



Q4

Year-end Report 1 January–31 December 2017

Actic Group AB (publ)

**“Acquisitions and increased loyalty
enhances membership base”**



Year-end Report

1 January–31 December 2017

Fourth quarter – October to December 2017

- Net sales rose to SEK 229.2 million (216.4), up 6%, of which 1% was organic.
- ARPM increased 3% to SEK 349 (338).
- Adjusted EBITDA amounted to SEK 33.9 million (25.7), and the margin amounted to 14.8% (11.9).
- EBIT amounted to SEK 11.1 million (neg: 10.3).
- Net profit for the period was SEK 1.6 million (loss: 19.7).
- Earnings per share¹⁾ before and after dilution amounted to SEK 0.10 (neg: 19.47).
- Cash flow from operating activities amounted to SEK 52.0 million (14.0).

Full-year 2017

- Net sales rose to SEK 881.2 million (802.0), up 10%, of which 3% was organic.
- ARPM increased 8% to SEK 339 (314).
- Adjusted EBITDA amounted to SEK 144.2 million (141.3) and the margin amounted to 16.4% (11.9).
- EBIT amounted to SEK 32.7 million (35.3).
- Net loss for the period was SEK -5.4 million (loss: -4.0).
- Loss per share¹⁾ before and after dilution amounted to SEK -1.53 (loss: 30.63).
- Cash flow from operating activities totalled SEK 103.2 million (77.7).
- The net debt/adjusted EBITDA ratio was 3.1 (4.3).
- Acquisition of twelve facilities with annual sales of nearly SEK 90 million.
- The Board of Directors proposes to the Annual General Meeting a dividend of SEK 0.50 (-) per share.

Key financial data

SEK million	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales	229.2	216.4	881.2	802.0
Adjusted EBITDA	33.9	25.7	144.2	141.3
Adjusted EBITDA margin, %	14.8	11.9	16.4	17.6
Adjusted EBITA	19.2	10.2	84.8	85.4
Adjusted EBITA margin, %	8.4	4.7	9.6	10.7
Items affecting comparability	-0.6	-13.3	-25.6	-37.2
EBIT	11.1	-10.3	32.7	35.3
Net profit/loss for the period	1.6	-19.7	-5.4	-4.0
Earnings per share before and after dilution, SEK	0.10	-19.47	-1.53	-30.63
Average number of shares after dilution, thousands	15,897	1,583	12,122	1,583
Equity/assets ratio, %	43.7	28.5	43.7	28.5
Net debt	440.4	603.9	440.4	603.9
Cash flow from operating activities	52.0	14.0	103.2	77.7
Number of clubs at the end of the period	178	166	178	166
Number of members at the end of the period	225,133	210,980	225,133	210,980
ARPM, SEK	349	338	339	314
Club EBITDA	61.6	55.8	254.3	246.2
Club EBITDA margin, %	27.2	25.8	28.9	30.7
Average number of full-time equivalent employees	792	741	752	703

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

Acquisitions and increased loyalty enhances membership base

Sales during the fourth quarter increased 6%, whereof 1 % organically, and amounted to SEK 229 million. Average revenue per member (ARPM) increased 3% to SEK 349 (338) per month as a result of a continued favourable trend for our PT business. The membership base expanded by more than 9,000 in the fourth quarter, and although the increase was mainly attributable to acquisitions, we did see organic growth for the second consecutive quarter. Adjusted EBITDA amounted to SEK 34 million (26), corresponding to a margin of 14.8% (11.9). The start of the year entails the high season for us and we can see that we had performed well in January, with a net increase of 7,500 new members and 13% more membership cards sold than in January 2017.

Strategic acquisitions

On 1 December, Må Bättre was consolidated, which is one of our largest transactions to date. Må Bättre operates a total of nine gym facilities, with a geographical focus on Gävle and Falun in central Sweden. The operations generate annual sales of almost SEK 60 million with an EBITDA margin of about 20%. Integration commenced immediately and is proceeding according to plan.

Action for an increased margin

The margin trend for the fourth quarter was not satisfactory, even if a higher establishment rate is responsible for part of the decline. We are working on efficiency measures and reducing costs at both the central and local levels of the Group as a whole and will enter 2018 with a reduced cost mass, which we will continue to work on nonetheless.

As we announced earlier, the Norwegian operation performed weaker than expected during the year. We have made changes to governance and are working intensively on the influx of new members and developing the PT business in Norway. This work developed favourably, but we have some way left to our desired profitability. During 2017 we have introduced a PT pilot in Germany.



Continued robust PT trend

The PT business continues to develop in a highly positive direction. For the full-year, PT growth was about 40% and the business accounted for 10% of net sales. This means there is still considerable potential for continued expansion in this area. As of 1 January, fitness contributions from employers also include personal training in Sweden. Accordingly, employers can offer their employees personal training for an amount up to SEK 5,000 per year without it being taxed as a fringe benefit. This decision is apparently accelerating PT penetration in our business, which is now at nearly 5% of the membership base.

“As of 1 January, fitness contributions from employers also include personal training in Sweden. This enables more people to try out PT as the start toward a healthier lifestyle.”

Positive start to the year

We continued to invest in our offering and membership services such as MyActic to strengthen our market position and increase the dialogue between our members. These are factors that contributed to that we could see an increased customer base during the quarter, which totalled more than 225,000 members at the end of the period.

