Information Memorandum

AXACTOR AB (PUBL.)

(a public limited liability company organized under the laws of Sweden)

This Information Memorandum has been prepared in connection with the acquisition of IKAS

The date of this Information Memorandum is 2 May, 2016

This Information Memorandum does not constitute an offer to buy, subscribe or sell the securities described herein.

AXACTOR

IMPORTANT NOTICE

The information contained in this information memorandum (the **"Information Memorandum"**) has been prepared by Axactor AB (Publ.) (**"Axactor"** or the **"Company")** in connection with the acquisition of IKAS Norge AS, IKAS Øst AS, IKAS AS, IKAS Nord AS, IKAS Nordvest AS and IKAS Vest AS ("**IKAS**" or the **"IKAS-companies"**) (the "**IKAS Acquisition**").

References in this Information Memorandum to **"Shares"** in the Company being listed or traded on the Oslo Stock Exchange shall, where the context so requires or permits, mean the depositary book-entry form interests in those Shares as further described in Section 11.7 "Corporate Information; Shares and Share Capital—Certain Rights Attached to the Shares—Voting Rights".

References in this Information Memorandum to the **"Group"** shall mean the Company taken together with its consolidated subsidiaries, including, where the context so requires or permits, IKAS. For the definition of certain technical terms used throughout this Information Memorandum, see Section 17 "Definitions".

This Information Memorandum has been submitted to Oslo Børs for review and approval before it was published. This Information Memorandum is not a prospectus and has neither been reviewed nor approved by Oslo Børs or the Norwegian Financial Supervisory Authority (in Norwegian: Finanstilsynet) in accordance with the rules that apply to a prospectus.

All inquiries relating to this Information Memorandum must be directed to Axactor. No other person is authorised to give any information about, or to make any representations on behalf of, Axactor in connection with the IKAS Acquisition. If any such information is given or made, it must not be relied upon as having been authorized by Axactor. The information contained herein is as at the date hereof and is subject to change, completion and amendment without further notice. The delivery of this Information Memorandum shall not imply that there has been no change in Axactor' or Axactor's affairs or that the information set forth herein is correct as of any date subsequent to the date hereof.

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Unless otherwise indicated, the source of information included in this Information Memorandum is the Company. The contents of this Information Memorandum are not to be construed as legal, business or tax advice. Each prospective investor should consult with its own legal adviser, business adviser or tax adviser as to legal, business and tax advice. In making an investment decision, each investor must rely on its own examination, and analysis of, and enquiry into the Company, including the merits and risks involved.

The 49,033,589 Shares to be issued to the sellers of IKSA (the **"Consideration Shares"**) have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. This Information Memorandum has not been approved nor reviewed by the U.S. Securities and Exchange Commission and is not for general distribution in the United States.

This Information Memorandum is subject to Norwegian law. Any dispute arising in respect of this Information Memorandum is subject to the exclusive jurisdiction of the Norwegian courts with Oslo District Court as legal venue in the first instance.

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1. RISK FACTORS

An investment in the Shares of the Company should be considered as a high-risk investment, and is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of the investment. This Section discusses the risks and uncertainties which the Company believes are the principal known risks and uncertainties faced by the Group as of the date hereof. If any of the risks described below materialize, individually or together with other circumstances, they may have a material adverse effect on the Group's business, financial condition, results of operations and the value and trading price of the Shares that could result in a loss of all or part of any investment in the Shares. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

1.1 Risks Relating to the Group

The Group will operate in markets that are competitive. The Group may be unable to compete with businesses that offer more attractive pricing levels, and the Group's competitors may have or develop competitive strengths that the Group cannot match.

The Group will face strong competition, including from pan-European competitors and competitors that are active on the local markets. This competition includes, but is not limited to, competition on the basis of bid prices. Competitors may offer more attractive pricing levels for debt collection contracts and for debt portfolios, or collection platforms which include all of the collection functions of financial institutions ("**Collection Platforms**" or "**Carve-Outs**"), or for purchases of other debt collection service providers. This price competition could materially affect the Group's business, results of operations or financial condition, and its ability to implement its business plan. The Group's success in obtaining debt collection contracts, and in purchasing debt portfolios or Collection Platforms depends of the price offered along with several other factors, such as service, reputation and relationships. The Group's competitors may have competitive strengths that a new market entrant, such as the Group, cannot match. Further, the Group's competitors may elect to offer prices that the Group determines are not economically sustainable. Additionally, many of the Group's competitors have substantially greater financial resources than the Group. There is a risk that the Group will not be able to develop and expand its business in competition with competitors that have substantially greater financial resources than the Group.

Reputation will be critical to the Group's business, and any event that could harm the Group's reputation could adversely affect its business.

In addition to pricing and other features of the Group's services, reputation will be critical to clients' or potential clients' willingness of engaging with the Group. As the Group will be a new market entrant in the debt collection business, its brand will be less known to clients and potential clients, and events that could harm the Group's reputation could have greater effect on the Group than it would have had on some of its peers.

The availability of debt collection contracts, and debt portfolios and Collection Platforms for purchase depends on several factors which are outside of the Group's control.

Factors that have an impact on the availability of debt collection contracts, debt portfolios and Collection Platforms include: growth trends; the levels of overdue debt; volumes of portfolio sales by debt originators; competitive factors affecting portfolio purchasers and originators; government regulation and regulatory initiatives; and macro-economic environments. If the Group is unable to enter into debt collection contracts, purchase portfolios or Collection Platforms at appropriate prices, the Group's business and its ability of implementing its business plan could may be materially affected.

The Group may make acquisitions that prove unsuccessful and may not be able to manage growth effectively.

The Group plans to acquire additional debt collection service providers, as well as debt portfolios and/or Collection Platforms. There is a risk that the Group will not be able to identify or complete acquisitions or that such acquisitions will prove to be successful. Where the Group acquires other debt collection service providers or Collection Platforms, it may not be able to successfully integrate these businesses, their operations, personnel and IT systems into the Group. Further, acquisitions may divert the attention of the Group's management from the Group's day-to-day operations and other important business matters. Successful completion of an acquisition may also depend on licenses being granted and other regulatory requirements, or other factors which are outside of the Group's control, in addition to adequate handling of transaction risks. As a result of growth, the importance of managing operational risk relating to, for example, work processes, personnel, IT-systems, tax, financial reporting will also increase. There is a risk that the Group will not be able to manage its growth effectively. Any of these developments could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group is subject to risk relating to the acquisition of IKAS.

If the information and the documentation on which the decision to acquire IKAS was based on was not correct and complete, this may affect the Company's business, financial condition and results of operation. The Company has completed a due diligence review of IKAS based on the information and documentation received by the sellers, however if the information provided does not properly reflect the business and financial condition of IKAS, this may affect the Company's business, financial condition and results of operation.

