

Q3 Interim Report



6 November 2019



Q3 at a Glance

227.6 MSEK
Net Sales

-266.1 MSEK
EBIT

-116.9 %
EBIT-marginal



180
Number of Clubs

223 957
Number of members

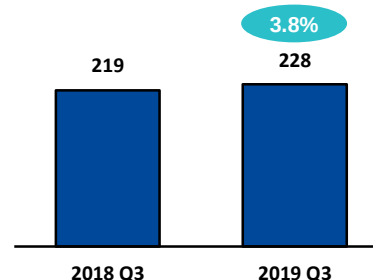
763
Number of FTEs

Actic Group

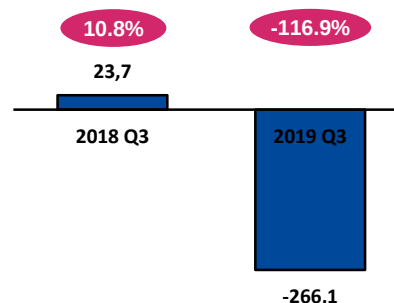
Q3 Highlights

- Net sales amounted to SEK 227.6m in Q3 compared to SEK 219.3m in 2018 Q3
- Net sales growth was 3.8%
 - Organic growth was -0.6% in constant currency
 - Currency effects affected net sales positively with SEK 0.3m
 - Acquisitions affected net sales positively with SEK 3.6m
- EBIT amounted to SEK -266.1m in Q3 compared to 23.7m in 2018 Q3.
 - EBIT margin of -116.9% compared to 10.8%
 - EBIT is affected by impairment of goodwill and intangible fixed assets of SEK 280m.
 - EBIT adjusted for impairment was SEK 13.8m corresponding to a margin of 6.1%
- ARPM grew by 2.4% to SEK 342 (334) per month driven by a higher price per sold card and increase of PT revenue
- Cash flow from operating activities amounted to SEK 35.7m in Q3 compared to SEK 63.6 m in Q3 2018

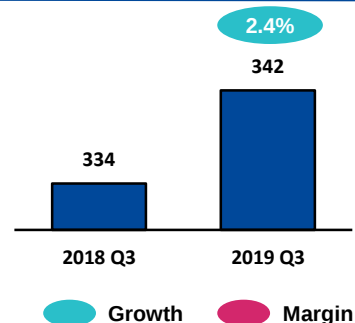
Net Sales (SEKm)



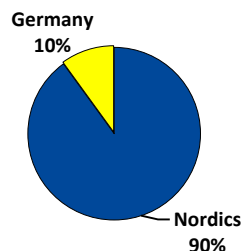
EBIT (SEKm)



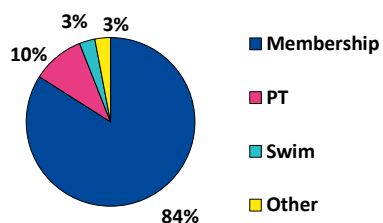
ARPM (SEK)



Net sales by segment



Net sales by product category

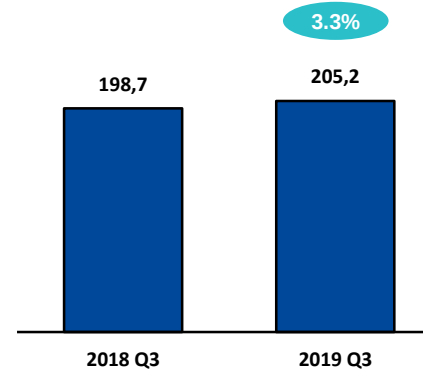


Segment – Nordics

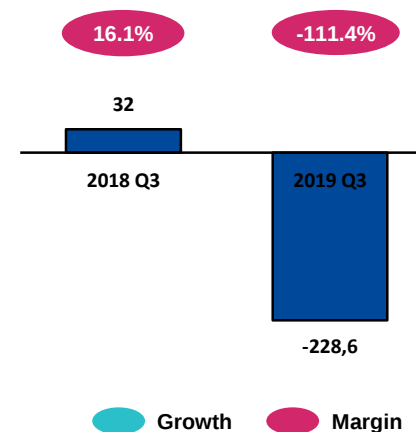
Q3 Highlights

- Net sales growth of 3.3% to SEK 205.2m in Q3 from SEK 198.7m in Q3 2018
- ARPM grew by 2.7% to SEK 346 per month compared to SEK 337 in 2018 in the same period driven by a higher average membership price and PT.
- EBIT amounted to SEK -228.6m in Q3 corresponding to a margin of -111.4% compared to EBIT of SEK 32.0m and a margin of 16.1% in Q3 2018.
 - EBIT is affected by impairment of goodwill and intangible fixed assets of SEK 252.0m
 - EBIT adjusted for impairment was SEK 23.4m corresponding to a margin of 11.4%
 - EBIT has declined due to increase of staff costs and costs for facilities
- By the end of the quarter there were 155 clubs