The marketing activities also contributed to a positive start to the high season, which we look forward to generating a positive effect on the full-year 2018. In January, we sold 13% more membership cards than in the same month in 2017 and the membership base had a net increase of nearly 7,500 members, resulting in a total of about 232,000 at the end of the month. In comparative units, card sales increased by slightly more than 4% during the first month of the year.

Continued expansion

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

February 2018

Christer Zaar
CEO

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Financial performance in the fourth quarter

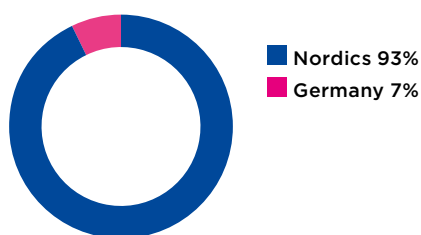
Sales and EBIT

Net sales in the fourth quarter amounted to SEK 229.2 million (216.4), corresponding to growth of 6%. Acquisitions contributed SEK 12 million. Measured at fixed exchange rates, organic growth totalled 1%. Exchange-rate changes affected net sales negatively by SEK -1.7 million. Growth was attributable to acquired operations in the Nordics and higher ARPM compared with the same quarter in 2016. Contributing factors to this increase in ARPM included a continuing increase in the demand for PT services, which contributed SEK 26 million during the fourth quarter, compared with SEK 22 million during the year-earlier period. The intensified effort

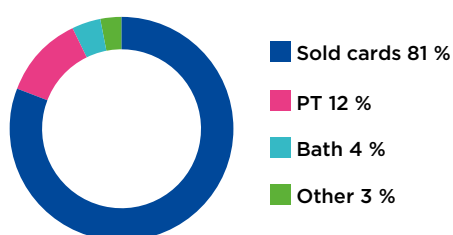
to focus on member groups that to a greater extent demand and use add-on services continues. The membership base increased to 225,133 (210,980) at the end of the period. Adjusted EBITDA amounted to SEK 33.9 million (25.7), corresponding to an adjusted EBITDA margin of 14.8% (11.9). Unsatisfactory performance by the Norwegian operation, continued investments in our customer offering, integration costs and support functions adapted to a listed environment impacted the earnings.

EBIT amounted to SEK 11.1 million (neg: 10.3).

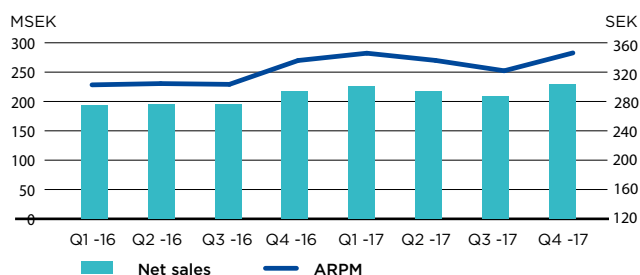
NET SALES PER OPERATING SEGMENT



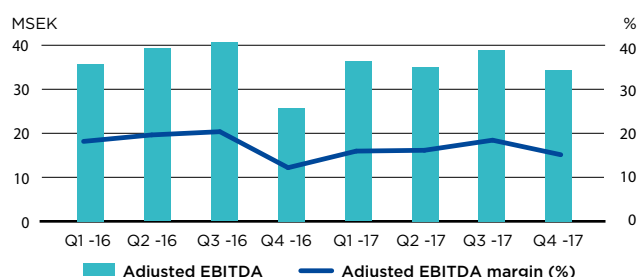
NET SALES PER CATEGORY



NET SALES & ARPM



ADJUSTED EBITDA & EBITDA MARGIN



Financial income and expenses

Financial expenses amounted to SEK -3.9 million (-12.7) and financial income totalled SEK 0.8 million (0.8). The financial expenses were attributable to interest expenses for loan financing, while financial income mainly pertained to exchange-rate differences.

Tax

Tax expense for the fourth quarter totalled SEK -6.4 million (income: 2.5). The tax expense for the quarter is attributable to allocation effects between the quarters during the year.

Net profit for the quarter

Net profit for the quarter amounted to SEK 1.6 million (loss: 19.7), corresponding to earnings per share before and after dilution of SEK 0.10 (loss: -19.47), see Note 4.

Financial development for the full-year

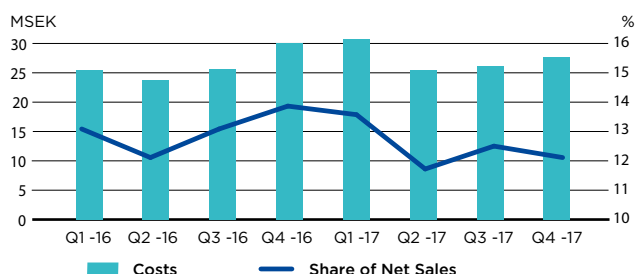
Sales and EBIT

Net sales for the year amounted to SEK 881.2 million (802.0), corresponding to growth of 10%. Acquisitions contributed SEK 50 million. Measured at fixed exchange rates, organic growth totalled 3%. Exchange-rate changes affected net sales positively by SEK 2.8 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 demand for PT services, which contributed SEK 87 million during the period, compared with SEK 62 million during the year-earlier period. Adjusted EBITDA amounted to SEK 144.2 million (141.3), corresponding to an adjusted EBITDA margin of 16.4% (17.6). Items affecting comparability amounted to SEK -25.6 million (-37.2) and primarily comprised costs in conjunction with the listing in April. The higher pace of establishment, continued investments in our service offering and customer offering, support functions adapted to a listed environment, together with a weaker performance in the Norwegian operations impacted the earnings compared with the preceding year.

EBIT amounted to SEK 32.7 million (35.3).



