



Q3

Interim report 1 January–30 September 2017

Actic Group AB (publ)

**“Investments in our offer for a
stabilized customer base”**



Interim report 1 January–30 September 2017

Third quarter — July to September 2017

- Net sales rose to SEK 209.1 million (195.5), up 7%, of which 3% was organic.
- ARPM increased 6% to SEK 324 (305).
- Adjusted EBITDA amounted to SEK 39.0 million (40.6).
- The adjusted EBITDA margin amounted to 18.7% (20.8).
- EBIT amounted to SEK 17.7 million (9.4).
- Net profit for the period was SEK 12.8 million (1.3).
- Earnings per share¹⁾ before and after dilution amounted to SEK 0.80 (neg: 6.23).
- Cash flow from operating activities totalled SEK 27.7 million (21.1).

Nine months — January to September 2017

- Net sales rose to SEK 652.0 million (585.6), up 11%, of which 4% was organic.
- ARPM increased 10% to SEK 336 (305).
- Adjusted EBITDA amounted to SEK 110.3 million (115.7).
- The adjusted EBITDA margin amounted to 16.9% (19.8).
- EBIT amounted to SEK 21.5 million (45.6).
- Net loss for the period was SEK -7.0 million (profit: 15.7).
- Loss per share¹⁾ before and after dilution amounted to SEK 1.86 (neg: 11.16).
- Cash flow from operating activities totalled SEK 51.2 million (63.6).
- The net debt/adjusted EBITDA ratio for the most recent 12-month period was 3.0 (4.3).
- Acquisition of three facilities in Karlstad with transfer on 1 May.
- After the end of the period, nine facilities were acquired with annual sales of almost SEK 60 million.

Key financial data

SEK million	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net sales	209.1	195.5	652.0	585.6	868.4	802.0
Adjusted EBITDA	39.0	40.6	110.3	115.7	136.0	141.3
Adjusted EBITDA margin, %	18.7	20.8	16.9	19.8	15.7	17.6
Adjusted EBITA	23.6	26.6	65.5	75.2	75.7	85.4
Adjusted EBITA margin, %	11.3	13.6	10.1	12.8	8.7	10.7
Items affecting comparability	1.2	-15.2	-24.9	-23.9	-38.2	-37.2
EBIT	17.7	9.4	21.5	45.6	11.2	35.3
Net profit/loss for the period	12.8	1.3	-7.0	15.7	-26.7	-4.0
Earnings per share before and after dilution, SEK	0.80	-6.23	-1.86	-11.16	-6.00	-30.63
Equity/assets ratio, %	45.2	30.0	45.2	30.0	45.2	28.5
Cash flow from operating activities	27.7	21.1	51.2	63.6	65.2	77.7
Number of clubs at the end of the period	169	162	169	162	169	166
Number of members at the end of the period	216,101	213,961	216,101	213,961	216,101	210,980
ARPM, SEK	324	305	336	305	336	314
Club EBITDA	65.1	66.1	192.7	190.4	248.5	246.2
Club EBITDA margin, %	31.1	33.8	29.6	32.5	28.6	30.7
Average number of full-time equivalent employees	725	692	742	689	747	703

1) See Note 4. For definitions of key financial data, see page 30.

Investments in our offer for a stabilized customer base

Sales during the third quarter increased 7% to SEK 209 million and were mainly driven by acquisitions. Organic growth was just over 3%. At the same time, average revenue per member (ARPM) increased 6% to SEK 324 (305) per month.

Adjusted EBITDA for the period amounted to SEK 39 million (41), corresponding to a margin of 18.7% (20.8). The decline is due to a higher establishment will drive short-term costs, and since these facilities do not yet strengthen the Group's earnings. In addition continued investment in the offer and digitization, and a weak development in Norwegian operations.

Strategic acquisitions

After the end of the quarter, we undertook one of our largest transactions to date with the acquisition of Må Bättre, which operates a total of nine gym facilities with a geographical focus in Gävle and Falun in central Sweden. The operations generate annual sales of almost SEK 60 million with an EBITDA margin of 20%. In Falun we are establishing a new important cluster together with our current facilities. The operations will be consolidated into Actic Group as of 1 December.

The integration of our three facilities in Karlstad, acquired in the spring, was also completed in the third quarter and have exceeded expectations.

Active role in consolidation

Actic has a listed company the right conditions to further strengthen the market positions through new establishment and acquisitions. We received, and worked on, a relatively high number of acquisition targets during the year and our pipeline remains healthy both for the Nordic countries and Germany. However, during the period we have closed some letters of intent where we understood that they would not make the desired contribution.

Actions for increased margins

The margin trend for the third quarter was not satisfactory, even if a higher establishment rate is responsible for part of the decline. We are working on efficiency enhancements, both at a central and local level in the Group. As previously communicat-



ed, the Norwegian operations performed weaker than expected during the year, and we are working hard to increase the inflow of new members and to develop the PT business in Norway. We are also working to develop our local pricing model to strengthen revenues.

During the quarter, we opened a third club in Varberg, which will thus become a new cluster city. At the same time, we closed the facility in Hallsberg when the contract with the municipality expired, and Porsgrunn, which was considered to lack the potential to contribute towards the Group's earnings moving forward.

”We are continuing to work according to our planned strategy, focusing on expansion through new establishments and acquisitions”

Stabilized member base

To stabilize and get a growing membership base we invest in our offer to secure and strengthen our position, and to provide our members an attractive offer. In the autumn, group training classes were launched in a number of new areas. Our loyalty programme was launched in the Swedish and Norwegian markets at the beginning of the year and is used by about 45% of our members. These are contributing factors that we during the quarter could also see increased customer base, with just over 216,000 members at the end of the period.

Continued robust PT trend

The PT business continues to develop in a highly positive direction. Growth during the first nine months was 50% and accounted for 9% of net sales. This means there is still considerable potential for continued expansion in this area. We are working hard to achieve a critical mass in the Norwegian market. Work in recent months has produced results and indicates rising demand.

New establishment in Germany

At the German market decision has been taken to open four new facilities in the next six months — Giessen (Hesse), Pirmasens (Rhineland-Palatinate), Schöningen (Lower Saxony) and Neustadt (Lower Saxony). The latter of these will be in a larger, newly built swimming facility, and means we will have five facilities in the Hanover region.

Leadership and skills development

Our core values and leadership are important factors for Actic's future development as a modern service company. We can see that our HR efforts are producing results in the leadership index (LSI), where we improved by three points during the year to 78. The benchmark on the leadership index is 73 for similar companies in the survey.

Through the Actic Academy's various courses, more than 100 gym instructors and 100 members have been trained to become personal trainers.

Continued expansion

We are continuing to work according to our planned strategy, focusing on expansion through new establishments and cluster building, on continuously refining the customer offering and on remaining active in the consolidation.

Solna, November 2017

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Financial development in the third quarter

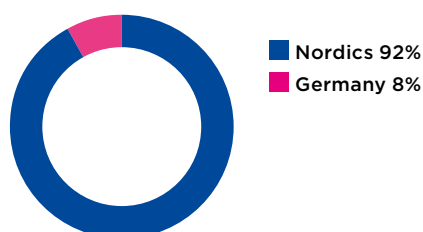
Sales and EBIT

Net sales in the third quarter amounted to SEK 209.1 million (195.5), corresponding to growth of 7%. Acquisitions contributed SEK 7 million. Measured at fixed exchange rates, organic growth totalled 3%. Exchange-rate changes affected net sales positively by SEK 0.1 million. The Group's growth was partly attributable to acquired operations in the Nordics and higher ARPM. Contributing factors to this increase in ARPM compare to same quarter last year included a continuing increase in PT sales, which contributed SEK 16 million (13) during the third quarter. The intensified effort to focus on member groups that to a greater extent demand and use add-on services continues. The

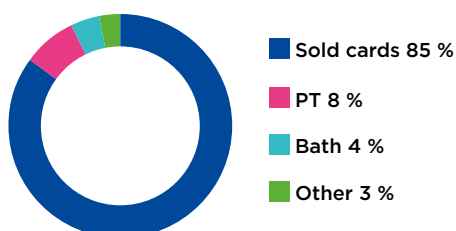
membership base increased to 216,101 (213,961) at the end of the period. Adjusted EBITDA amounted to SEK 39.0 million (40.6), corresponding to an adjusted EBITDA margin of 18.7% (20.8). The higher pace of establishment, continued investments in our customer offering, support functions adapted to a listed environment, together with an unsatisfactory performance in the Norwegian operations impacted the adjusted earnings compared with the preceding year.