The integration of IKAS into the Company may take longer or prove to be more costly than anticipated. Any acquisition entails certain risks, including operational and company-specific risks and there is also a risk that the integration process could take longer or be more costly than anticipated. If this is the case, this may have a negative impact on the Company's business, financial position and results of operation.

The Group will be subject to applicable regulations in the jurisdictions in which it operates from time to time.

The Group will be subject to regulations applicable to debt collection and debt purchasing operations in the jurisdictions in which it operates from time to time, including with respect to license and other regulatory requirements, data protection and anti-money laundering. Regulatory developments under the laws and regulations to which the Group is subject could expose it to a number of risks. The debt collection and purchasing industry is under scrutiny. Any new laws or regulations as a result of such scrutiny or for other reasons could adversely affect the Group.

The Group may not be able to implement its strategic plans.

The Group may not be able to implement its strategic plans, including acquiring other debt collection service providers, debt portfolios or Collection Platforms, and expanding into new geographies. If implementation of such plans is not successful, the Group may not achieve the revenue, earnings, margins or scale goals of its management. In addition, the costs associated with implementing such plans may be high and the Group may not in the future have sufficient financial resources to fund investments required in connection therewith. Any failure to implement the Group's strategic plans could have a material adverse effect on the Group's business, results of operations or financial condition.

The Company has a short history as an owner of a debt collection business, and investors may accordingly have difficulties assessing the Group's outlook for future revenues and other operating results.

The Company has historically operated in the business of mineral exploration and not as an owner of a debt collection business. The Group's entry into the business of debt collection commenced as of completion of the acquisition of ALD Abogados. Historical financial information upon which prospective investors can evaluate the Group's debt collection business does not exist. Accordingly, investors may have difficulties assessing the Group's outlook for future revenues and other operating results.

The Group's success will depend on its ability to employ and retain skilled personnel.

The demand in the debt collection industry for personnel with the relevant capabilities and experience is high, and there is a risk that that the Group will not be able to employ and retain sufficiently skilled personnel. The loss of services of key executive officers or other key personnel could impair the Group's ability succeed in, among other things, taking advantage of acquisition opportunities, or in being able to enter into new debt collection service contract or to service clients or portfolios effectively. In addition, increase in labor costs, potential labor disputes and work stoppages could negatively affect the Group's business. Any of these developments could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group will rely on third-party service providers.

The Group will, among other things, use external lawyers and solicitors in the debt collection process. Any failure by these third parties to adequately perform such services for the Group could materially reduce the Group's cash flow, income and profitability and affect its reputation.

The manner in which the Group, or third-party service providers on the Group's behalf, will undertake collection processes could negatively affect the Group's business and reputation.

Factors that could negatively affect the Group's business and reputation includes: failures in the Group's collection and data protection processes; IT platform failure; ineffectiveness in the collection of debt, unethical or improper behavior, or other actions, by the Group or third-parties it employs in connection with its collection activities; and negative media coverage relating to the Group. Any such events could harm the Group's relationships to existing and potential clients, and have impact on recovery rates, which again could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group will be subject to risks associated with its contracts for debt collection.

Debt collection contracts often contain termination clauses permitting the client to cancel the contract at the client's discretion (following a certain notice period). There is a risk that the Group's clients will exercise such termination rights prior to contract expiration or that the Group will not be successful in entering into new contracts as contracts expire. The profitability of the Group's debt collection services will depend upon its ability to calculate prices and identify project risks. Under many debt collection contracts, payment by the client to depends on the debtor paying on a claim, and there is a risk that the Group will not be able to accurately estimate costs or identify project risks associated with such contracts. Contracts for debt collection services may also subject the Group various clauses that give its counterparty contractual rights with respect to determination of fees and penalties. Any of these aspects of the Group's contracts could have a material adverse effect on the Group's business, results of operations or financial condition.

When the Group purchases debt portfolios, it will make a number of assumptions which may prove to be inaccurate.

The price attributed to a debt portfolio depends on its specific characteristics and composition with respect to, for instance, the size, age and type of the claims, as well as the age, location and type of customers, and a number of other factors, such as the financial strengths and weaknesses of the economies in which the customers are part. The models that will be used by the Group in connection with such purchases are used to assess the collection forecasts, and therefore the price to be paid for these portfolios. It is crucial for the Group's business that it is able to identify portfolios that are of sufficient quality for it to determine that it is likely to collect on the claims at certain levels. There is a risk that any claims contained in these portfolios will eventually not be collected. A significant increase in insolvencies involving customers or changes in the regulatory framework governing insolvency proceedings in the jurisdictions in which the Group will operate from time to time could impact its ability to collect on claims. If the Group is unable to achieve the levels of forecasted collections, revenue and returns on purchased portfolios will be reduced, which may result in write-downs.

The statistical models and analytical tools to be used by the Group may prove to be inaccurate.

The Group will use statistical models and other data analysis tools in its operations. There is a risk that the Group will not be able to achieve the recoveries forecasted by the models used to value the portfolios or that those models will not be flawed. Further, there is a risk that the models will not appropriately identify or assess all material factors and yield correct or accurate forecasts. In addition, there is a risk that the Group's investment and analytics teams will make misjudgments or mistakes when utilizing statistical models and analytical tools. In addition, information provided by third parties, such as credit information suppliers and sources, used when valuing portfolios may prove not to be accurate or sufficient. Further, generally, there is a risk that loans contained in the Group's portfolios form time to time will eventually not be collected. Any of the foregoing factors could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group may not be able to successfully maintain and develop its IT platform or anticipate, manage or adopt technological advances within its industry.

The Group will rely on its IT platform and its ability to use these technologies. This subjects the Group to risks associated with maintaining and developing these systems, and capital expenditures relating thereto. IT technologies are evolving rapidly. The Group may not be successful in, on a timely basis, anticipating and adopting to technological changes. Improvements of the Group’s IT platform, when required in order to compete effectively, may be associated with substantial capital expenditures. Accordingly, the Group may, in the future, require capital to invest in technologies and there is a risk that adequate capital resources will not be available to the Group when such capital resources are required. In addition, disruptions in the Group's IT platform, which could be temporary or permanent, could disrupt the Group's business. Any of these events could have a material adverse effect on the Group’s business, results of operations or financial condition.

Failure to protect customer data could negatively affect the Group's business.