CENTRAL AND LOCAL SUPPORT FUNCTIONS



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 acquisitions. Adjusted for items affecting comparability, costs for central and local functions in relation to sales amounted to 12.5% for the most recent twelve-month period, compared with 13.1% for full-year 2016. The aim is to reduce these in the future, which will contribute towards margin growth.

Financial income and expenses

Financial expenses amounted to SEK -40.8 million (-43.9) and financial income totalled SEK 6.7 million (7.2). 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 exchange-rate differences.

Tax

The earnings impact of tax for the period amounted to SEK -4.0 million (-2.6).

Net profit/loss for the period

Net loss for the period amounted to SEK -5.4 million (-4.0), corresponding to loss per share before and after dilution of SEK -1.53 (-30.63), 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 halls 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

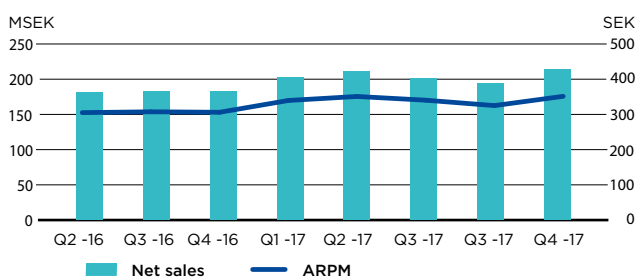
SEK million	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales	213.2	201.9	818.4	748.7
EBITDA	39.9	34.0	173.9	167.0
EBITDA margin, %	18.7	16.8	21.3	22.3
ARPM, SEK	355	343	344	317
Number of members at the end of the period	206,052	193,503	206,052	193,503
Number of clubs at the end of the period	156	146	156	146
Average number of full-time equivalent employees	668	629	634	601

Fourth quarter

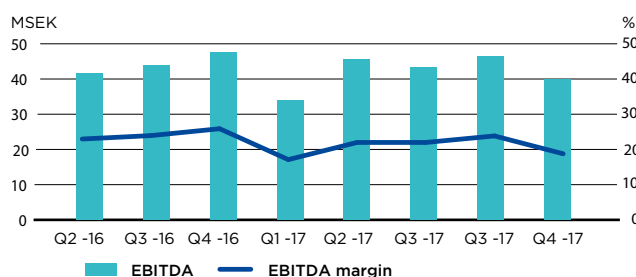
Net sales during the third quarter for the Nordics segment increased 6% to SEK 213.2 million (201.9). Acquisitions contributed SEK 12 million. ARPM rose 3% to SEK 355 (343) due to a gradual increase in PT sales, which contributed SEK 26 million (22) during the quarter.

EBITDA for the quarter totalled SEK 39.9 million (34.0), corresponding to a margin of 18.7% (16.8).

NET SALES & ARPM



EBITDA & EBITDA MARGIN



Full-year

Net sales during the period for the Nordics segment increased 9% to SEK 818.4 million (748.7). Acquisitions contributed SEK 50 million. ARPM rose 9% to SEK 344 (317) due to a gradual increase in PT sales, which contributed SEK 87 million (62) 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 173.9 million (167.0), corresponding to a margin of 21.3% (22.3). 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 central 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. During the fourth 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 took place on 1 December.

A total of six facilities — Borås, Hallsberg, Kvånum, Porsgrunn, Romsås 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.

It was decided that in the third quarter of 2018, a second facility will be opened in Alta, Norway, and that a fourth facility will be opened in Södertälje during the first quarter of 2019.



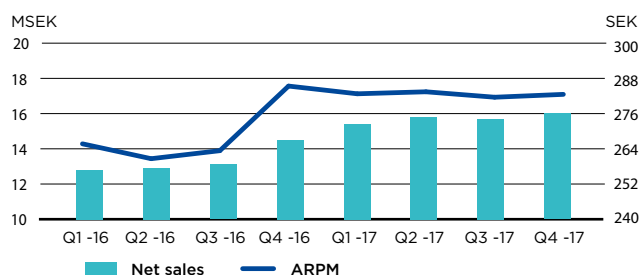
German operating segment

SEK million	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales	16.0	14.5	62.8	53.3
EBITDA	2.4	-2.6	3.3	-0.9
EBITDA margin, %	15.0	-18.1	5.3	-1.6
ARPM, SEK	283	286	283	269
Number of members at the end of the period	19,081	17,477	19,081	17,477
Number of clubs at the end of the period	22	20	22	20
Average number of full-time equivalent employees	107	99	102	90

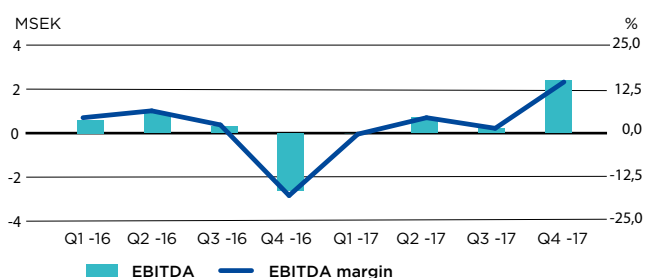
Fourth quarter

The segment's net sales during the third quarter increased 10% to SEK 16.0 million (14.5). EBITDA for the quarter totalled SEK 2.4 million (-2.6), corresponding to a margin of 15.0% (-18.1). The margin has developed positively quarter over quarter, but was negatively impacted by implemented and ongoing establishments.