EBIT amounted to SEK 17.7 million (9.4).

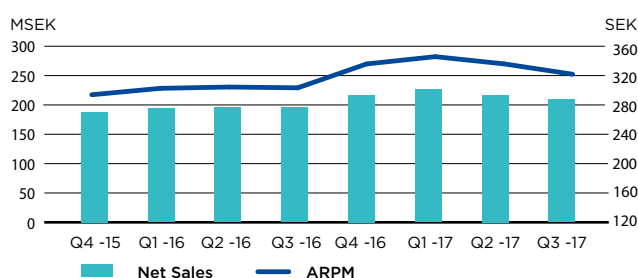
NET SALES PER OPERATING SEGMENT



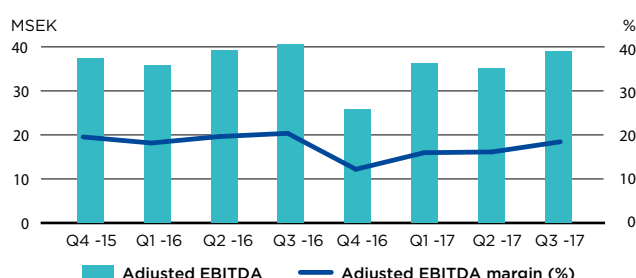
NET SALES PER CATEGORY



NET SALES & ARPM



ADJUSTED EBITDA



Financial income and expenses

Financial expenses amounted to SEK -6.7 million (-10.0) and financial income totalled SEK 2.1 million (2.8). The financial expenses were attributable to interest expenses for loan financing and currency-related exchange-rate differences, while financial income mainly pertained to currency-related exchange-rate differences.

Tax

The earnings effect of tax in the third quarter was SEK -0.4 million (-0.8).

Net income

Net income for the quarter amounted to SEK 12.8 million (1.3), corresponding to earnings per share before and after dilution of SEK 0.80 (loss: -6.23), see Note 4.

Financial development in the first nine months

Sales and EBIT

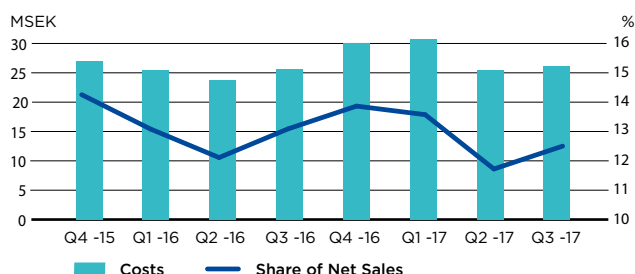
Net sales in the period amounted to SEK 652.0 million (585.6), corresponding to growth of 11%. Acquisitions contributed SEK 38 million. Measured at fixed exchange rates, organic growth totalled 4%. Exchange-rate changes affected net sales positively by SEK 4.5 million. The Group's growth was primarily attributable to acquired operations in the Nordics and higher ARPM. Contributing factors to this increase in ARPM included an increase in PT sales, which contributed SEK 60 million during the period, compared with SEK 40 million during the year-earlier period. Adjusted EBITDA amounted to SEK 110.3 million (115.7), corresponding to an adjusted EBITDA margin of 16.9% (19.8). Items affecting comparability amounted to SEK -24.9 million (-23.9) and primarily comprised listing costs. The higher pace of establishment, continued investments in our service offering, support functions adapted to a listed environment, together with a weaker performance in the Norwegian operations impacted the adjusted earnings compared with the preceding year.

EBIT amounted to SEK 21.5 million (45.6).

Central and local support functions

Actic's central and local support functions comprise a basis for efficiently delivering the Group's offering in all markets. In recent years, significant investments have been made in these functions for continued expansion, as well as to generate economies of scale and simplify integration of potential acquisitions. Adjusted for items affecting comparability, costs for central and local functions in relation to sales amounted to 13.0% for the most recent 12-month period, compared with 13.1% for full-year

CENTRAL AND LOCAL SUPPORT FUNCTIONS



2016. The aim is to reduce these in relative terms in the future, which will contribute towards margin growth.

Financial income and expenses

Financial expenses amounted to SEK -36.8 million (-31.2) and financial income totalled SEK 5.9 million (6.4). Non-recurring costs related to the refinancing and stock exchange listing amounted to SEK -13.3 million (-). Other financial expenses were primarily attributable to interest expenses for loan financing, while financial income mainly pertained to currency-related exchange-rate differences.

Tax

The earnings effect of tax in the period was positive at SEK 2.4 million (-5.1).

Net profit/loss for the period

Net loss for the period amounted to SEK -7.0 million (15.7), corresponding to loss per share before and after dilution of SEK -1.86 (-11.16), see Note 4.



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 company has conducted and gradually expanded its operations since 1981. The Nordic countries are home to just over 750 swimming facilities and Actic conducts operations in approximately 100 of these. Actic's second, smaller — but expanding — operating segment comprises Germany and Austria, where the company primarily operates Gym & Swim clubs. Actic's facilities in Germany will gradually be supplemented with stand-alone clubs in line with the company's cluster strategy.



Nordics operating segment

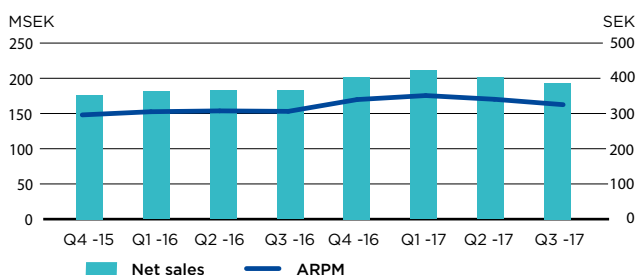
SEK million	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net sales	193.5	182.5	605.1	546.8	807.1	748.7
EBITDA	46.2	47.5	134.1	133.0	168.1	167.0
EBITDA margin, %	23.9	26.0	22.2	24.3	20.8	22.3
ARPM, SEK	328	309	341	309	341	317
Number of members at the end of the period	197,699	197,622	197,699	197,622	197,699	193,503
Number of clubs at the end of the period	148	145	148	145	148	146
Average number of full-time equivalent employees	608	589	627	592	632	601

Third quarter

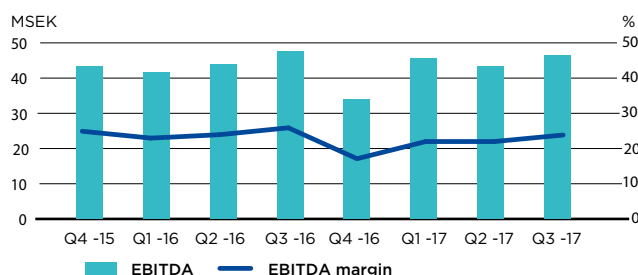
Net sales during the third quarter for the Nordics segment increased 6% to SEK 193.5 million (182.5). Acquisitions contributed SEK 7 million. ARPM rose 6% to SEK 328 (309) due to increased PT sales, which contributed SEK 16 million (13) during the quarter. The decline in ARPM relative to the first two quarters of the year is primarily explained by lower PT activity during the summer months.