Failure to protect the use of the Group's customer data could negatively affect the Group's business. The Group will rely on, among other things, contractual provisions and confidentiality procedures, including IT platform security measures, to protect customer data. Customer data could be subject to unauthorized use or disclosure, regardless of such security measures. There is a risk that confidentiality agreements will be breached, or that other security measures will not provide adequate protection of customer data. Monitoring data protection can be expensive and adequate remedies may not be available. Any failure to protect the Group's customer data from unauthorized use or to comply with current applicable or future laws or regulations, could have a material adverse effect on the Group's reputation, business, results of operations or financial condition.

The Group may be exposed to local risks in the different European markets in which it operates from time to time.

In addition to entering into the Spanish debt collection market, through the acquisition of ALD, and the Norwegian market through the acquisition of IKAS, the Group plans to expand into other jurisdictions. The Group will be exposed to local risks in the markets in which it operates from time to time, including regulatory requirements. These requirements may, among other things, relate to licensing, data protection, anti-money laundering and other regulatory matters, labor law and tax. When entering new markets, the Group could face additional risks, including incurring start-up losses and costs, the lack of experience in such markets, and difficulties in maintaining standards that are consistent throughout the Group. Any negative impact caused by the foregoing risks could have a material adverse effect on the Group's business, results of operations or financial condition.

Mr. Rangnes, Mr. Tsolis and Mr. Hansen are subject to a lawsuit by their former employer, Lindorff, relating to alleged breach of employee and employer loyalty obligations and misuse of confidential information.

Mr. Rangnes, the Group's CEO, Mr. Tsolis, the Group's Head of Strategy and Projects, and Oddgeir Hansen, the Group’s Chief Operating Officer, are subject to a lawsuit by their former employer, Lindorff, relating to alleged breach of employee and employer loyalty obligations and misuse of confidential information. Endre Rangnes ended his employment contract as CEO of Lindorff mid October 2014, and had a general duty of loyalty in the six months termination period up to April 30, 2015. According to the provisions in his employment agreement, he was not subject to any competition clause because he terminated his contract evoking his change of control rights. After April 30, 2015, he was free to plan and start competing business. The lawsuit also comprises Johnny Tsolis, as well as the former COO of Lindorff, Oddgeir Hansen. Lindorff has sued Mr. Rangnes, Mr. Tsolis and Mr. Hansen personally, before the Oslo District Court, claiming that they planned and started a new business before April 30, 2014. Lindorff has further accused Mr. Rangnes, Mr. Tsolis and Mr. Hansen of having misused confidential information. For this, Lindorff claims damages (no amounts have been specified to date, except for legal fees prior to the lawsuit). Lindorff also claim that the defendants repay some of the benefits received (inter alia severance pay). In the course of the preparatory phase of the lawsuit, Lindorff required Mr. Rangnes, Mr. Tsolis and Mr. Hansen to disclose to Lindorff certain documents that Lindorff claimed would prove that Mr. Rangnes, Mr. Tsolis and Mr. Hansen had planned and started new business before the relevant date and that they were misusing confidential information. After a review procedure conducted by the Court relating to these documents, the Court passed a procedural ruling pursuant to which the Court found that some of the documents concerned contained information that were Mr. Rangnes', Mr. Tsolis' and mr. Hansens' own business secrets, and that Mr. Rangnes, Mr. Tsolis and Mr. Hansen were therefore not required to disclose these documents to Lindorff (in addition, some of the documents concerned were not in the possession of Mr. Rangnes, Mr. Tsolis and Mr. Hansen). The procedural ruling is not yet legally enforceable. Lindorff has made a similar requirement against a third party, which has not yet been processed by the Court. The main hearing of the case before the Oslo District Court is set for November 2016.

There is a risk that that this lawsuit will to negative media publicity affecting the Group, or have other unanticipated negative effects, such as diverting management attention from their responsibilities within the Group.

Risks Relating to the Group's Financing and Certain Other Financial Risks

The Group may not be able to procure sufficient funding at favorable terms to purchase further debt collection service providers, debt portfolios or Collection Platforms.

The Group's ability to obtain funding in the future will depend on several factors which are outside of the Group's control, including economic conditions when acquisition opportunities arise and banks' willingness to lend to the Group. An inability to procure sufficient funding at favorable terms to take advantage of acquisition opportunities could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group's new debt facilities will subject the Group to restrictive debt covenants that could limit its ability to finance its future operations and capital needs and pursue business opportunities and activities.

On 15 October 2015, Board of Directors of the Company approved a credit committee approved term sheet offer from DNB for a new debt facility of EUR 25 million (the "**New Debt Facility**"). The Company entered into final agreement for the New Debt Facility with DNB on 16 March 2016. The New Debt Facility restricts, among other things, the Group's ability to: incur additional indebtedness; pay dividends; impose restrictions on the ability of subsidiaries to pay dividends or other payments to the Company or other entities within the Group; and sell assets; merge or consolidate with other entities. All of these limitations are subject to exceptions and qualifications. The covenants to which the Group is subject to could limit its ability to finance its future operations and capital needs and the Group's ability to pursue business opportunities and activities that may be in its interest. In addition, the Group is under the New Debt Facility subject to financial covenants.

Servicing the Group's future indebtedness limits funds available for other purposes.

Borrowing under debt facilities will require the Group to dedicate a part of its cash flow from operations to paying interest and downpayments on its indebtedness. These payments limit funds available for working capital, capital expenditures and other purposes. If the Group does not generate enough cash flow from operations to satisfy its debt obligations, it may have to undertake alternative financing plans, such as: seeking to raise additional capital; refinancing or restructuring our debt; selling business; and/or reducing or delaying capital investments. However, such alternative financing plans may not be sufficient to allow the Group to meet its debt obligations. If the Group is unable to meet its debt obligations or if some other default occurs under its debt facilities, the Group's lenders could elect to declare that debt, together with accrued interest and fees, to be immediately due and payable and proceed against the collateral securing that debt.

The Group will be exposed to the risk of currency fluctuations.

The Group will have operations in Spain and Norway, and may in the future have local operations in additional countries. The results of and the financial position of subsidiaries will be reported in the relevant local currencies, including Euros and NOK, and then translated into SEK at the applicable exchange rates for inclusion in the Group's consolidated financial statements, which are currently stated in SEK. The exchange rates between these currencies may fluctuate significantly. Consequently, to the extent that foreign exchange rate exposures are not hedged, fluctuations in currencies may adversely affect the Group's financial results in ways unrelated to its operations. Any of these developments could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group is subject to risks relating to its historical use tax deductible losses.