NET SALES & ARPM



EBITDA & EBITDA MARGIN



Full-year

The segment's net sales during the period increased 18% to SEK 62.8 million (53.3). 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 3.3 million (-0.9), corresponding to a margin of 5.3% (-1.6). The relatively 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

In January 2017, a second facility was open in Duisburg, forming Actic's second cluster in Germany. In the fourth quarter, a new facility was opened in Giessen (Hesse). There are also plans to establish three new facilities in the first quarter of 2018 – Pirmasens (Rhineland-Palatinate), Schöningen (Lower Saxony) and Neustadt (Lower Saxony). The latter of these will be in a large, newly built swimming pool, and means we 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 103.2 million (77.7) for the period. Working capital declined SEK 8 million during the period and amounted to SEK -137.0 million (-129.4).

Cash flow from investing activities for the period amounted to SEK -180.0 million (-157.1), and was 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 66.1 million, compared with SEK 49.1 million at year-end 2016. Available unutilised loans amounted to SEK 73 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 -22.0 million (-32.0).

Investments in property, plant and equipment amounted to SEK -90.6 million (-66.8) 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 31 December 2017, equity amounted to SEK 605.6 million, compared with SEK 364.5 million at 31 December 2016. The equity/assets ratio was 43.7%, compared with 28.5% at year-end 2016. Interest-bearing liabilities amounted to SEK 506.5 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 3.1, compared with 4.3 for full-year 2016.

PERSONNEL

The number of full-time equivalent employees during the period totalled 752, 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 18.7 million (-0.0).

Equity at the end of the period totalled SEK 833.8 million, compared with SEK 558.9 million at year-end.

EVENTS AFTER THE END OF THE FOURTH QUARTER

An Extraordinary General Meeting in January resolved in accordance with the proposal of the Nomination Committee that the Board of Directors will comprise five ordinary members and no deputies.

Stefan Charette (re-election), Åsa Wirén (re-election), Göran Carlson (new election), Fredrik Söderberg (new election) and Therese Hillman (new election) were elected, in accordance with the proposal of the Nomination Committee, as ordinary Board members until the close of the next Annual General Meeting. Göran Carlson was elected Chairman of the Board.

OWNERSHIP STRUCTURE

The former principal owner, Actic International S.å.r.l, which is owned by IK 2007, sold all of its shares in the fourth quarter. The largest shareholders at 31 December were Athanase Industrial Partner, which owned 14.7%, Ushi Limited 13.8%, AFA Försäkring 10.0%, the Fourth Swedish National Pension Fund with 9.82% and Swedbank Robur with 9.0%. The total number of shareholders was 2,568 at the end of the period.

IFRS 9, 15 AND 16

The new standards IFRS 9 (Financial Instruments) and IFRS 15 (Revenue from Contracts with Customers) are applied from financial years beginning on or after 1 January 2018, while IFRS 16 (Leases) is applicable from financial years beginning on or after 1 January 2019. The project being conducted in relation to the introduction of IFRS 15 proceeded according to plan and the various revenue streams were analysed in 2017. The analysis led to a change insofar as the registration fee paid by new members will be allocated over the contract period, generating a non-recurring effect during the year that the standard is implemented. Actic's assessment is that the standard will have a negative earnings impact of slightly more than SEK 0.03 per share in 2018. The work on IFRS 9 proceeded according to plan and the assessment is that this will not affect the Group's earnings and financial position. The project to implement IFRS 16 is proceeding according to plan.

ANNUAL GENERAL MEETING

Actic's Annual General Meeting will be held in Solna on 15 May 2018. Shareholders who wish to have a matter addressed at the Annual General Meeting should submit their motions to the Board of Directors not later than 31 March 2018 to guarantee that the motion can be included in the notification of the Annual General Meeting. Motions should be submitted by post to: Actic Group AB (publ), Box 1805, SE-171 21 Solna, Sweden, or by e-mail to: ir@actic.se.

DIVIDEND

The Board of Directors and CEO have resolved to propose to the Annual General Meeting a dividend of SEK 0.50 (-) per share, corresponding to a total of SEK 8 million (-).

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.

FINANCIAL CALENDAR

Interim report Jan–Mar 2018	15 May 2018
2018 Annual General Meeting	15 May 2018
Interim report Jan–Jun 2018	16 August 2018
Interim report Jan–Sep 2018	14 November 2018

ASSURANCE

The undersigned affirm that this interim report provides a fair overview of the operations, financial position and earnings of the Parent Company and the Group and describes the material risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Solna, 21 February 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 Wednesday, 21 February at 7:45 a.m. (CET).

Key financial data and other information

SEK million Group	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales	229.2	216.4	881.2	802.0
Adjusted EBITDA	33.9	25.7	144.2	141.3
Adjusted EBITDA margin, %	14.8	11.9	16.4	17.6
Adjusted EBITA	19.2	10.2	84.8	85.4
Adjusted EBITA margin, %	8.4	4.7	9.6	10.7
EBIT	11.1	-10.3	32.7	35.3
Net profit/loss for the period	1.6	-19.7	-5.4	-4.0
Cash flow from operating activities	52.0	14.0	103.2	77.7
Working capital	-135.8	-129.4	-135.8	-129.4
Capital employed	1,112.1	1,017.5	1,110.2	1,017.5
Net debt	440.4	603.9	440.4	603.9
Net debt/EBITDA ratio	-	-	3.1	4.3
Return on capital employed, %	-	-	3.8	4.3
Equity/assets ratio, %	43.7	28.5	43.7	28.5
Return on equity, %	-	-	-1.1	-1.1

