subsidiaries, collectively referred to as the Group.

## NOTE 2 ACCOUNTING POLICIES

This condensed consolidated interim report was prepared in accordance with IAS 34 Interim Financial Reporting. The group applied the international Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards (IASB), as adopted by the EU. The group also applies relevant sections of the Swedish Annual Accounts Act and Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups. The Parent Company applies RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act. The accounting policies and terms of calculation applied for the Group and the Parent Company are the same as those applied in the most recent Annual Report. New and amended IFRS standards (IFRS 15 and IFRS 9) and interpretations and amendments to RFR 2 and RFR 1 that came into effect for the 2018 financial year have affected the Group's financial statements as described in the annual report, while the parent company's financial statements are unaffected. No recalculation of previous periods has been made in respect of IFRS 9 and 15. No premature application of established standards has taken place.

## NOTE 3 ESTIMATES AND JUDGEMENTS

In the preparation of an interim report, management is required to make judgements and estimates as well as assumptions that impact the application of the accounting policies and the amounts recognised with respect to assets, liabilities, revenue and expenses. The actual outcome may deviate from these estimates and judgements. The company's critical judgements and sources of uncertainty in estimates are the same as those reported in the most recent Annual Report.

## NOTE 4 EQUITY

No dividend was approved or paid in 2016 or 2017. For 2018 the Board of Directors proposes to the Annual General Meeting a dividend of SEK 0.50 per share.

## NOTE 5 FINANCIAL INSTRUMENTS

For the period ending 2018-03-31 there were only derivative contracts of insignificant value.

## NOTE 6 TRANSACTIONS WITH RELATED PARTIES

The nature and scope of the company's transactions with related parties has not changed materially compared with the information disclosed in the 2017 Annual Report.

## NOTE 7 ALTERNATIVE PERFORMANCE MEASURES

To increase the understanding of the development of the operations and the financial status of Actic Group, Actic presents some alternative performance measures in addition to the conventional financial ratios established by IFRS. However, these alternative performance measures should not be considered as a substitute for the financial information presented in the financial statements in accordance with IFRS. The reconciliations presented in the tables below are to be read together with the definitions on page 13.

## Adjusted EBITA and EBITDA

SEK 000s	Jan-Mars 2018	Jan-Mars 2017	Rolling 12 months	Jan-Dec 2017
EBIT	14,945	4,183	43,423	32,661
Reversal of amortisation of intangible fixed assets	9,186	5,916	29,815	26,545
<b>EBITA</b>	<b>24,131</b>	<b>10,099</b>	<b>73,238</b>	<b>59,206</b>
Items affecting comparability	0	718	649	1,366
Listing-related expenses	0	9,594	14,606	24,200
<b>Adjusted EBITA</b>	<b>24,131</b>	<b>20,410</b>	<b>88,493</b>	<b>84,772</b>
Reversal of depreciation of tangible fixed assets	15,319	15,847	58,888	59,416
<b>Adjusted EBITDA</b>	<b>39,450</b>	<b>36,257</b>	<b>147,381</b>	<b>144,188</b>
Net sales	244,247	226,048	899,405	881,206
<b>Adjusted EBITA margin, %</b>	<b>9.9</b>	<b>9.0</b>	<b>9.8</b>	<b>9.6</b>
<b>Adjusted EBITDA margin, %</b>	<b>16.2</b>	<b>16.0</b>	<b>16.4</b>	<b>16.4</b>

## Net debt and net debt/adjusted EBITDA ratio

SEK 000s	Jan-Mars 2018	Jan-Mars 2017	Rolling 12 months	Jan-Dec 2017
Non-current interest-bearing liabilities	468,925	602,236	468,925	466,252
Current interest-bearing liabilities	20,903	57,394	20,903	40,219
<b>Total interest-bearing liabilities</b>	<b>489,828</b>	<b>659,630</b>	<b>489,828</b>	<b>506,470</b>
Cash and cash equivalents	-77,168	-68,979	-77,168	-66,078
<b>Net debt</b>	<b>412,660</b>	<b>590,651</b>	<b>412,660</b>	<b>440,393</b>
Adjusted EBITDA	39,450	36,257	147,381	144,188
<b>Net debt/adjusted EBITDA ratio</b>	<b>-</b>	<b>-</b>	<b>2.8</b>	<b>3.1</b>

## Organic growth

SEK 000s	Jan-Mars 2018	Growth %	Jan-Mar 2017	Growth %
Net sales	244,247	8.1	226,048	16.4
Of which, organic growth	-3,077	-1.4	11,736	6.0
Of which, acquired growth	21,276	9.4	20,181	10.4
Organic growth exchange rate adjusted	-3,442	-1.5	8,799	3.9
<b>Total growth</b>	<b>18,199</b>	<b>8.1</b>	<b>31,917</b>	<b>16.4</b>
Currency effect	365	-	2,937	-

## Financial calendar

Interim report Jan-Jun 2018  
Interim report Jan-Sep 2018

15 August 2018  
14 November 2018

## Financial objectives

Actic has adopted the following financial targets:

**Growth** — Average yearly organic growth of at least 5%, with additional growth from acquisitions.

**Profitability** — Adjusted EBITDA margin of more than 20% in the medium term.

**Capital structure**— Net debt/adjusted EBITDA ratio below 3.0.

### Dividend policy

A dividend rate of 30% to 50% of annual net income.