EBITDA for the quarter totalled SEK 46.2 million (47.5), corresponding to a margin of 23.9% (26.0). The decline in margin is attributable to an increased pace of new establishment and an unsatisfactory performance in Norwegian operations.

NET SALES & ARPM



EBITDA & EBITDA MARGIN



Nine months

Net sales during the period for the Nordics segment increased 11% to SEK 605.1 million (546.8). Acquisitions contributed SEK 38 million. ARPM rose 10% to SEK 341 (309) due to a gradual increase in PT sales, which contributed SEK 60 million (40) during the period. Corporate sales, customised exercise products for various companies, and the sale of goods made an additional contribution compared with the year-earlier period.

EBITDA for the period totalled SEK 134.1 million (133.0), corresponding to a margin of 22.2% (24.3). The decline in margin is attributable to an increased pace of new establishment and a weaker trend in Norway.

Acquisitions and new establishments

In January 2017, Actic took over operation of a gym at the municipal swimming pool in Svenljunga, and, in March, a third facility opened in Södertälje. At 1 May, the three facilities acquired in Karlstad were

consolidated, and added about 7,000 members with annual sales in the range of SEK 25-30 million.

In May 2017, a new club was also opened in Frösundavik (Stockholm) with primary focus on corporate clients.

During the third quarter of 2017, Actic opened a third club in Varberg, which will thus become a cluster city with various types of facilities and a strong customer offering.

After the end of the period, Actic signed an agreement to acquire nine facilities in Dalarna and Gästrikland that are expected to contribute annual sales of almost SEK 60 million, with an EBITDA margin of 20%. Consolidation will take place on 1 December 2017.

A total of five facilities — Borås, Hallsberg, Kvånum, Porsgrunn and Vasastan — were closed down during the period since these were considered to lack the potential to contribute towards the Group's earnings moving forward.



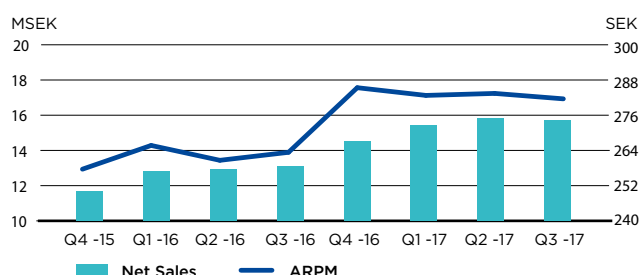
German operating segment

SEK million	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net sales	15.7	13.1	46.8	38.8	61.3	53.3
EBITDA	0.2	0.3	0.9	1.8	-1.7	-0.9
EBITDA margin, %	1.5	2.5	2.0	4.6	-2.7	-1.6
ARPM, SEK	282	263	284	264	284	269
Number of members at the end of the period	18,402	16,339	18,402	16,339	18,402	17,477
Number of clubs at the end of the period	21	17	21	17	21	20
Average number of full-time equivalent employees	100	91	100	85	100	90

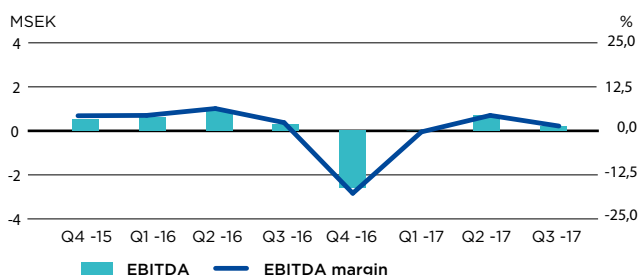
Third quarter

The segment's net sales during the third quarter increased 20% to SEK 15.7 million (13.1). EBITDA for the quarter totalled SEK 0.2 million (0.3), corresponding to a margin of 1.5% (2.5). The margin was impacted by a higher establishment rate and investments in the organisation in the past year, combined with a longer-than-planned interruption of operations in Schortens.

NET SALES & ARPM



EBITDA & EBITDA MARGIN



Nine months

The segment's net sales during the period increased 21% to SEK 46.8 million (38.8). The increase is primarily a result of new establishments in the past year, which will gradually contribute more to earnings and organic growth. EBITDA for the period amounted to SEK 0.9 million (1.8), corresponding to a margin of 2.0% (4.6). The lower margin was attributable to a higher establishment rate and investments in the organisation in the past year, combined with a longer-than-planned interruption of operations in Schortens. Although new establishments have short-term impact on the profitability of the segment, Actic foresees major future potential in the German market.

Acquisitions and new establishments

A total of five new facilities were added through new establishments in the segment in Germany in 2016.

In January 2017, a second facility was open in Duisburg, forming Actic's second cluster in Germany. New establishments are planned in the next six months for four facilities – Giessen (Hesse), Pirmasens (Rhineland-Palatinate), Schöningen (Lower Saxony) and Neustadt (Lower Saxony). The latter of these will be in a large, newly built swimming facility, and means Actic will have five facilities in the Hanover region.

Financial position

Cash flow, cash and cash equivalents

Actic's operations have reported negative tied-up working capital since the Group's revenue is based to a certain degree on advance monthly payments and due to the Group's relatively low requirement for capital tied up in inventories and accounts receivable. Combined with the company's stable EBITDA trend over time, this gives rise to a relatively high generation of cash.

Cash flow from operating activities totalled SEK 51.2 million (63.6) during the period. Working capital increased SEK 15 million during the period, and was attributable to lower accounts payable.

Cash flow from investing activities for the period amounted to SEK -89.7 million (-120.8), and mainly attributed to acquisitions and new establishments.

In conjunction with the listing in April, Actic signed a new loan agreement. The facilities made available by this comprise a five-year loan facility of SEK 435 million and a bank overdraft facility of SEK 100 million. The new financing has been used, for example, for refinancing of earlier loans, which has led to reduced debt and lower financing costs.

Cash and cash equivalents at the end of the period totalled SEK 79.1 million, compared with SEK 49.1 million at year-end 2016. Available unutilised loans amounted to SEK 93 million at the end of the period, compared with SEK 28 million at year-end 2016.

Investments

During the period, Actic continued to invest in its central functions, such as its accounting system, the membership system in Germany and an app for the company's members. Investments in intangible fixed assets during the period amounted to SEK -18.2 million (-25.2).

Investments in property, plant and equipment amounted to SEK -50.9 million (-35.7) in the first nine months and were attributable to implemented and future openings and upgrades when existing facilities are redesigned or expanded.

Equity and liabilities

In conjunction with the listing of Actic's shares on the Nasdaq Stockholm, the company's former ordinary shares of Class A and Class B, Class C and Class D, as well as preference shares, were converted so that, after the listing, Actic has only one class of share. The company also conducted a new share issue comprising 5,346,534 shares, which generated SEK 270 million for the company before issue

expenses. Following the conversion of all the shares outstanding to ordinary shares and the new issues of shares in conjunction with the IPO, the total number of shares outstanding is 15,896,936, all of these being ordinary shares of the same class. The company does not hold any own shares.

At 30 September 2017, equity amounted to SEK 607.6 million, compared with SEK 364.5 million at 31 December 2016. The equity/assets ratio was 45.2%, compared with 28.5% at year-end 2016. Interest-bearing liabilities amounted to SEK 481.1 million compared with SEK 653.0 million at year-end 2016. The net debt/adjusted EBITDA ratio for the most recent 12-month period amounted to 3.0, compared with 4.3 for full-year 2016.