SEK million Segment	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, Nordics	213.2	201.9	818.4	748.7
Net sales, Germany	16.0	14.5	62.8	53.3
EBITDA, Nordics	39.9	34.0	173.9	167.0
EBITDA, Germany	2.4	-2.6	3.3	-0.9
EBITDA margin, Nordics, %	18.7	16.8	21.3	22.3
EBITDA margin, Germany, %	15.0	-18.1	5.3	-1.6
Central and local functions, excl. items affecting comparability	27.7	30.1	110.1	104.8
Central and local functions, excl. items affecting comparability in relation to net sales, %	12.1	13.9	12.5	13.1
ARPM, Nordics, SEK	355	343	344	317
ARPM, Germany, SEK	283	286	283	269
Total ARPM, SEK	349	338	339	314
Number of members at the end of the period, Nordics	206,052	193,503	206,052	193,503
Number of members at the end of the period, Germany	19,081	17,477	19,081	17,477
Total number of members at the end of the period	225,133	210,980	225,133	210,980
Number of clubs at the end of the period, Nordics	156	146	156	146
Number of clubs at the end of the period, Germany	22	20	22	20
Total number of clubs at the end of the period	178	166	178	166
Average number of full-time equivalent employees, Nordics	668	629	634	601
Average number of full-time equivalent employees, Germany	107	99	102	90
Average number of full-time equivalent employees, central support	17	13	16	12
Total average number of full-time equivalent employees	792	741	752	703

SEK Per share data	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Average number of shares, thousands	15,897	1,583	12,122	1,583
Average number of shares after dilution, thousands	15,897	1,583	12,122	1,583
Profit/loss per share	0.10	-19.47	-1.53	-30.63
Profit/loss per share after dilution	0.10	-19.47	-1.53	-30.63
Share price at the end of the period	37.80	n/a	37.80	n/a

Quarterly data

SEK million Group	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3
Net sales	229.2	209.1	216.8	226.0	216.4	195.5
Adjusted EBITDA	33.9	39.0	35.0	36.3	25.7	40.6
Adjusted EBITDA margin	14.8	18.7	16.2	16.0	11.9	20.8
Adjusted EBITA	19.2	23.6	21.5	20.4	10.2	26.6
Adjusted EBITA margin, %	8.4	11.3	9.9	9.0	4.7	13.6
EBIT	11.1	17.7	-0.4	4.2	-10.3	9.4
Net profit/loss for the period	1.6	12.8	-15.1	-4.7	-19.7	1.3
Cash flow from operating activities	52.0	27.7	-7.5	31.0	14.0	21.1
	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3
Net sales, Nordics	213.2	193.5	201.0	210.7	201.9	182.5
Net sales, Germany	16.0	15.7	15.8	15.4	14.5	13.1
EBITDA margin, Nordics, %	18.7	23.9	21.0	21.7	16.8	26.0
CLUB EBITDA Nordics	57.0	62.2	57.2	64.4	54.8	63.6
CLUB EBITDA margin Nordics, %	26.7	32.1	28.4	30.6	27.2	34.8
EBITDA margin, Germany, %	15.0	1.5	4.6	-0.2	-18.1	2.5
CLUB EBITDA Germany	5.2	2.9	3.3	2.7	0.9	2.6
CLUB EBITDA margin Germany, %	32.6	18.8	20.9	17.5	6.4	19.6
Central and local functions, excl. items affecting comparability	27.7	26.1	25.4	30.8	30.1	25.6
Central and local functions, excl. items affecting comparability in relation to net sales, %	12.1	12.5	11.7	13.6	13.9	13.1
ARPM, Nordics, SEK	355	328	344	355	343	309
ARPM, Germany, SEK	283	282	284	283	286	263
Total ARPM, SEK	349	324	339	349	338	305
Total number of members at the end of the period	225,133	216,101	215,702	216,777	210,980	213,961
Total number of clubs at the end of the period	178	169	170	168	166	162

Condensed consolidated statement of profit/loss

SEK 000s		Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
	NOTE				
Net sales		229,244	216,428	881,206	802,004
Other operating income		7,956	6,744	29,121	27,935
Total operating income		237,200	223,172	910,326	829,939
Operating expenses					
Goods for resale		-2,799	-4,330	-10,081	-11,945
Other external costs		-104,286	-114,328	-419,427	-397,481
Personnel costs		-96,755	-92,104	-361,579	-316,369
Depreciation, amortisation and impairment of tangible and intangible fixed assets		-22,113	-22,703	-85,961	-68,795
Other operating expenses		-122	-	-617	-
EBIT		11,125	-10,293	32,661	35,349
Financial income		842	778	6,699	7,207
Financial expenses		-3,938	-12,712	-40,787	-43,912
Financial net		-3,096	-11,934	-34,088	-36,704
Profit/loss before tax		8,029	-22,227	-1,427	-1,355
Tax		-6,422	2,544	-3,976	-2,606
Net profit/loss for the period		1,606	-19,683	-5,403	-3,961
Profit/loss for the period attributable to:					
Parent Company shareholders		1,606	-19,683	-5,403	-3,961
Earnings per share					
before dilution (SEK)	4	0.10	-19.47	-1.53	-30.63
after dilution (SEK)	4	0.10	-19.47	-1.53	-30.63

Condensed consolidated statement of profit/loss and other comprehensive income

SEK 000s	NOTE	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net profit/loss for the period		1,606	-19,683	-5,403	-3,961
Other comprehensive income					
Translation differences for the period on translation of foreign operations		-3,524	-2,636	-9,821	18,959
Other comprehensive income for the period		-3,524	-2,636	-15,224	18,959
Comprehensive income for the period		-1,916	-22,319	-15,224	14,998
Comprehensive income for the period attributable to:					
Parent Company shareholders		-1,916	-22,319	-15,224	14,998