Net Sales (SEKm)



EBIT (SEKm)

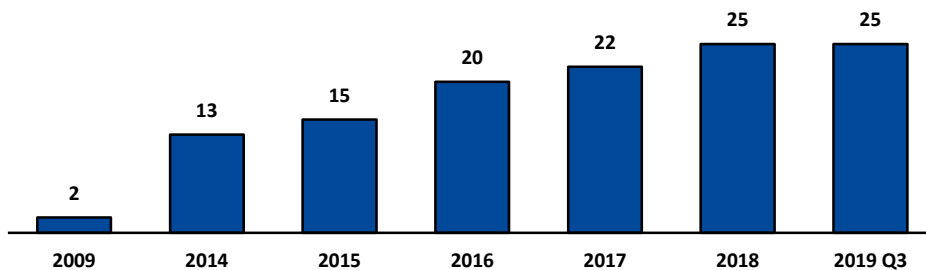


Segment – Germany

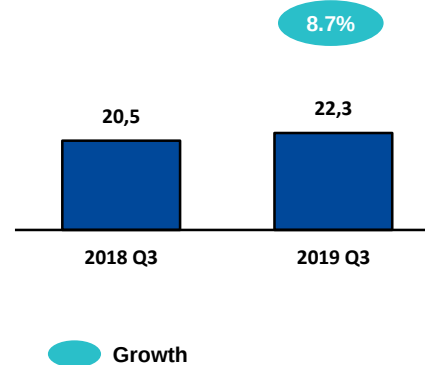
Q3 Highlights

- Net sales growth of 8,7% to SEK 22.3m in Q3 from SEK 20.5m in Q3 last year
- EBIT amounted to SEK -30.9m in Q3 compared to EBIT of SEK -2.9m in Q3 2018
- The negative result is affected by impairment of intangible fixed assets of SEK 27.9m. Adjusted EBIT amounts to SEK -3.0m
- The membership base increased by 7.4% to 24 312 members
- ARPM grew by 1,0% to SEK 309 per month compared to SEK 306 in 2018 during the same period
- The number of clubs were 25 by the end of the quarter

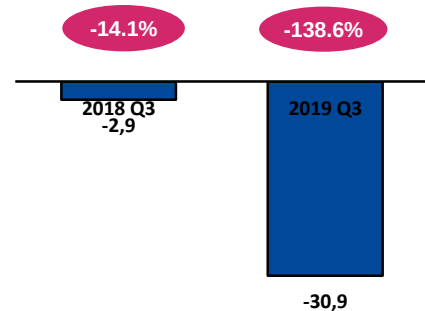
Number of clubs in Germany



Net Sales (SEKm)

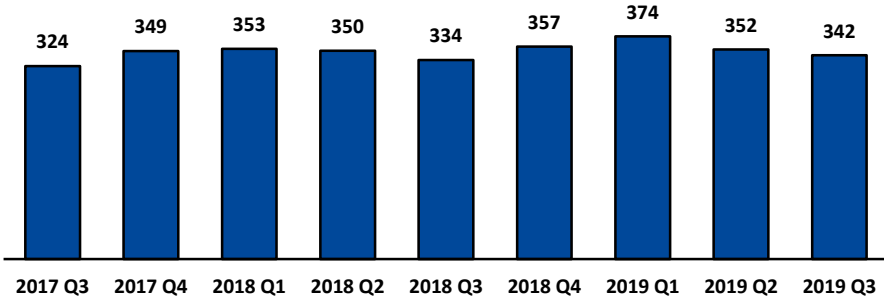


EBIT (SEKm)