PERSONNEL

The number of full-time equivalent employees during the period totalled 742, compared with 703 for full-year 2016. This increase in the number of employees was mainly attributable to acquisitions and new establishments.

LISTING ON NASDAQ STOCKHOLM

Actic Group conducted a combined sale of existing and newly issued shares with the aim of promoting the company's continued development and to broaden the ownership base. The offering was directed to the public in Sweden and to institutional investors in Sweden and abroad. Actic was listed on Nasdaq Stockholm's Small Cap list on 7 April 2017 and uses the ticker code ATIC.

OVERALL STRATEGY

Actic's overall strategy can be summarised as follows:

- Continued expansion of the offering through new establishments and cluster-building
- Driving market consolidation through M&A
- Refined product and service offering.

FINANCIAL GOALS

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.

PARENT COMPANY

Net loss for the period was SEK -14.3 million (-0.2). Equity at the end of the period totalled SEK 802.5 million, compared with SEK 554.6 million at year-end.

EVENTS AFTER THE END OF THE THIRD QUARTER

Actic signed an agreement to acquire nine facilities in Dalarna and Gästrikland that are expected to contribute annual sales of almost SEK 60 million, with an EBITDA margin of 20%. Consolidation will take place on 1 December 2017.

OWNERSHIP STRUCTURE

Prior to the stock exchange listing, Actic International S.å.r.l, which is owned by IK 2007 Fonden, was the company's majority owner. As at 30 September, it controlled 41.8% of capital and votes. Actic's new major shareholders include Athanase Industrial Partner, which owned 7.6%, the Fourth Swedish National Pension Fund with 7.0% and Swedbank Robur with 6.0%. The total number of shareholders was 2,684 at the end of the period.

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 when most

members join, and there is generally more activity at swimming facilities with swimming classes and similar activities. 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.

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 identify, 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 4 and 35–38 of the 2016 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, 13 November 2017

Christer Zaar
President and CEO

The information in this interim 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, 14 November 2017 at 7:45 a.m. (CET).

Key financial data and other information

SEK million Group	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net sales	209.1	195.5	652.0	585.6	868.4	802.0
Adjusted EBITDA	39.0	40.6	110.3	115.7	136.0	141.3
Adjusted EBITDA margin, %	18.7	20.8	16.9	19.8	15.7	17.6
Adjusted EBITA	23.6	26.6	65.5	75.2	75.7	85.4
Adjusted EBITA margin, %	11.3	13.6	10.1	12.8	8.7	10.7
EBIT	17.7	9.4	21.5	45.6	11.2	35.3
Net profit/loss for the period	12.8	1.3	-7.0	15.7	-4.7	-4.0
Cash flow from operating activities	27.7	21.1	51.2	63.6	41.8	77.7
Working capital	-114.6	-122.7	-114.6	-122.7	-114.6	-129.4
Capital employed	1,088.7	1,050.9	1,088.7	1,050.9	1,088.7	1,017.5
Net debt	402.1	582.3	402.1	582.3	402.1	603.9
Net debt/EBITDA ratio	-	-	-	-	3.0	4.3
Return on capital employed, %	-	-	-	-	1.7	4.3
Equity/assets ratio, %	45.2	30.0	45.2	30.0	45.2	28.5
Return on equity, %	-	-	-	-	-0.9	-1.1

SEK million Segment	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net sales, Nordics	193.5	182.5	605.1	546.8	807.1	748.7
Net sales, Germany	15.7	13.1	46.8	38.8	61.3	53.3
EBITDA, Nordics	46.2	47.5	134.1	133.0	168.1	167.0
EBITDA, Germany	0.2	0.3	0.9	1.8	-1.7	-0.9
EBITDA margin, Nordics, %	23.9	26.0	22.2	24.3	20.8	22.3
EBITDA margin, Germany, %	1.5	2.5	2.0	4.6	-2.7	-1.6
Central and local functions, excl. items affecting comparability	26.1	25.6	82.4	74.8	112.5	104.8
Central and local functions, excl. items affecting comparability in relation to net sales, %	12.5	13.1	12.6	12.8	13.0	13.1
ARPM, Nordics, SEK	328	309	341	309	341	317
ARPM, Germany, SEK	282	263	284	264	284	269
Total ARPM, SEK	324	305	336	305	336	314
Number of members at the end of the period, Nordics	197,699	197,622	197,699	197,622	197,699	193,503
Number of members at the end of the period, Germany	18,402	16,339	18,402	16,339	18,402	17,477
Total number of members at the end of the period	216,101	213,961	216,101	213,961	216,101	210,980
Number of clubs at the end of the period, Nordics	148	145	148	145	148	146
Number of clubs at the end of the period, Germany	21	17	21	17	21	20
Total number of clubs at the end of the period	169	162	169	162	169	166
Average number of full-time equivalent employees, Nordics	608	589	627	592	632	601
Average number of full-time equivalent employees, Germany	100	91	100	85	100	90
Average number of full-time equivalent employees, central support	17	13	16	12	15	12
Total average number of full-time equivalent employees	725	692	742	689	747	703

SEK Per share data	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Average number of shares, thousands	15,897	1,583	10,845	1,583	8,504	1,583
Average number of shares after dilution, thousands	15,897	1,583	10,845	1,583	8,504	1,583
Profit/loss per share	0.80	-6.23	-1.86	-11.16	-6.00	-30.63
Profit/loss per share after dilution	0.80	-6.23	-1.86	-11.16	-6.00	-30.63
Share price at the end of the period	38.60	n/a	38.60	n/a	n/a	n/a

Quarterly data

SEK million Group	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
Net sales	209.1	216.8	226.0	216.4	195.5	195.9
Adjusted EBITDA	39.0	35.0	36.3	25.7	40.6	39.3
Adjusted EBITDA margin	18.7	16.2	16.0	11.9	20.8	20.0
Adjusted EBITA	23.6	21.5	20.4	10.2	26.6	25.7
Adjusted EBITA margin, %	11.3	9.9	9.0	4.7	13.6	13.1
EBIT	17.7	-0.4	4.2	-10.3	9.4	16.6
Net profit/loss for the period	12.8	-15.1	-4.7	-19.7	1.3	6.1
Cash flow from operating activities	27.7	-7.5	31.0	14.0	21.1	11.0
	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
Net sales, Nordics	193.5	201.0	210.7	201.9	182.5	183.0
Net sales, Germany	15.7	15.8	15.4	14.5	13.1	12.9
EBITDA margin, Nordics, %	23.9	21.0	21.7	16.8	26.0	23.9
CLUB EBITDA Nordics	62.2	57.2	64.4	54.8	63.6	59.3
CLUB EBITDA margin Nordics, %	32.1	28.4	30.6	27.2	34.8	32.4
EBITDA margin, Germany, %	1.5	4.6	-0.2	-18.1	2.5	6.6
CLUB EBITDA Germany	2.9	3.3	2.7	0.9	2.6	3.8
CLUB EBITDA margin Germany, %	18.8	20.9	17.5	6.4	19.6	29.2
Central and local functions, excl. items affecting comparability	26.1	25.4	30.8	30.1	25.6	23.8
Central and local functions, excl. items affecting comparability in relation to net sales, %	12.5	11.7	13.6	13.9	13.1	12.1
ARPM, Nordics, SEK	328	344	355	343	309	310
ARPM, Germany, SEK	282	284	283	286	263	260
Total ARPM, SEK	324	339	349	338	305	306
Total number of members at the end of the period	216,101	215,702	216,777	210,980	213,961	215,131
Total number of clubs at the end of the period	169	170	168	166	162	163