Condensed consolidated statement of financial position

SEK 000s	NOTE	31 Dec 2017	31 Dec 2016
Assets			
Goodwill		775,689	746,404
Other intangible fixed assets		94,961	62,085
Tangible fixed assets		333,766	321,814
Deferred tax assets		5,163	4,462
Total fixed assets		1,209,579	1,134,766
Inventories		4,975	5,970
Accounts receivable		39,461	32,032
Prepaid expenses and accrued income		48,084	41,413
Other receivables		18,863	14,425
Cash and cash equivalents		66,078	49,057
Total current assets		177,461	142,897
Total assets		1,387,040	1,277,663
Equity	5		
Share capital		753	500
Other capital contributed		639,686	383,593
Reserves		-11,131	-1,310
Retained profits including net profit for the year		-23,671	-18,268
Equity attributable to Parent Company shareholders		605,683	364,515
Total equity		605,683	364,515
Liabilities			
Non-current interest-bearing liabilities		466,252	596,691
Deferred tax liabilities		27,766	36,870
Total non-current liabilities		494,018	633,561
Current interest-bearing liabilities		40,219	56,310
Accounts payable		63,844	78,135
Tax liabilities		4,508	1,021
Other liabilities		18,527	7,739
Accrued expenses and deferred income		160,287	136,381
Total current liabilities		287,385	279,587
Total liabilities		781,402	913,148
Total equity and liabilities		1,387,040	1,277,663

Condensed consolidated statement of changes in equity

January to December 2016 SEK 000s	Equity attributable to Parent Company shareholders				Total
	Share capital	Other capital contributed	Translation reserve	Retained earnings including net profit for the year	
Opening equity, 1 Jan 2016	52	383,593	-20,269	-13,859	349,517
Comprehensive income for the period					
Net profit/loss for the period				-3,961	-3,961
Other comprehensive income for the period			18,959	-	18,959
Comprehensive income for the period	-	-	18,959	-3,961	14,998
Transactions with the Group's shareholders					
Dividends paid					-
New share issue	448	-		-448	-
Total transactions with the Group's shareholders	448	-	-	-448	-
Closing equity, 31 Dec 2016	500	383,593	-1,310	-18,268	364,515

January to December 2017 SEK 000s	Equity attributable to Parent Company shareholders				Total
	Share capital	Other capital contributed	Translation reserve	Retained earnings including net profit 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				-5,403	-5,403
Other comprehensive income for the period			-9,821	-	-9,821
Comprehensive income for the period	-	-	-9,821	-5,403	-15,224
Transactions with the Group's shareholders					
Dividends paid					-
New share issue	253	256,093	-	-	256,346
Total transactions with the Group's shareholders	253	256,093	-	-	256,346
Closing equity, 31 Dec 2017	753	639,686	-11,131	-23,671	605,638

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

Condensed consolidated statement of cash flows

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Operating activities				
Profit/loss before tax	8,029	-22,227	-1,427	-1,355
Adjustments for non-cash items	21,445	23,827	104,116	69,167
Income tax paid	229	2,543	-5,544	-5,778
Cash flow from operating activities before changes in working capital	29,773	4,143	97,145	62,034
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in inventory	238	1,704	954	-704
Increase (-)/Decrease (+) in operating receivables	-10,071	-20,560	-16,589	-21,558
Increase (+)/Decrease (-) in operating liabilities	32,066	28,744	21,701	37,887
Cash flow from operating activities	52,006	14,031	103,210	77,659
Investing activities				
Purchase of tangible fixed assets	-39,690	-31,163	-90,550	-66,839
Investment contributions received	-	2,000	5,916	2,000
Purchase of intangible fixed assets	-3,742	-6,928	-21,960	-32,021
Acquisition of subsidiaries/operations, net liquidity effect	-46,881	-244	-73,402	-60,269
Cash flow from investing activities	-90,312	-36,334	-179,996	-157,130
Financing activities				
New share issue	-	-	252,499	-
Loans raised	30,673	10,562	487,800	72,244
Repayment of debt	-	-15,000	-625,700	-30,000
Repayment of leasing debt	-5,381	-6,549	-20,764	-20,582
Cash flow from financing activities	25,292	-10,987	93,835	21,662
Cash flow for the period	-13,015	-33,291	17,050	-57,808
Cash and cash equivalents at the beginning of the period	79,091	81,775	49,057	106,419
Exchange-rate difference in cash and cash equivalents	1	573	-29	446
Cash and cash equivalents at the end of the period	66,078	49,057	66,078	49,057