The Group, previously a mineral exploration company, has had no regular revenues and significant costs relating to the exploration activities, which has historically lead to negative financial results. These negative financial results are partly treated as tax assets as they represent tax deductible losses in certain cases. The Group has from time to time utilized these tax losses. In such cases, the Group has relied on tax advice from various tax specialists. For example, in 2013, the Group entered into a Swedish partnership, via the parent company Nickel Mountain Group AB and via its subsidiary Nickel Mountain Resources AB. As reported in the Group's interim and annual reports, the partnership demonstrated a profit for financial year 2013 in the amount of approximately SEK 200 million. The Group utilized its accumulated tax deficits existing at that time and set them off against the profits of the partnership. Before entering into the partnership and concluding on the tax effects thereof, the Company took legal advice. The partnership, which was liquidated in 2014, has received certain requests for information from Swedish tax authorities relating to the partnership's 2013 tax return. There is a risk that that tax authorities will question such tax assets or the use of such tax losses, in respect of the aforementioned or other matters, or that any such questioning by tax authorities will result in significant additional tax costs or similar. Any such development could materially and adversely affect the Group's business, results of operation and financial condition.

1.2 Risks Relating to the Shares

For the purpose of Swedish law, the owner of the Shares registered in the VPS will have to exercise, indirectly through the VPS Registrar as their nominee, all rights of ownership relating to the Shares.

For the purpose of Swedish law, the owner of the Shares registered in the VPS will have to exercise, indirectly through the VPS Registrar as their nominee, all rights of ownership relating to the Shares. The investors registered as owners in the VPS must provide direction solely to the VPS Registrar for the exercise of rights attached to the Shares, and in particular, shareholders registered as such in the VPS will only be entitled to vote at general meetings of the Company if they have arranged for registration of entitlement to vote (Sw. Rösträttregistrering) in Euroclear Sweden through the VPS Registrar at the latest five (5) business days prior to the general meeting and has notified the Company of his participation at the general meeting in accordance with the notice to the meeting. If the shareholder registered in the VPS does not arrange for such registration in Euroclear Sweden and/or does not notify the Company of his participation, such shareholder does not hold the right to vote at the general meeting.

The Company is subject to its Articles of Association and Swedish law, which may differ from laws generally applicable to Norwegian corporations listed on the Oslo Stock Exchange.

The Company is subject to its Articles of Association and Swedish law, which may differ from laws generally applicable to Norwegian corporations listed on the Oslo Stock Exchange, including but not limited to corporate power of the board of directors as opposed to the shareholders, the board of director’s ability to issue unlimited number of securities without the approval of the shareholders, election of directors, record dates for shareholders meetings, liability and indemnification of directors, majority required at the shareholders meetings for the resolutions to be voted by the shareholders. As such, the Company's shareholders may have different and/or less rights than shareholders in Norwegian companies.

The price of the Shares may fluctuate significantly.

The trading price of the Shares in the Company could fluctuate significantly in response to a number of factors beyond the Company's control, including variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, publicity about the Group, its assets and services or its competitors, unforeseen liabilities, changes to the regulatory environment in which the Group operates or general market conditions. In recent years, the stock market has experienced price and volume fluctuations. Such fluctuations could have a material negative impact on the share price.

Future issuance of Shares or other securities may dilute the holdings of shareholders and could materially affect the price of the Shares.

The Company expects to offer additional Shares or other securities in the future in order to secure financing for new acquisitions, or for any other purposes. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Shares, and any offering by the Company could have a material adverse effect on the market price of the Shares.

There is a risk that shareholders residing or domiciled in the United States or other jurisdictions than Norway will not be able to participate in future capital increases or rights offerings.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights in any future capital increases or rights offerings may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's US shareholders may not be able to exercise their preferential rights. If a US shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company if deemed appropriate by the Company.

Shareholders are subject to exchange rate risk.

The Shares are priced in NOK, whereas any future payments of dividends on the Shares will be denominated in SEK. Accordingly, investors may be subject to adverse movements in NOK and SEK against their local currency as the foreign currency equivalent of any dividends paid on the Shares or price received in connection with any sale of the Shares could be materially adversely affected.

Limited liquidity in the trading market for the Shares could have a negative impact on the market price and ability to sell Shares.

The Company’s Shares are currently listed on Oslo Stock Exchange. This, however, does not imply that there will always be a liquid market for the Company’s Shares. An investment in the Shares may thus be difficult to realize. Investors should be aware that the value of the Shares may be volatile and may go down as well as up. In the case of low liquidity of the Shares, or limited liquidity among the Company’s shareholders, the share price can be negatively affected and may not reflect the underlying asset value of the Company. Investors may, on disposing of the Shares, realize less than their original investment or lose their entire investment. Furthermore, there is a risk that the Company will not be able to maintain its listing on the Oslo Stock Exchange. A delisting from the Oslo Stock Exchange would make it more difficult for shareholders to sell their Shares and could have a negative impact on the market value of the Shares.

2. RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms that, having taken all reasonable care to ensure that such is the case, the information contained in the Information Memorandum is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

2 May, 2016

The Board of Directors of Axactor AB (publ.)

Einar J. Greve (Chairman)

Gunnar Hvammen

Per Dalemo

3. GENERAL INFORMATION

This Section provides general information on the use of forward-looking statements and the presentation of industry data and other information, in this Information Memorandum. You should read this information carefully before continuing.

3.1 Cautionary Note Regarding Forward-Looking Statements

This Information Memorandum includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Company's business, the implementation of strategic initiatives, the ability to distribute dividends, as well as other statements relating to the Group's future business development and economic performance. These forward-looking statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements are not historical facts. They appear in a number of places throughout this Information Memorandum and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure, and the industry trends and developments in the markets in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry in which the Group operates may differ materially from those contained in or suggested by the forward-looking statements contained in this Information Memorandum. The Company cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Group's business, actual financial condition, cash flows, results of operations or prospects could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Information Memorandum, including the information set out under Section 1 "Risk Factors", identifies additional factors that could affect the Group's financial position, operating results, liquidity, performance and prospects. Prospective investors in the Shares are urged to read all sections of this Information Memorandum and, in particular, Section 1 "Risk Factors" for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Company operates when considering an investment in the Shares.

Except as required by applicable laws and regulations, the Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise.

3.2 Presentation of Industry Information

To the extent not otherwise indicated, the information contained in this Information Memorandum regarding the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Group operates and similar information are estimates based on data compiled by professional organizations, consultants and analysts; in addition to market data from other external and publicly available sources as well as the Company's knowledge of the markets.

While the Company has compiled, extracted and reproduced such market and other industry data from external sources, the Company has not independently verified the correctness of such data. Thus, the Company takes no responsibility for the correctness of such data, and cautions prospective investors not to place undue reliance on the above mentioned data.

Although the industry and market data is inherently imprecise, the Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

In addition, although the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Company cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyze or compute market data would obtain the same results. The Company does not intend to or assume any obligations to update industry or market data set forth in this Information Memorandum.

Finally, behavior, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Information Memorandum and estimates based on those data may not be reliable indicators of future results.