Condensed consolidated statement of profit/loss

SEK 000s	NOTE	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Net sales		209,130	195,547	651,961	585,576	802,004
Other operating income		6,460	6,258	21,165	21,191	27,935
Total operating income		215,590	201,805	673,126	606,767	829,939
Operating expenses						
Goods for resale		-2,422	-2,946	-7,281	-7,615	-11,945
Other external costs		-97,273	-94,514	-315,141	-283,153	-397,481
Personnel costs		-75,473	-78,938	-264,825	-224,265	-316,369
Depreciation, amortisation and impairment of tangible and intangible fixed assets		-22,462	-16,024	-63,848	-46,092	-68,795
Other operating expenses		-248	-	-495	-	-
EBIT		17,713	9,383	21,537	45,642	35,349
Financial income		2,183	2,765	5,856	6,429	7,207
Financial expenses		-6,694	-10,035	-36,849	-31,199	-43,912
Financial net		-4,512	-7,270	-30,993	-24,770	-36,704
Profit/loss before tax		13,201	2,113	-9,456	20,872	-1,355
Tax		-428	-850	2,446	-5,149	-2,606
Net profit/loss for the period		12,774	1,263	-7,010	15,722	-3,961
Profit/loss for the period attributable to:						
Parent Company shareholders		12,774	1,263	-7,010	15,722	-3,961
Earnings per share						
before dilution (SEK)	4	0.80	-6.23	-1.86	-11.16	-30.63
after dilution (SEK)	4	0.80	-6.23	-1.86	-11.16	-30.63

Condensed consolidated statement of profit/loss and other comprehensive income

SEK 000s	NOTE	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Net profit/loss for the period		12,774	1,263	-7,010	15,722	-3,961
Other comprehensive income						
Translation differences for the period on translation of foreign operations		2,306	10,564	-6,297	21,595	18,959
Other comprehensive income for the period		2,306	10,564	-6,297	21,595	18,959
Comprehensive income for the period		15,080	11,827	-13,307	37,317	14,998
Comprehensive income for the period attributable to:						
Parent Company shareholders		15,080	11,827	-13,307	37,317	14,998

Condensed consolidated statement of financial position

SEK 000s	NOTE	30 Sep 2017	30 Sep 2016	31 Dec 2016
Assets				
Goodwill		751,886	750,931	746,404
Other intangible fixed assets		74,216	62,115	62,085
Tangible fixed assets		319,151	310,303	321,814
Deferred tax assets		14,307	6,906	4,462
Total fixed assets		1,159,560	1,130,256	1,134,766
Inventories		5,212	6,954	5,970
Tax receivables		4,907	-	-
Accounts receivable		31,487	29,449	32,032
Prepaid expenses and accrued income		49,413	34,306	41,413
Other receivables		13,931	4,789	14,425
Cash and cash equivalents		79,092	81,775	49,057
Total current assets		184,042	157,272	142,897
Total assets		1,343,602	1,287,528	1,277,663
Equity				
Share capital	5	753	52	500
Other capital contributed		639,660	383,593	383,593
Reserves		-7,607	1,326	-1,310
Retained profits including net income		-25,277	1,863	-18,268
Equity attributable to Parent Company shareholders		607,529	386,834	364,515
Total equity		607,529	386,834	364,515
Liabilities				
Non-current interest-bearing liabilities		462,780	612,270	596,691
Deferred tax liabilities		35,381	38,421	36,870
Total non-current liabilities		498,162	650,690	633,561
Current interest-bearing liabilities		18,399	51,767	56,310
Accounts payable		57,227	60,743	78,135
Tax liabilities		4,060	2,736	1,021
Other liabilities		16,510	24,294	7,739
Accrued expenses and deferred income		141,717	110,464	136,381
Total current liabilities		237,912	250,003	279,587
Total liabilities		736,074	900,693	913,148
Total equity and liabilities		1,343,602	1,287,528	1,277,663

Condensed consolidated statement of changes in equity

January to September 2016 SEK 000s	Equity attributable to Parent Company shareholders				Total
	Share capital	Other capital contributed	Translation reserve	Retained earnings including net income for the year	
Opening equity, 1 Jan 2016	52	383,593	-20,269	-13,859	349,517
Comprehensive income for the period					
Net profit for the period				15,722	15,722
Other comprehensive income for the period			21,595		21,595
Comprehensive income for the period	-	-	21,595	15,722	37,317
Transactions with the Group's shareholders					
Dividends paid					-
New share issue					-
Total transactions with the Group's shareholders	-	-	-	-	-
Closing equity, 30 Sep 2016	52	383,593	1,326	1,863	386,834

January to September 2017 SEK 000s	Equity attributable to Parent Company shareholders				Total
	Share capital	Other capital contributed	Translation reserve	Retained earnings including net income for the year	
Opening equity, 1 Jan 2017	500	383,593	-1,310	-18,268	364,515
Comprehensive income for the period					
Net profit/loss for the period				-7,010	-7,010
Other comprehensive income for the period			-6,297		-6,297
Comprehensive income for the period	-	-	-6,297	-7,010	-13,306
Transactions with the Group's shareholders					
Dividends paid					-
New share issue	253	256,067	-	-	256,320
Total transactions with the Group's shareholders	253	256,067	-	-	256,320
Closing equity, 30 Sep 2017	753	639,660	-7,607	-25,277	607,529

The new issue amount reported net after deductions for issue costs and tax

Condensed consolidated statement of cash flows

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Operating activities					
Profit/loss before tax	13,201	2,113	-9,456	20,872	-1,355
Adjustments for non-cash items	29,195	15,471	82,670	45,340	69,167
Income tax paid	-1,107	-2,504	-5,842	-8,320	-5,778
Cash flow from operating activities before changes in working capital	41,290	15,079	67,372	57,891	62,034
Cash flow from changes in working capital					
Increase (-)/decrease (+) in inventory	-138	731	716	-2,407	-704
Increase (-)/Decrease (+) in operating receivables	2,910	-6,371	-6,519	-998	-21,558
Increase (+)/Decrease (-) in operating liabilities	-16,383	11,657	-10,365	9,142	37,887
Cash flow from operating activities	27,679	21,096	51,204	63,628	77,659
Investing activities					
Purchase of tangible fixed assets	-17,866	-14,686	-50,860	-35,677	-66,839
Investment contributions received	1,916	-	5,916	-	2,000
Purchase of intangible fixed assets	-6,328	-2,257	-18,218	-25,094	-32,021
Acquisition of subsidiaries/operations, net liquidity effect	-	2,187	-26,521	-60,025	-60,269
Cash flow from investing activities	-22,278	-14,756	-89,683	-120,796	-157,130
Financing activities					
New share issue	-	-	252,499	-	-
Loans raised	8,309	322	457,127	61,683	72,244
Repayment of debt	-	-	-625,700	-15,000	-30,000
Repayment of leasing debt	-5,950	-5,074	-15,382	-14,033	-20,582
Cash flow from financing activities	2,360	-4,752	68,544	32,650	21,662
Cash flow for the period	7,761	1,587	30,065	-24,518	-57,808
Cash and cash equivalents at the beginning of the period	71,359	79,946	49,057	106,419	106,419
Exchange-rate difference in cash and cash equivalents	-28	242	-30	-126	446
Cash and cash equivalents at the end of the period	79,092	81,775	79,092	81,775	49,057