Condensed income statement for the Parent Company

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales	1,402	1,546	11,954	1,546
Operating expenses				
Other external costs	-925	-6,964	-10,625	-7,832
Personnel costs	-2,148	-2,757	-19,163	-2,757
Depreciation, amortisation and impairment of tangible and intangible assets	-6	-	-25	-
EBIT	-1,678	-8,171	-17,859	-9,043
Profit/loss from financial items:				
Other interest income and similar profit items	-	0	0	674
Interest expenses and similar loss items	-1	-11	-1,656	-30
Profit/loss after financial items	-1,679	-8,185	-19,515	-8,399
Appropriations	43,499	8,392	43,499	8,392
Profit/loss before tax	41,820	207	23,984	-6
Tax	-8,849	-	-5,284	-
Net profit for the year*	32,970	207	18,700	-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	31 Dec 2017	31 Dec 2016
Assets		
Fixed assets		
Intangible fixed assets	110	-
Financial fixed assets		
Participations in Group companies	794,803	540,979
Deferred tax assets	-	1,408
Total financial fixed assets	794,803	542,387
Total fixed assets	794,913	542,387
Current assets		
Current receivables		
Receivables from Group companies	45,170	27,407
Other receivables	435	308
Prepaid expenses and accrued income	214	2,906
Total current assets	45,820	30,622
Total assets	840,733	573,009
Equity and liabilities		
Equity		
<i>Restricted equity</i>		
Share capital	753	500
<i>Non-restricted equity</i>		
Premium reserve	641,460	383,593
Accumulated profit	172,836	174,855
Net profit/loss for the period	18,700	-6
Total equity	833,750	558,942
Current receivables		
Accounts payable	517	263
Liabilities to Group companies	3,530	2,625
Current tax liabilities	1,664	1,408
Other liabilities	340	141
Accrued expenses and deferred income	933	9,631
Total current liabilities	6,983	14,068
Total equity and liabilities	840,733	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 year-end report for the period ending 31 December 2017 encompasses the company and its subsidiaries, collectively referred to as the Group.

The Group operates some 178 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 225,000 members. Approximately 65% of the Group's gyms are operated in swimming halls through partnership agreements with municipalities and other counterparties and the remaining approximately 35% 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 24.

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 31 December 2017 amounted to 12,121,716.

SEK	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Earnings per share before and after dilution	0.10	-19.47	-1.53	-30.63

The amounts used as numerators and denominators are recognised below:

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net profit/loss for the period attributable to Parent Company shareholders	1,606	-19,683	-5,403	-3,961
Interest on preference shares *	-	-11,129	-13,194	-44,517
Earnings attributable to ordinary Parent Company shareholders, before and after dilution, used in the calculation of earnings per share	1,606	-30,812	-18,597	-48,478
Average number of shares, thousands	15,897	1,583	12,122	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. For 2018 the Board of Directors proposes to the Annual General Meeting a dividend of SEK 0.50 (-) per share.

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 halls 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 halls 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.

October to December	Nordics		Germany		Group-wide and eliminations		Total Group	
	Oct-Dec 2017	Oct-Dec 2016	Oct-Dec 2017	Oct-Dec 2016	Oct-Dec 2017	Oct-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
SEK 000s								
Net sales	213,244	201,933	16,000	14,496	-	-	229,244	216,428
Other operating income	7,666	7,169	244	165	45	-590	7,956	6,744
Total operating income	220,910	209,101	16,244	14,660	45	-590	237,200	223,172
EBITDA	39,850	34,010	2,399	-2,619	-8,363	-18,981	33,886	12,410
Depreciation of tangible fixed assets	-	-	-	-	-14,641	-15,483	-14,641	-15,483
EBITA	-	-	-	-	-23,004	-34,463	19,245	-3,073
Amortisation of intangible fixed assets	-	-	-	-	-7,472	-7,220	-7,472	-7,220
EBIT	-	-	-	-	-30,476	-41,683	11,773	-10,293
Interest income	-	-	-	-	842	778	842	778
Interest expenses	-	-	-	-	-3,938	-12,712	-3,938	-12,712
Profit/loss before tax	-	-	-	-	-33,571	-53,618	8,678	-22,227

January to December	Nordics		Germany		Group-wide and eliminations		Total Group	
	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
SEK 000s								
Net sales	818,365	748,710	62,840	53,294	-	-	881,206	802,004
Other operating income	28,875	27,042	107	997	139	-105	29,121	27,935
Total operating income	847,240	775,752	62,947	54,292	139	-105	910,326	829,939
EBITDA	173,926	167,006	3,333	-851	-57,988	-62,012	119,271	104,144
Depreciation of tangible fixed assets	-	-	-	-	-59,416	-55,925	-59,416	-55,925
EBITA	-	-	-	-	-117,404	-117,937	59,855	48,218
Amortisation of intangible fixed assets	-	-	-	-	-26,545	-12,870	-26,545	-12,870
EBIT	-	-	-	-	-143,949	-130,807	33,310	35,348
Interest income	-	-	-	-	6,699	7,207	6,699	7,207
Interest expenses	-	-	-	-	-40,787	-43,912	-40,787	-43,912
Profit/loss before tax	-	-	-	-	-178,037	-167,511	-778	-1,357

NOTE 7 ACQUISITION OF OPERATIONS

As part of the Group's expansion strategy, Actic acquired the assets and liabilities of three clubs in Karlstad, which were consolidated on 1 May 2017. Nine clubs in Gävleborg/Dalarna, which were consolidated on 1 December 2017. Had the acquisitions occurred on 1 January 2017, management estimates that the acquired operations would have contributed SEK 85-90 million to the Group's net sales and about SEK 20 million to EBITDA for full-year 2017.