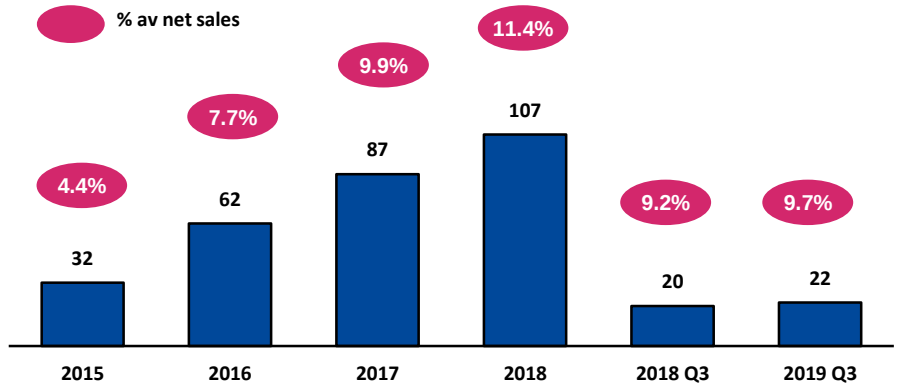


Overview of key business drivers

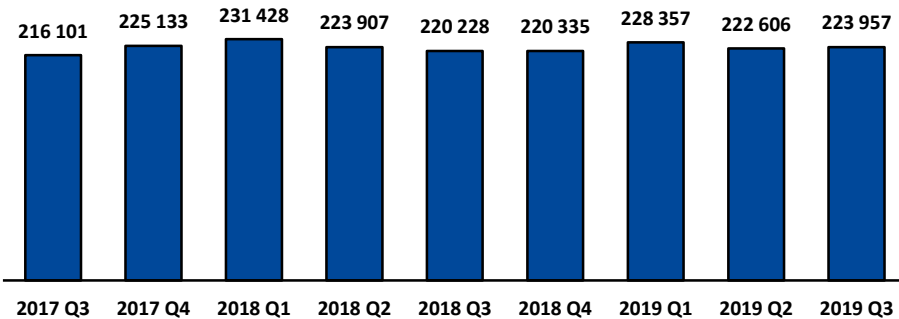
ARPM



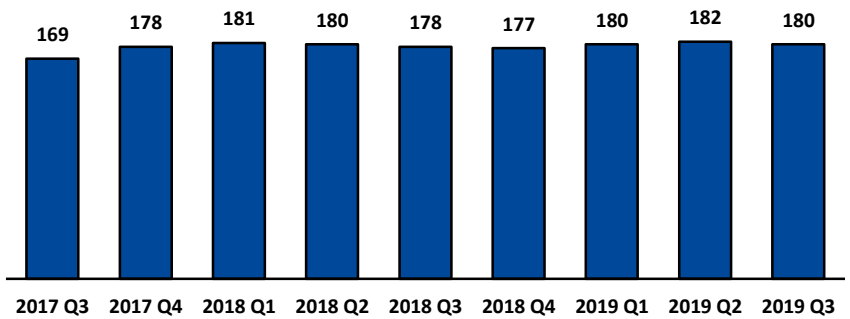
Net sales for PT



Membership base



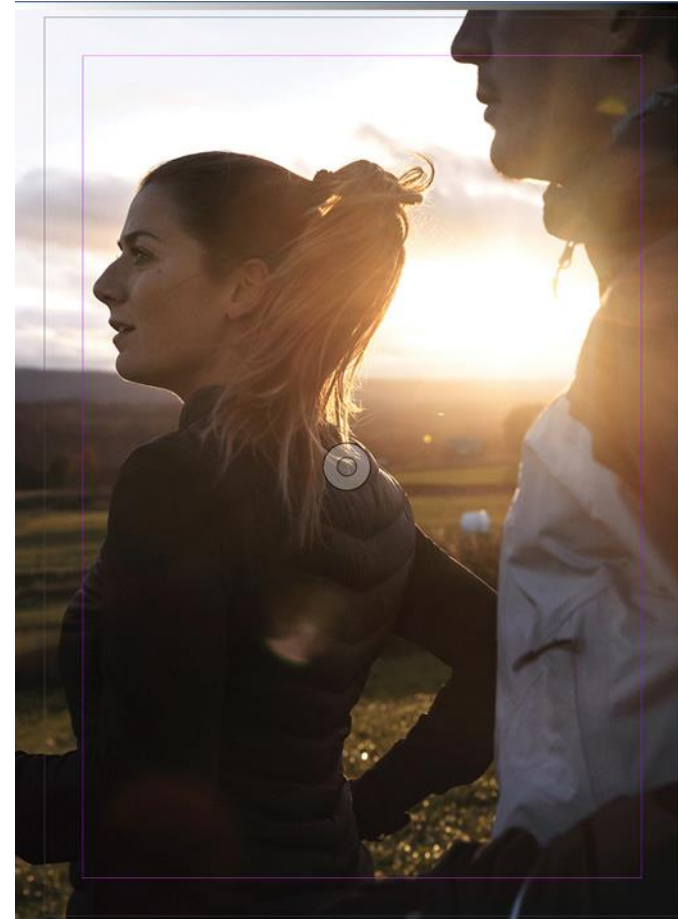
Number of clubs



Current Trading

Highlights

- A clearer conceptualization of the offering, where support and operations are streamlined and simplified in order to achieve economies of scale and synergies for increased profitability.
- During third quarter we have implemented new efficiency targets regarding staffing in 70% of the gyms.
- Facilities that do not perform are under watch and if the clubs are not profitable and reach their targets within nine months, they will be divested or closed. With new Head of Group Expansion Stefan Johansson onboard, this work will be intensified.
- Strengthen of Group Management – recruited a new Chief Marketing Officer, a new Head of Group Expansion and a new Chief Product Officer.



Q&A