Condensed income statement for the Parent Company

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Net sales	61	-	10,552	-	1,546
Operating expenses					
Other external costs	1,632	-869	-9,699	-869	-7,832
Personnel costs	-3,751	-	-17,015	-	-2,757
Depreciation, amortisation and impairment of tangible and intangible fixed assets	-19	-	-19	-	-
EBIT	-2,077	-869	-16,181	-869	-9,043
Profit/loss from financial items:					
Other interest income and similar profit items	-	199	0	674	674
Interest expenses and similar loss items	-21	-19	-1,655	-19	-30
Loss after financial items	-2,097	-689	-17,836	-214	-8,399
Appropriations	-	-	-	-	8,392
Loss before tax	-2,097	-689	-17,836	-214	-6
Tax	105	105	3,565	0	0
Net loss for the year*	-1,992	-585	-14,270	-214	-6

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

Condensed balance sheet for the Parent Company

SEK 000s	30 Sep 2017	30 Sep 2016	31 Dec 2016
Assets			
Fixed assets			
Intangible fixed assets	117	-	-
Financial fixed assets			
Participations in Group companies	794,803	540,979	540,979
Deferred tax assets	8,824	-	1,408
Total financial fixed assets	803,626	540,979	542,387
Total fixed assets	803,743	540,979	542,387
Current assets			
Current receivables			
Receivables from Group companies	3,887	17,932	27,407
Other receivables	295	-	308
Prepaid expenses and accrued income	506	27	2,906
Total current receivables	4,688	17,959	30,622
Total current assets	4,688	17,959	30,622
Total assets	808,431	558,938	573,009
Equity and liabilities			
Equity			
<i>Restricted equity</i>			
Share capital	753	52	500
<i>Non-restricted equity</i>			
Premium reserve	641,139	383,593	383,593
Accumulated profit	174,849	175,304	174,855
Net loss for the period	-14,270	-214	-6
Total equity	802,471	558,734	558,942
Current receivables			
Accounts payable	223	203	263
Liabilities to Group companies	-	-	2,625
Current tax liabilities	1,591	-	1,408
Other liabilities	189	-	141
Accrued expenses and deferred income	3,958	-	9,631
Total current liabilities	5,960	203	14,068
Total equity and liabilities	808,431	558,938	573,009

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. The company began operating in June 2012 and has its registered office in Solna, Sweden. This condensed consolidated interim report ("interim report") for the period ending 30 September 2017 encompasses the company and its subsidiaries, collectively referred to as the Group.

The Group operates some 169 swimming and fitness facilities in two segments: the Nordics (Sweden, Norway and Finland) and Germany (Germany and Austria). As of the balance-sheet date, the Group had just over 215,000 members. Approximately 70% of the Group's gyms are operated in swimming halls through partnership agreements with municipalities and other counterparties and the remaining approximately 30% are operated as separate gym facilities.

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 Board (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 and interpretations and amendments to RFR 2 and RFR 1 that came into effect for the 2017 financial year have not had any material impact on the financial statements of the Group or the Parent Company.

In addition to the financial statements and the notes to the financial statements, other sections of the interim report also contain disclosures in accordance with IAS 34.16A.

Disclosures regarding significant events after the balance-sheet date as well as information concerning seasonal variations and material risks and uncertainties are presented on page 11. Information regarding dividends to shareholders is provided in Note 5 on page 23.

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 EARNINGS PER SHARE

During the period, a merger of shares was implemented in connection with the stock exchange listing. This merger implies that the number of shares declined, but the share capital is unchanged. Prior to the merger, the number of ordinary shares was 83,875,785, while after the merger, these totalled 1,582,561, of which 258,417 are Class A shares and 1,324,144 Class B shares. The weighted average number of shares was adjusted retroactively to reflect this.

A merger was also implemented for preference shares. Prior to the merger, the number of preference shares was 475,295,677, while after the merger these totalled 8,967,841.

In conjunction with the stock exchange listing, 8,967,841 preference shares outstanding and 258,417 Class B shares outstanding were converted to Class A ordinary shares. A new issue of 5,346,534 Class A shares was also conducted. The total outstanding number of shares following the above events amounts to 15,896,936 and these comprise Class A shares in their entirety. The conversion and the new issue are included in the weighted average number of shares as of 7 April 2017. None of these events was adjusted retroactively. The weighted average number of shares for the year calculated as of 30 September 2017 amounted to 10,844,804.

SEK	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Earnings per share before and after dilution	0.80	-6.23	-1.86	-11.16	-6.00	-30.63

The amounts used as numerators and denominators are recognised below:

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net profit/loss for the period attributable to Parent Company shareholders	12,774	1,263	-7,010	15,772	-26,693	-3,961
Interest on preference shares *	-	-11,129	-13,194	-33,388	-24,324	-44,517
Earnings attributable to ordinary Parent Company shareholders, before and after dilution, used in the calculation of earnings per share	12,774	-9,866	-20,204	-17,666	-51,017	-48,478
Average number of shares, thousands	15,897	1,583	10,845	1,583	8,504	1,583

* Funds received by the company in the form of subscription settlement for preference shares are calculated including interest. For further information, refer to the Annual Reports for 2015 and 2016.

Date	Event	Number of shares after the transaction							Share capital	
		Ordinary	Ordinary A	Ordinary B	Pref C1	Pref C2	Pref D1	Pref D2	Change	Total
2012-06-05	New formation	50,000	-	-	-	-	-	-	50,000	50,000
2012-09-28	Merger	1	-	-	-	-	-	-	0	50,000
2012-09-28	Split	540,979,196	-	-	-	-	-	-	0	50,000
2012-09-28	Change of share class	0	0	540,979,196	0	0	0	0	0	50,000
2012-09-28	New share issue	-	13,523,703	608,601,011	15,018,357	0	444,815,321	0	50,000	100,000
2012-09-28	Reduction ¹⁾	-	13,523,703	67,621,815	15,018,357	0	444,815,321	0	-50,000	50,000
2015-02-03	New share issue	-	13,696,139	70,179,644	15,018,357	372,573	444,815,321	15,089,426	1,681	51,681
2016-12-27	Bonus issue	-	13,696,139	70,179,644	15,018,357	372,573	444,815,321	15,089,426	448,319	500,000
2017-03-21	Merger	-	258,417	1,324,144	283,365	7,029	8,392,741	284,706	-	500,000
2017-04-06	Conversion	-	10,550,402	-	-	-	-	-	-	500,000
2017-04-06	New share issue	-	15,896,936	-	-	-	-	-	253,383	753,383

1) The reduction in the company's share capital was undertaken as part of the restructuring of the company's capital and share structure.

There are no potential ordinary shares that could give rise to a dilution effect, which means that earnings per share before and after dilution are the same. The number of ordinary shares outstanding on the balance-sheet date totalled 15,896,936 (31 Dec 2016: 83,875,785).

NOTE 5 EQUITY

No dividend was approved or paid in 2016 or 2017.

NOTE 6 OPERATING SEGMENTS

Actic conducts operations in two operating segments:

- **Nordics:** Actic's largest operating segment comprising its operations in Sweden, Norway and Finland. The Nordic countries are home to just over 750 swimming facilities and Actic conducts operations in approximately 100 of these. Revenue comprises membership revenue, PT revenue, swimming revenue and revenue from add-on products, such as accident insurance, sales of goods, etc.
- **Germany:** Actic's segment comprising Germany and Austria, where the company primarily operates Gym & Swim clubs. Germany and Austria are home to more than 3,000 swimming facilities and Actic currently conducts operations in just over 20 of these. Revenue primarily comprises membership revenue and revenue from add-on products, such as sales of goods, sauna services and physiotherapy.