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

Träning 05-24 AB, Hälsocenter i Sandviken AB, Hälsa och Friskvård i Gävle AB and Friskvårdshuset i Falun AB

On 1 November 2017, Actic signed a contract for the acquisition of nine clubs under the MåBättre brand. The facilities were acquired through a so-called acquisition of assets and liabilities for a purchase consideration of SEK 46.9 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	11,885
Customer relationships	11,439
Tangible fixed assets	853
Other operating receivables	1,507
Accounts payable and other operating liabilities	- 4,861
Net identifiable assets and liabilities	20,823
Merger goodwill	26,058
Consideration paid	46,881

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 fixed 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 1.4 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 31 December 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 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:

	31 Dec 2017	31 Dec 2016
Fair value	-	666
Carrying amount	478	653

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	Oct-Dec 2017	Growth, %	Jan-Dec 2017	Growth, %
Net sales	229,244	5.9	881,206	9.9
Of which, organic growth	1,102	0.5	29,521	3.7
Of which, acquired growth	11,714	5.4	49,681	6.2
Organic growth exchange rate adjusted	2,791	1.3	26,758	3.3
Total growth	12,816	5.9	79,202	9.9
Currency effect	-1,689	-	2,762	-

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	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
EBIT	11,125	-10,293	32,661	35,349
Reversal of amortisation of intangible fixed assets	7,472	7,220	26,545	12,870
EBITA	18,597	-3,073	59,206	48,219
Items affecting comparability	649	13,259	25,566	37,197
Adjusted EBITA	19,246	10,187	84,772	85,416
Reversal of depreciation of tangible fixed assets	14,641	15,483	59,416	55,925
Adjusted EBITDA	33,886	25,670	144,188	141,341
Net sales	229,244	216,428	881,206	802,004
Adjusted EBITA margin, %	8.4	4.7	9.6	10.7
Adjusted EBITDA margin, %	14.8	11.9	16.4	17.6

Items affecting comparability

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Costs attributable to acquisitions and disposals	649	398	1,366	2,086
Listing-related expenses	-	12,862	24,200	26,819
VAT correction Norway	-	-	-	8,292
Total items affecting comparability	649	13,259	25,566	37,197

EBITDA margin per segment

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Nordics				
EBITDA, Nordics	39,860	34,010	173,936	167,006
Net sales, Nordics	213,244	201,933	818,365	748,710
EBITDA margin, Nordics, %	18.7	16.8	21.3	22.3
SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Germany				
EBITDA, Germany	2,399	-2,619	3,333	-851
Net sales, Germany	16,000	14,496	62,840	53,294
EBITDA margin, Germany, %	15.0	-18.1	5.3	-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	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Total central and local functions	-28,363	-43,348	-135,701	-142,035
Costs attributable to acquisitions and disposals	649	398	1,366	2,086
Listing-related expenses	-	12,862	24,200	26,819
VAT correction Norway	-	-	-	8,292
Total central and local functions excluding items affecting comparability	-27,715	-30,089	-110,135	-104,839
Net sales	229,244	216,428	881,206	802,004
Central and local costs excluding items affecting comparability in relation to net sales, %	12.1	13.9	12.5	13.1

Working capital

SEK 000s	31 Dec 2017	30 Sep 2017	30 June 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 16
Inventories	4,975	5,212	5,092	5,882	5,970	6,954	7,591
Tax receivables	0	4,907	2,087	1,492	0	0	0
Accounts receivable	39,461	31,487	27,904	28,400	32,032	29,449	18,632
Prepaid expenses	48,084	49,413	47,766	43,843	41,413	34,306	31,797
Other receivables	18,863	13,931	17,924	14,215	14,425	4,789	9,612
Accounts payable	-63,844	-57,227	-72,146	-70,612	-78,135	-60,743	-49,069
Tax liabilities	-4,508	-4,060	-61	-441	-1,021	-2,736	-4,954
Other liabilities	-18,527	-16,510	-13,176	-14,670	-7,739	-24,294	-15,514
Accrued expenses and deferred income	-160,287	-141,717	-142,258	-155,133	-136,381	-110,464	-117,482
Total working capital	-135,783	-114,563	-126,869	-147,025	-129,436	-122,738	-119,388

Net debt and net debt/adjusted EBITDA ratio

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Non-current interest-bearing liabilities	466,252	596,691	466,252	596,691
Current interest-bearing liabilities	40,219	56,310	40,219	56,310
Total interest-bearing liabilities	506,470	653,001	506,470	653,001
Cash and cash equivalents	66,078	-49,057	66,078	-49,057
Net debt	440,393	603,944	440,393	603,944
Adjusted EBITDA	33,885	141,341	144,189	141,341
Net debt/adjusted EBITDA ratio	-	-	3.1	4.3

Equity/assets ratio

SEK 000s	31 Dec 2017	31 Dec 2016
Equity attributable to Parent Company shareholders	605,638	364,515
Total assets	1,387,040	1,277,663
Equity/assets ratio, %	43.7	28.5

Return on equity

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net profit/loss for the period	1,606	-19,683	-5,403	-3,961
Equity attributable to Parent Company shareholders (average)	605,611	375,675	484,104	357,016
Return on equity, %	-	-	-1.1	-1.1

ARPM

SEK 000s	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, Nordics, SEK 000s	213,244	201,933	818,365	748,710
Average number of members during the period, Nordics	200,329	196,271	198,165	196,589
ARPM, Nordics	355	343	344	317
Net sales, Germany, SEK 000s	16,000	14,496	62,840	53,294
Average number of members during the period, Germany	18,840	16,902	18,501	16,521
ARPM, Germany	283	286	283	269
Net sales, SEK 000s	229,244	216,428	881,206	802,004
Average number of members during the period	219,169	213,173	216,666	213,109
Total ARPM	349	338	339	314

Financial definitions

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

Return on equity Net profit for the period 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 twelve-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 profit 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.

Add-on services Includes PT-services, retail and swim classes.

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 178 clubs with just over 225,000 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 881 million in 2017. The Group is led by CEO Christer Zaar.





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