4. THE IKAS ACQUISITION

This Section provides an overview of the IKAS Acquisition and the strategic development of the Company relating thereto. This Section should be read in conjunction with, in particular, Section 1 "Risk Factors", Section 5 "Business Overview", Section 6 "Industry Overview" and Section 9 "Unaudited Pro Forma Financial Information".

4.1 Background, Reasons and Effect

On March 16, 2016, the Company entered into a share purchase agreement, or SPA, for the acquisition of 100% of the shares in the Norwegian debt collection company IKAS. The agreement was announced March 17, 2016. Through this acquisition Axactor has established a debt collection and portfolio acquisition platform in the Norwegian market.

IKAS is one of the fastest growing companies in the debt collection industry in Norway. The company currently delivers modern payment solutions for selected industries. The company was established in 1988 and had 63 FTEs as per year end 2015, with offices in five Norwegian cities. IKAS has over the last five years doubled the turnover to NOK 91 million[1]. The EBITDA margin was approximately 30% in 2015, based on sum of unaudited figures for the IKAs companies.

The acquisition of IKAS is fully in line with Axactor's announced strategy to establish credit management operations in growth markets through acquisitions of well managed companies positioned for capturing market opportunities. The acquisition of IKAS provides Axactor with a firm operational Norwegian foothold as part of its European growth strategy.

By being a part of the Axactor group, IKAS will be strengthened with resources, expertise and access to capital. Further, Axactor has identified an operational improvement potential in IKAS that can be realized with limited investments (e.g. IT systems and best practise collection strategy).

Entering the Norwegian market represents a diversification of Axactor’s operations and Nordic presence will increase Axactor’s ability to secure financing with the Nordic banks.

4.2 Key Figures

Key figures for IKAS are presented in the table below. The figures are aggregated non-consolidated figures for the IKAS-companies. The financial figures in the table below are only an extract and must be read in conjunction with the entire financial statements of the IKAS-companies.

Key figures ***NOK million***	**Year Ended December 31**		
	Unaudited[2]	**Audited**	**Audited**
	2015	**2014**	**2013**
Revenues	90.9	80.8	72.6
Operating profit	25.8	24.0	21.0
Total assets	57.2	53.6	48.9

4.3 IKAS board of directors and Management

The below overview sets out the board of directors and management of IKAS at the time of closing of the transaction

Management:
Frode Reiersrud – Chief Executive Officer
Hege Hagen – Chief Financial Officer
Ove Reiersrud – Chief Marketing Officer

[1] Sum of IKAS companies unaudited figures

[2] Sum of IKAS companies unaudited figures

Thor-Olaf Bekkevold – Operational Manager

Board of Directors
Haakon Borgen – Chairman of the board
Frode Reiersrud – Board member

4.4 Agreements Relating to the IKAS Acquisition

Axactor acquired 100% of the shares of IKAS Norge AS from the selling shareholders Gvepseborg AS, Elena AS, Vardfjell AS, EikerHolding Invest AS, Paulgaard AS and Hordvik AS. IKAS Norge AS is the holding company of a group of companies which also includes IKAS Øst AS, IKAS AS, IKAS Nord AS, IKAS Nordvest AS and IKAS Vest AS. Pursuant to the SPA, Axactor also purchased the minority stakes in these subsidiaries which were not already owned by IKAS Norge AS. The acquisition was completed on 7 April 2016. The purchase price of the acquisition is NOK 290.9 million, subject to adjustments for changes in cash, debt and working capital at the date of completion of the transaction. This post closing adjustment will be based on a consolidated statement of financial position as of 7 April 2016 which will be prepared by the Company within 90 days after the completion date of transaction.

50 % of the purchase price was covered by the New Debt Facility, 20% of the purchase price was paid with existing cash reserves upon closing of the transaction, and 30% will be settled in 49,033,589 shares in Axactor AB to be issued at a price of NOK 1.78 per share. Consequently, the cash consideration to the sellers of IKAS was approximately NOK 203.7 million.

4.5 Agreements for the benefit of executive management or board members in connection with the transaction

There are no agreements, existing or contemplated, in connection with the transaction that involve extraordinary benefits to senior employees or members of the board of directors in the Company or IKAS.

4.6 Information about the Consideration Shares

The Consideration Shares are expected to be issued, the share capital increase relating thereto is expected to be registered with the Swedish Companies Registry, or Bolagsverket, and the shares are expected to be listed on the Oslo Stock Exchange following the publication of a listing prospectus approved by the Swedish Financial Supervisory Authority. The Consideration Shares will be ordinary shares in the Company, under the ISIN SE0005569100.

The Consideration Shares will be subject to a 24 month lock-up period from the date of completion of the IKAS Acquisition.

5. BUSINESS OVERVIEW AND BUSINESS PLAN

This Section provides an overview of the business of the Group as of the date of this Information Memorandum. The following discussion contains forward-looking statements that reflect the Company's plans and estimates; see Section 3 "General Information—Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Information Memorandum, in particular Section 1 "Risk Factors".

5.1 Introduction

Historically, the Group’s principal business activities have related to mineral exploration and exploitation. On 31 December 2015 Axactor sold the two former nickel subsidiaries to Swedish public junior mineral company Archelon. The Group is no longer has any operations related to the exploration and exploitation of minerals.

In September 2015, the Group entered into a Share Purchase Agreement, or SPA, for the acquisition of ALD, which was completed on 5 December 2015. The acquisition marked Axactor’s entry into the market for credit management services. ALD had established itself as a leading debt collection agency in the Spanish market. All of ALD's 2014 revenue was generated from the Spanish market.

On 16 March 2016, Axactor acquired the Norwegian debt collection company IKAS. The acquisition was closed on 7 April 2016. IKAS has demonstrated strong revenue growth over the 2013 - 2015 period, mainly driven by new customer wins and higher volumes of invoices and debt collection cases. The company currently delivers modern payment solutions for selected industries. The company was established in 1988 and now has offices in five Norwegian cities. IKAS has over the last five years doubled the turnover to NOK 91 million[3]. The EBITDA margin was approximately 30% in 2015, based on sum of unaudited figures for the IKAS companies.

On 20 January 2016, Axactor signed a contract with Santander Consumer Finance in Spain for the legal collection area. The first volumes was transferred to Axactor end of January, with a ramp up of number of claims during 2016, adding substantial new business to Axactor’s operations in Spain.

Over the course of Q4 2015 and YTD 2016, Axactor has expanded its operations in Spain by recruiting experienced Group/Spanish Management Teams with solid track record and strong industry relationships. Axactor has build-up of scalable Amicable Call Center in Valladolid with 58 FTEs. Axactor has also acquired several Non-Performing Loan portfolios in Spain recently to expand the business of the Group, as outlined in section 5.7.