July to September	Nordics		Germany		Group-wide and eliminations		Total Group	
	Jul-Sep 2017	Jul-Sep 2016	Jul-Sep 2017	Jul-Sep 2016	Jul-Sep 2017	Jul-Sep 2016	Jul-Sep 2017	Jul-Sep 2016
SEK 000s								
Net sales	193,461	182,494	15,669	13,054	-	-	209,130	195,547
Other operating income	6,983	5,922	-562	56	39	280	6,460	6,258
Total operating income	200,444	188,415	15,107	13,109	39	280	215,590	201,805
EBITDA	46,236	47,480	232	320	-6,293	-22,394	40,175	25,406
Depreciation of tangible fixed assets	-	-	-	-	-15,381	-14,014	-15,381	-14,014
EBITA	-	-	-	-	-21,674	-36,408	24,794	11,393
Amortisation of intangible fixed assets	-	-	-	-	-7,081	-2,011	-7,081	-2,011
EBIT	-	-	-	-	-28,755	-38,418	17,714	9,382
Interest income	-	-	-	-	2,183	2,766	2,183	2,766
Interest expenses	-	-	-	-	-6,695	-10,035	-6,695	-10,035
Profit/loss before tax	-	-	-	-	-33,267	-45,687	13,202	2,113

January to September	Nordics		Germany		Group-wide and eliminations		Total Group	
	Jan-Sep 2017	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2016
SEK 000s								
Net sales	605,121	546,777	46,840	38,799	-	-	651,961	585,576
Other operating income	21,209	19,873	-137	833	93	485	21,165	21,191
Total operating income	626,330	566,651	46,703	39,631	93	485	673,126	606,767
EBITDA	134,076	132,996	935	1,768	-49,626	-43,031	85,385	91,733
Depreciation of tangible fixed assets	-	-	-	-	-44,775	-40,442	-44,775	-40,442
EBITA	-	-	-	-	-94,401	-83,474	40,610	51,291
Amortisation of intangible fixed assets	-	-	-	-	-19,073	-5,650	-19,073	-5,650
EBIT	-	-	-	-	-113,473	-89,124	21,537	45,640
Interest income	-	-	-	-	5,856	6,429	5,856	6,429
Interest expenses	-	-	-	-	-36,849	-31,199	-36,849	-31,199
Profit/loss before tax	-	-	-	-	-144,466	-113,894	-9,456	20,870

NOTE 7 ACQUISITION OF OPERATIONS

As part of the Group's expansion strategy, Actic acquired the assets and liabilities of three clubs in Karlstad. Consolidation occurred on 1 May 2017. Had the acquisition occurred on 1 January 2017, management estimates that the acquired operations would have contributed SEK 20 million to the Group's net sales and just over SEK 6 million to EBITDA during the first nine months of the year. Had the acquisition occurred on 1 January 2017, management estimates that the acquired operations would have contributed approximately SEK 25–30 million to the Group's net sales and about SEK 8 million to EBITDA during the current financial year.

Sport & Fitness I Karlstad City AB, Sport & Fitness Färjestad AB, and Sport & Fitness Östra AB.

On 14 February 2017 Actic signed a contract for the acquisition of three facilities. The facilities were acquired through a so-called acquisition of assets and liabilities for a purchase consideration of SEK 26.5 million, which was paid in cash. There is no conditional purchase consideration.

SEK 000s

The acquired company's net assets on the acquisition date	
Leases	9,490
Customer relationships	7,583
Tangible fixed assets	8,251
Other operating receivables	443
Accounts payable and other operating liabilities	-9,507
Net identifiable assets and liabilities	16,260
Merger goodwill	10,261
Consideration paid	26,521

Goodwill

The goodwill value mainly includes cost synergies, since the acquired operations will be able to utilise Actic's existing support functions instead of conducting its own administration. Actic also expects the acquisition to generate purchasing synergies, since the acquired operations will be able to utilise the central purchasing agreements in place within the Actic Group.

The acquisition is also expected to generate revenue synergies by strengthening the loyalty of the company's members, since Actic is able to offer a stronger product range in the region. The goodwill is expected to be tax-deductible.

Intangible assets

Identified intangible fixed assets comprise leases and customer relationships. The useful life of these assets is between two and 13 years for leases and two years for customer relationships.

Acquisition-related costs

Acquisition-related costs amounted to SEK 0.7 million and pertained to consultant fees in conjunction with due diligence and agreement signing. These costs will be recognised as other external costs in the statement of profit/loss and other comprehensive income.

NOTE 8 FINANCIAL INSTRUMENTS

Financial instruments measured at fair value in the statement of financial position comprise interest rate swaps. During the first quarter, the Group conducted early redemption of all interest rate swaps, which is why there are no financial instruments measured at fair value per 30 September 2017. The early redemption of interest rate swaps generated a realised cost of SEK 6,000 in the first quarter.

During the current comparative periods, all swaps comprised debts amounting to SEK -0.7 million on 31 December 2016 and SEK -1.1 million on 30 September 2016, and the fair value of interest rate swaps is based on the discounting of calculated future cash flows in accordance with the terms and maturity dates stipulated in the agreement and on the market rate for similar instruments on the balance-sheet date. The calculations are included in Level 2 of the fair value hierarchy.

The fair value of accounts receivable, cash and cash equivalents, accounts payable and other financial instruments that are current assets or current liabilities do not differ materially from the carrying amount, since these have a short maturity period.

The fair value and carrying amount of liabilities to credit institutions, excluding derivatives, are estimated at:

	30 Sep 2017	30 Sep 2016	31 Dec 2016
Fair value	–	678	666
Carrying amount	478	664	653

Fair value is measured at the loans' nominal amount, meaning the carrying amount before deductions for transaction costs, since the loans are subject to variable interest and the loan margin in the loan agreements is deemed to correspond to the margin that would be received on the balance-sheet date. This calculation is deemed attributable to Level 2 of the fair value hierarchy.

NOTE 9 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 2016 Annual Report.

During the second quarter, in conjunction with the stock exchange listing, 8,967,841 preference shares outstanding and 258,417 Class B shares outstanding were converted to Class A ordinary shares A. See also Note 4.

NOTE 10 ALTERNATIVE PERFORMANCE MEASURES

Certain information and analyses presented in this interim report include alternative performance measures not defined by IFRS. Along with comparable IFRS-defined performance measures, Actic considers this information to be useful for investors since

it provides a basis for measuring the company's operating income and its ability to repay liabilities and invest in its operations. Management uses these financial measures as well as the most directly comparable IFRS-defined financial measures in its assessment of the company's operating income and value creation. These alternative performance measures are not to be analysed in isolation from, or be viewed as a substitute for, the financial information presented in the financial statements in accordance with IFRS. The alternative performance measures reported by Actic are not necessarily comparable with similar measures presented by other companies.

The reconciliations presented in the tables below are to be read together with the definitions on page 30.

Organic growth

Organic growth is derived from total net sales as follows:

Share of net sales, %

SEK 000s	Jul-Sep 2017	Growth, %	Jan-Sep 2017	Growth, %
Net sales	209,130	6.9	651,961	11.3
Of which, organic growth	6,650	3.4	28,418	4.9
Of which, acquired growth	6,933	3.5	37,967	6.5
Organic growth exchange rate adjusted	6,597	3.4	23,955	4.1
Total growth	13,583	6.9	66,386	11.3
Currency effect	53	-	4,464	-

Adjusted EBITA, EBITDA and margins

Management is of the opinion that the operating profit measures of EBITA and EBITDA, adjusted for external costs attributable to acquisitions and disposals and listing-related expenses, provide useful information that enables investors to monitor and analyse the underlying earnings trend in the company and to create comparable income measures between the periods.