## Overall strategy

Actic's overall strategy can be summarised as follows:

- Refine existing clubs and strengthen the product and service offering.
- Continued expansion of the offering through new establishments.
- Participate in the consolidation of the industry through acquisitions.

## Financial definitions

**Number of members** Number of members at the end of the period.

**EBIT** Operating profit after depreciation and amortisation.

**EBITA** Operating profit before impairment and amortisation of intangible fixed assets.

**EBITDA** Operating profit before impairment, depreciation and amortisation of tangible and intangible fixed assets.

**EBITDA margin per segment** EBITDA divided by revenue from external customers per segment.

**Average number of shares after dilution** Average number of ordinary shares outstanding and potential future shares.

### Average number of shares before dilution

Average number of ordinary shares outstanding.

**Adjusted EBITA margin** Adjusted EBITA divided by net sales.

**Adjusted EBITDA margin** Adjusted EBITDA divided by net sales.

**Adjusted EBITA** EBITA after reversal of items affecting comparability.

**Adjusted EBITDA** EBITDA after reversal of items affecting comparability.

**Items affecting comparability** Items included in the statement of profit/loss that affect comparability between earlier periods.

**Earnings per share** Profit or loss for the period in relation to the number of shares outstanding.

**Cash flow per share** Cash flow for the period in relation to the number of shares outstanding.

### Average number of full-time equivalent employees

The average number of employees is calculated as the total of the average number of full-time positions during the period on a monthly basis and the accumulated hours worked for the period for hourly contract employees converted to full-time positions.

**Net debt/adjusted EBITDA ratio** Net debt at the end of the period divided by adjusted EBITDA based on the rolling twelve-month value.

**Organic growth** Change in net sales adjusted for currency effects, acquisitions and disposals compared with the year-earlier period.

**Average revenue per member (ARPM)** Net sales during the period in relation to the average number of members during the period divided by the number of months in the period. The average number of members is based on the number of members at the end of each month during the period.

**Equity/assets ratio** Equity as a percentage of total assets.

IFRS 15 New standard for revenue recognition applies from 1 January 2018, with which all listed companies must comply.

## Glossary

**Full-service clubs** Clubs where both the fitness club and the swimming facility are operated by Actic's own personnel.

**Gym & Swim clubs** Clubs where the fitness club is operated by Actic and the swimming facility is operated by an external partner.

**HIT** High-intensity training is a strength training method. The method is focused on short, high-intensity exercise. HIT prioritises high intensity and few repetitions with the aim of developing muscles as efficiently as possible.

**In-house clubs** Clubs where the fitness facility is operated by external personnel.

**Cluster** Geographic area with several Actic clubs located in close proximity to one another, forming a cluster.

**PT** Personal training.

**Stand-alone clubs** Clubs that exclusively operate fitness facilities.

## Actic in brief

Actic (formerly Nautilus Gym) was founded in 1981 and launched the Gym & Swim club concept. The company began its international expansion in 1995 and Actic is now one of the leading players in the staffed gym market in the Nordics. Actic has 181 clubs with just over 231,000 members in five countries. Its main markets are Sweden, Norway, Finland, Germany and Austria.

Actic has a unique business model whereby the majority of its clubs have access to swimming facilities, which is included in the membership fee paid by Actic's members.

Actic uses a well-established exercise method known as high-intensity training (HIT) and offers its members personal training programmes including follow-up sessions with trained instructors. Together with swimming, this differentiates Actic in the market.

The training offering is broad, with strength training, with group classes and functional training, and personal training (PT), which attracts a broad target group and is building successful clusters of Gym & Swim clubs as well as stand-alone clubs in the Nordics and Germany.

Actic's vision is to contribute to a healthier society by attracting broader target groups and thereby expanding the market. Actic's employees play an active role in the local community as a way of contributing to a healthier society.

Actic, which has its head office in Solna in Stockholm, had approximately 800 full-time equivalent employees and net sales of SEK 881 million in 2017. The Group is led by CEO Christer Zaar.







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