5.2 Strategy and business plan

Axactor’s strategy is to create a high-growth debt collection agency by leveraging on its platform to grow the existing business of the Group and through acquiring further companies within the sector. The Group will focus on amicable and legal collection, and surveillance and debt recovery. In the near to medium term, the Group has the ambition of gaining a leading position in Norway and a top 3 market position in Spain by purchasing debt portfolios from financial institutions, as well as through an expansion of its third-party debt collection business together with an increase in the Group's work force. The Group aims to acquire debt portfolios of business-to-consumer unsecured claims, but will also consider purchasing debt portfolios of SME[4] and business-to-consumer secured claims.

In the medium term, the Group will also seek to enter into new growth markets, such as Germany and Italy. The Group’s preferred strategy for entering new markets is to acquire existing debt collection companies with an established customer base that is further leveraged to acquire debt portfolios, while continuing to develop a base of third-party debt collection services contracts for external clients. In the medium term, the Group will focus on financial institutions, but will also opportunistically consider opportunities within Telecom, Utilities, Health care, Retail and Tax.

[3] Sum of IKAS companies unaudited figures

[4] Small or Medium Size Enterprise

Key enablers for Group to achieve its growth strategy is the availability of companies to acquire in order to enter new markets, and the availability of debt portfolios that fits with the strategy of the Group, and that such debt portfolio may be acquired by the Group at reasonable prices. If the Group is not able to acquire companies in new markets or debt portfolios, the growth of the Company will be impacted.

5.3 Business plan risk and sensitivity

The most important risk in relation to the company not reaching the business plan goals are presented below, including an indication of how sensitive the business plan is for adverse changes in these parameters. The risks presented below are further described in Section 1 of this Information Memorandum.

- High risk:
  - The Group may not be able to procure sufficient funding at favorable terms to purchase further debt collection service providers, debt portfolios or Collection Platforms.
  - The Group will operate in markets that are competitive. The Group may be unable to compete with businesses that offer more attractive pricing levels, and the Group's competitors may have or develop competitive strengths that the Group cannot match.
- Medium:
  - When the Group purchases debt portfolios, it will make a number of assumptions which may prove to be inaccurate and the statistical models and analytical tools to be used by the Group may prove to be inaccurate.
  - The manner in which the Group, or third-party service providers on the Group’s behalf, will undertake collection processes could negatively affect the Group's business and reputation.

The business of the Group is to a limited degree exposed to risks associated with having a limited number of clients.

In the view of the Group, the business of Axactor is not in any material way depended on any key individuals. It is further not depended on any specific assets.

5.4 Credit Management Services

Spain

Axactor has established itself as a leading debt collection agency in the Spanish market[5]. The Group specializes in the legal recovery of legal debt claims, including mortgages, enforced collection, insolvency, ordinary proceedings, payment procedures etc. The Group is currently serving approximately 35-40 clients, comprising of banks and other financial institutions, national and international large companies, SMEs, international investment firms and other debt collection agencies. As of the date of this Information Memorandum Axactor has approximately 173 FTEs in Spain, managing approximately 185,000 capital files and 460,000 3PC files[6] and have approximately EUR 730 million of debt under management in both integral debt recovery and solicitor services.

Axactor is operating under a recovery business model, offering comprehensive debt collection management for amicable and court base proceedings with coordination between the aforementioned procedures. In addition, Axactor provides customized portfolio segmentation strategies, monitoring, measurement, audits and test performance.

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[5] The Company estimates that the market for debt collection in Spain comprise of approx. 1,000 companies. The Company sees itself as leading in the sense that the Company was among the top 10 – 12 debt collection companies in Spain in terms of revenues in 2015.

[6] A portfolio consists of a certain number of individual loans. These loans are often referred to as claims or files. Capital files is the claims that Axactor has acquired on our own books. 3PC files are claims that Aactor are servicing on behalf of an external customer

Norway

Through the acquisition of IKAS, Axactor has established a collection and payment business in Norway. IKAS is today a reputable supplier of invoice administration and debt collection services in the Norwegian market. The company delivers market leading and modern payment solutions for selected small to medium sized businesses across all sectors through two business segments:

- IKAS Collection, debt collection services
  - Operated through IKAS Norge AS.
  - Revenues of approx. NOK 44 million in 2015[7].

- IKAS Payments, invoice administration
  - Operated through IKAS AS, IKAS Vest AS, IKAS Øst AS, IKAS Nord AS and IKAS Nordvest AS.
  - Revenues of approx. NOK 47 million in 2015.

Business Model

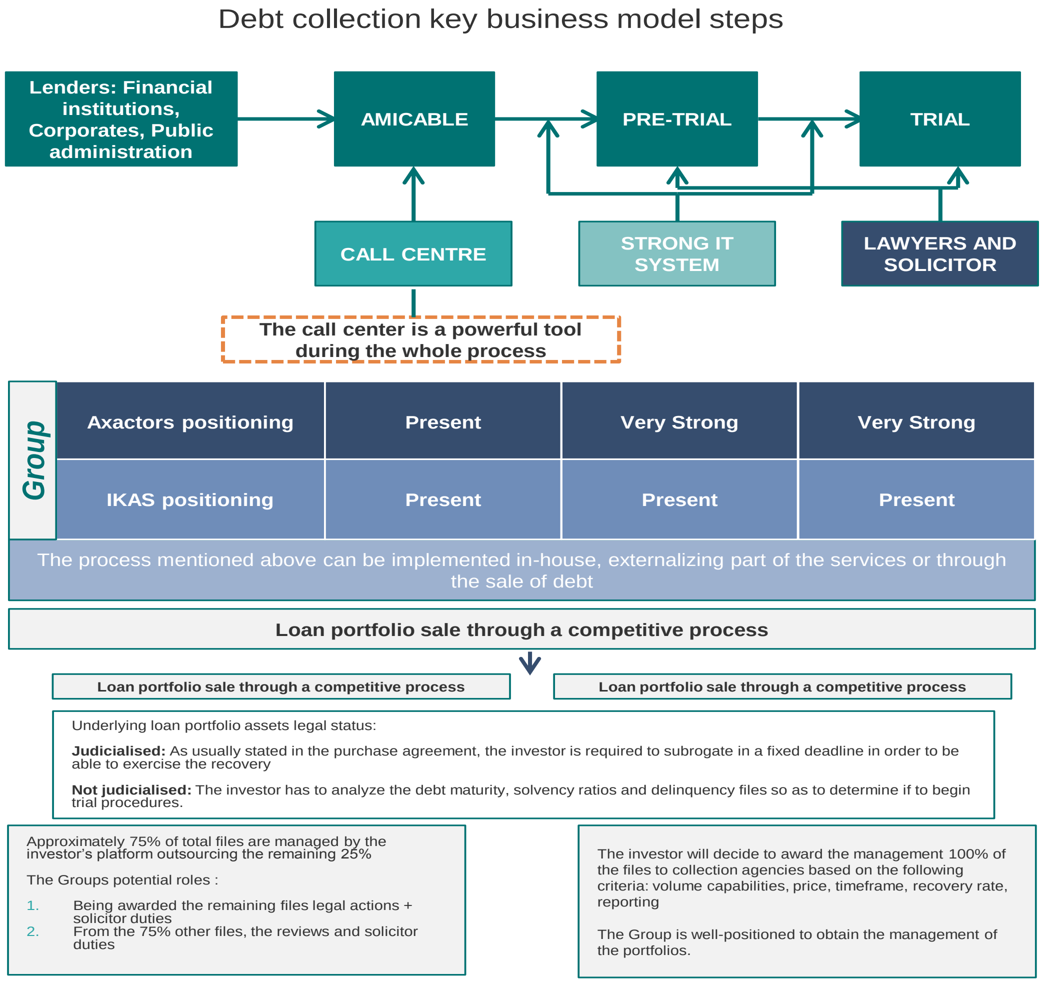
The Group's business model, both with respect to Spanish operations and Norwegian operations through the newly acquired IKAS, is vertically integrated, and hence covering the whole value chain of debt collection, from legal audit of debt portfolios, tender processes to final court proceedings passing through the amicable collection with call centers. This allows the offering of different categories of services, differentiated by the level of sophistication and customization:

- Debt collection.
- Solicitors services.
- Legal audit.
- Payments.

[7] Revenues from IKAS Collection and IKAS Payments is revenues generated by the respective business areas. Figures are unaudited and provided by IKAS management.

Debt collection

The chart below depicts the various key steps of the debt collection business model.



The Group covers the whole value chain of the debt collection process from the early amicable stages through call centers, to final judicial trials.

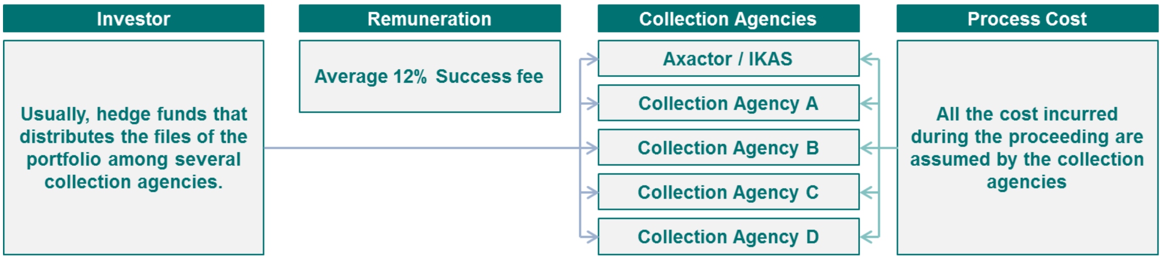
Integrated debt recovery services can be divided into three sub-groups:

- Aggressive debt recovery, where the client usually pays a success fee based on recovery rates.
- Moderate debt recovery, where the client usually pays a success fee based on recovery rates and part of the cost faced by the debt portfolio owner.
- Quality debt recovery, where the client usually pays a fixed fee plus a smaller success fee. This model is more common among corporates and usually contemplates collection services for a longer period of time.

The charts below depict the aforementioned sub-groups of integrated debt recovery services.

A

Aggressive debt recovery

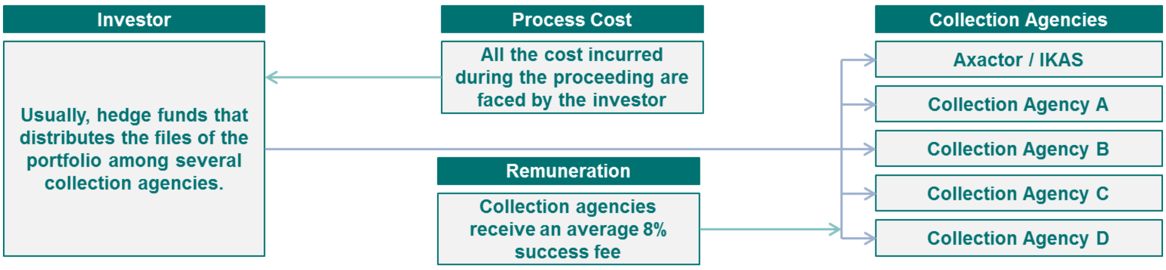


The Group in this scheme not only obtains the success fee depending on the recovery rate of its own files, but also benefits from the solicitors services transferred to them from the other collection agencies that do not have the network for judicial hearings and solicitors.

The Group in this scheme provides the following services:
- Hedge funds: integral debt recovery management
- Collection agencies: hearing and solicitor services

B

Moderate debt recovery



The Group in this scheme not only obtains the success fee depending on the recovery rate of its own files, but also provides investors services related to court fees, solicitors, reprography, courier, etc.

The Group have privileged access to large amounts of qualitative and quantitative data from debtors, which represents a standing position in terms of debt portfolios analysis and implementation of more efficient and effective debt recovery procedures.

The Group in this scheme provides the following services:
- Hedge funds: integral debt recovery management and all the process cost assumed by the investor
- Collection agencies: hearing services

C

Quality debt recovery

The Group provides legal assistance as well as solicitors services for claims related to debt recovery usually at an earlier stage compared to models A and B, to corporates in different sectors such as automotive, energy and utility, insurance and telecommunication.

The Group obtained fixed fees for legal and solicitors assistance and additional success fee depending on recovery rates based on milestones.

Solicitor Services

The Group provides solicitor services to all of its clients, including certain competitors operating in Spain. The large access to lawyers and solicitors places, in the opinion of the Company, the Group as an attractive partner for other Spanish collection agencies present in the pre-trial and trial stages of the debt collection process.

Solicitor services include order for payment procedures, writing of claims, enforcement proceeding, oral proceedings, ordinary proceedings, negotiable instrument proceedings, hearings and preliminary hearings, judicial auctions, judicial foreclosures, appeals and bankruptcy proceedings.

Legal Audit

The Company believes that the track record of Axactor in the debt collection market that has allowed the company to penetrate the legal audit niche of the debt collection market. The Group provides legal audit services mainly to financial institutions. Legal audit services primarily comprise of review of procedures and practices for debt collection portfolios and verification of existence of required legal documentation for debt recovery processes. Further, the Group offers debt portfolio analysis for its clients.