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
EBIT	17,713	9,383	21,536	45,642	11,244	35,349
Reversal of amortisation of intangible fixed assets	7,081	2,011	19,073	5,650	26,293	12,870
EBITA	24,794	11,394	40,609	51,292	37,536	48,219
Items affecting comparability	-1,160	15,179	24,917	23,937	38,177	37,197
Adjusted EBITA	23,634	26,573	65,526	75,229	75,713	85,416
Reversal of depreciation of tangible fixed assets	15,381	14,014	44,775	40,442	60,258	55,925
Adjusted EBITDA	39,015	40,587	110,302	115,671	135,971	141,341
Net sales	209,130	195,547	651,961	585,576	868,390	802,004
Adjusted EBITA margin, %	11.3	13.6	10.1	12.8	8.7	10.7
Adjusted EBITDA margin, %	18.7	20.8	16.9	19.8	15.7	17.6

Items affecting comparability

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Costs attributable to acquisitions and disposals	-	-	718	1,688	1,116	2,086
Listing-related expenses	-1,160	6,887	24,200	13,958	37,061	26,819
VAT correction Norway	-	8,292	-	8,292	-	8,292
Total items affecting comparability	-1,160	15,179	24,917	23,937	38,177	37,197

EBITDA margin per segment

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Nordics						
EBITDA, Nordics	46,233	47,480	134,073	132,996	168,083	167,006
Net sales, Nordics	193,461	182,494	605,121	546,777	807,054	748,710
EBITDA margin, Nordics, %	23.9	26.0	22.2	24.3	20.8	22.3
Germany						
EBITDA, Germany	235	320	938	1,768	-1,682	-851
Net sales, Germany	15,669	13,054	46,840	38,799	61,336	53,294
EBITDA margin, Germany, %	1.5	2.5	2.0	4.6	-2.7	-1.6

Central and local functions and central and local functions excluding items affecting comparability

Operating expenses not attributable to individual facilities. Expenses pertain to support functions in the form of site management, marketing, customer support, HR, finance, IT, Actic Academy, product development, establishments, service and Group management.

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Total central and local functions	-24,939	-40,733	-107,338	-98,687	-150,686	-142,035
Costs attributable to acquisitions and disposals	-	-	718	1,688	1,116	2,086
Listing-related expenses	-1,160	6,887	24,200	13,958	37,061	26,819
VAT correction Norway	-	8,292	-	8,292	-	8,292
Total central and local functions excluding items affecting comparability	-26,099	-25,554	-82,421	-74,750	-112,509	-104,839
Net sales	209,130	195,547	651,961	585,576	868,390	802,004
Central and local costs excluding items affect- ing comparability in relation to net sales, %	12.5	13.1	12.6	12.8	13.0	13.1

Working capital

SEK 000s	30 Sep 2017	30 June 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 June 2016	31 Mar 2016
Inventories	5,212	5,092	5,882	5,970	6,954	7,591	5,568
Tax receivables	4,907	2,087	1,492	-	-	-	-
Accounts receivable	31,487	27,904	28,400	32,032	29,449	18,632	21,201
Prepaid expenses	49,413	47,766	43,843	41,413	34,306	31,797	31,085
Other receivables	13,931	17,924	14,215	14,425	4,789	9,612	9,860
Accounts payable	-57,227	-72,146	-70,612	-78,135	-60,743	-49,069	-50,893
Tax liabilities	-4,060	-61	-441	-1,021	-2,736	-4,954	-5,163
Other liabilities	-16,510	-13,176	-14,670	-7,739	-24,294	-15,514	-21,345
Accrued expenses and deferred income	-141,717	-142,258	-155,133	-136,381	-110,464	-117,482	-113,351
Total working capital	-114,563	-126,869	-147,025	-129,436	-122,738	-119,388	-123,038

Net debt and net debt/adjusted EBITDA ratio

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Non-current interest-bearing liabilities	462,780	612,270	462,780	612,270	462,780	596,691
Current interest-bearing liabilities	18,399	51,767	18,399	51,767	18,399	56,310
Total interest-bearing liabilities	481,179	664,037	481,179	664,037	481,179	653,001
Cash and cash equivalents	-79,092	-81,775	-79,092	-81,775	-79,092	-49,057
Net debt	402,087	582,262	402,087	582,262	402,087	603,944
Adjusted EBITDA	39,015	40,587	110,302	115,671	135,971	141,341
Net debt/adjusted EBITDA ratio	-	-	-	-	3.0	4.3

Equity/assets ratio

SEK 000s	30 Sep 2017	30 Sep 2016	31 Dec 2016
Equity attributable to Parent Company shareholders	607,529	386,834	364,515
Total assets	1,343,602	1,287,528	1,277,663
Equity/assets ratio, %	45.2	30.0	28.5

Return on equity

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net profit/loss for the period	12,774	1,263	-7,010	15,722	-26,694	-3,961
Equity attributable to Parent Company shareholders (average)	600,003	380,921	486,022	368,176	497,182	357,016
Return on equity, %					-5.4	-1.1

ARPM

SEK 000s	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Rolling 12 months	Jan-Dec 2016
Net sales, Nordics, SEK 000s	193,461	182,494	605,121	546,777	807,054	748,710
Average number of members during the period, Nordics	196,443	197,160	197,253	196,819	197,239	196,589
ARPM, Nordics	328	309	341	309	341	317
Net sales, Germany, SEK 000s	15,669	13,054	46,840	38,799	61,336	53,294
Average number of members during the period, Germany	18,515	16,523	18,356	16,350	17,976	16,521
ARPM, Germany	282	263	284	264	284	269
Net sales, SEK 000s	209,130	195,547	651,961	585,576	868,390	802,004
Average number of members during the period	214,958	213,682	215,609	213,169	215,215	213,109
Total ARPM	324	305	336	305	336	314

Review report

To the Board of Directors of Actic Group AB (publ)
Corp. id. 556895-3409

Introduction

We have reviewed the summary interim financial information (interim report) of Actic Group AB (publ) as of 30 September 2017 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing

practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 13 November 2017

KPMG AB

Håkan Olsson Reising
Authorized Public Accountant

Financial calendar

Year-end report Jan–Dec 2017	21 Feb 2018
Interim report Jan–Mar 2018	15 May 2018
2018 Annual General Meeting	15 May 2018

Financial definitions

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

Return on equity Net income divided by the average of opening and closing equity for the period.

Return on capital employed Operating profit and financial income divided by the average opening and closing capital employed for the period.

Central and local functions Operating expenses not attributable to individual facilities. These expenses pertain to support functions in the form of site management, marketing, customer support, HR, finance, IT, Actic Academy, product development, establishments, service and Group management.

Club EBITDA Operating profit at the club level, meaning operating profit before impairment, depreciation and amortisation of tangible and intangible fixed assets less costs for central and local support functions.

Club EBITDA margin Operating profit at the club level divided by net sales.

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.

Equity per share Equity divided by the number of shares outstanding at the end of the period.

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.

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 Interest-bearing liabilities less cash and cash equivalents.

Net debt/adjusted EBITDA ratio Net debt at the end of the period divided by adjusted EBITDA based on the rolling 12-month value.

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

Earnings per share after dilution Net profit for the period divided by the average number of ordinary shares during the period after dilution.

Earnings per share before dilution Net income for the period divided by the average number of ordinary shares during the period before dilution.

Working capital Inventories, accounts receivable, prepaid expenses and accrued income and other receivables less accounts payable, tax liabilities (current), other liabilities and accrued expenses and deferred income.

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.

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 169 clubs with just over 215,000 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 has four types of facilities: Full-service clubs, with gym and swimming facilities operated by Actic's own personnel; Gym & Swim clubs, where the fitness facilities are operated by Actic and the swimming facility is operated by an external partner; Stand-alone clubs, which exclusively operate fitness facilities, and In-house clubs where the fitness facility is operated by external personnel.

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.

Actic offers a wide range of exercise options, including strength training, group classes 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 750 full-time equivalent employees and net sales of SEK 802 million in 2016. The Group is led by CEO Christer Zaar.





ACTIC

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