Payments

Through the newly acquired IKAS, the Group provides payment services through invoice administration. IKAS tracks outstanding invoices and ensures payment at the right time to help the customer focus on their core business. IKAS has developed integrated solutions towards the majority of economic systems to be able to serve a wide variety of clients.

Software, IT Platform and Process

An important part of the Group's operations is its IT system, which comprises a main datacenter that carries out all the activities related to files storage, management, files reclassification and processing. As such, the datacenter is the only dispatching point of all debt related to legal proceedings. This database is highly customized, which purpose is to allow for direct interconnections between the Group's lawyers/solicitors and the call center, as well as direct feeding from these lawyers/solicitors. In terms of software, all the file processing and elaboration activities performed by the Group are done through in-house software, or "soluciana". This software enables exhaustive file management during all the phases of the debt collection procedures, with maximum flexibility to adapt the system to any client requirement.

The Company receives files in different formats, mainly Excel files with client specific formats, and the software turns the information into the system in an automated process or manual if Excel. The software also registers any modifications made on the information, identifying every user with access so as to ensure the control of all the sensitive information stored in the system.

Reporting to the clients can easily be adapted to their specific requirements. The software has the ability to turn the information from the system to excel files or any other format through reporting tools (Qlik).

As a result of having all the data collection in a unified system with the same structure, the Group benefits from the extraction of highly valuable information from the different projects accomplished, providing them statistics of debt recovered and judicial court time response.

The Company is of the opinion that the database represents a competitive advantage for the Group, as it includes data and information collected and elaborated over a long time period that allows the expedient management of new proceedings.

To support adequate maintenance and development of the software, Axactor currently employs 5 FTEs in Spain. The newly acquired IKAS has 2 FTE performing similar functions in Norway. In addition, the Group relies on external hired assistance with 6-8 FTEs. Use of this team is important for the Group, as it allows for the continuous upgrade of the systems necessary to improve efficiency of processes and to adapt the product features to client needs; features which allows for:

- Management of high volumes of files.

- Timely responses to client's proceedings.
- IT architecture designed to execute unlimited number of debt collection files.

As the Group operates with particularly high volumes of legal documentation, business-critical information needs to be fully controlled through a single platform that allows process automation. In this regard, the Group has contracted ReadSoft to implement an application to enable interpretation, registration and automatic extraction of data from client files, and upload directly to "soluciona" for immediate processing. This application is expected to be operational by April/May 2016 and will directly impact manual data entry and labor costs.

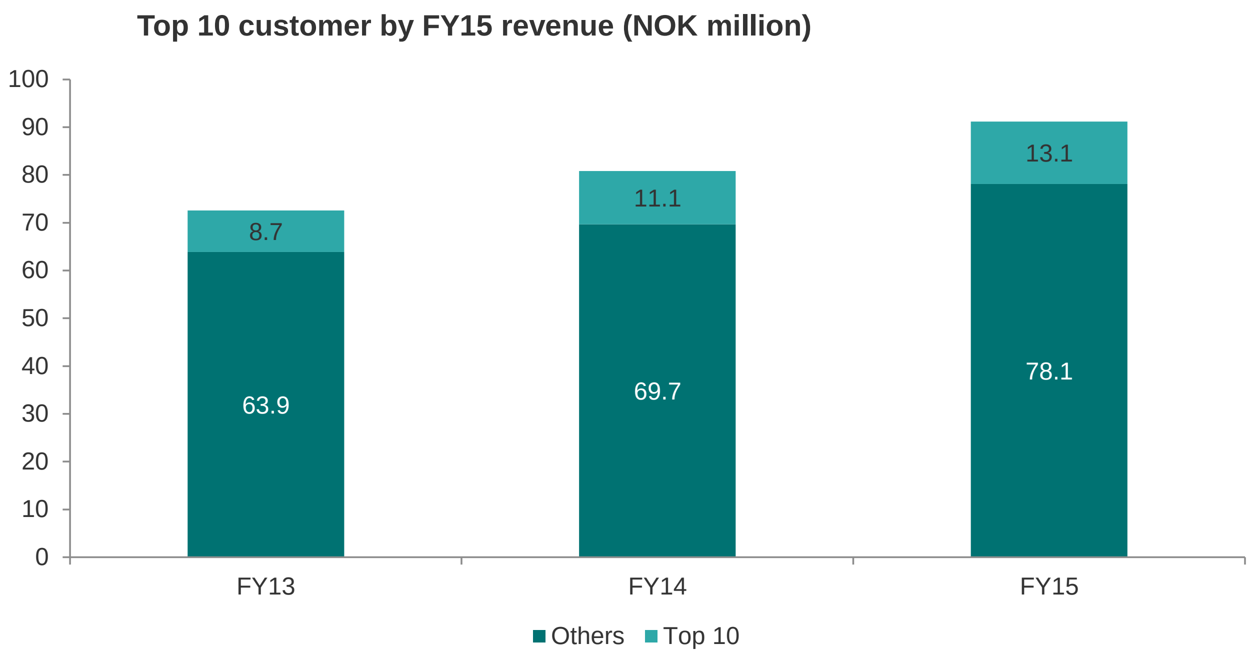
Client Overview Spain

The Group's clients through its business in Spain include financial institutions, large corporates and SMEs, international investment firms and other debt collection agencies. As of the date of this Information Memorandum, the Group serves approximately 35-40 clients from its Spanish business.

Within integral debt recovery services, the Group's larges clients are Saturno and TTI Finance, with total debt under management amounting to EUR 147.5 million and EUR 242.1 million, respectively. Within solicitor services, the Group currently manages approximately 46,600 files for Saturno and approximately 20,800 files for Bankia. Within legal audit, the Group's main client is Bankia. In 2014, the acquired ALD's ten largest clients accounted for approximately 80% of ALD's total revenues.

Client Overview Norway

In Norway, IKAS serves a broad range of clients in the debt collection industry in Norway. The chart below displays the share of revenues that is generated by the 10 largest customers in each legal entity (total of 60 customers, sorted by 2015 revenues). In 2015, the top customers accounted for approximately 14% of IKAS revenues, suggesting a low customer concentration.



Source: Figures are unaudited revenues figures provided by IKAS management

For Collection, the top 10 customers in 2015 generated NOK 4 million of NOK 44 million in revenues (9%). Three of the largest customers were new in 2014 or 2015, while one customer generated decreasing volume over the period. The single largest customer generated revenues of NOK 1 million in 2015.

For Payments, the top 10 customers in each region (total of 50 customers) generated revenues of NOK 9 million of NOK 47 million in 2015 (19%). The highest customer concentration is observed in IKAS Vest where the 10 largest customers accounted for 33% of 2015 revenues.

Key Competitors

Spain

The Group's competitors include other debt collection agencies operating in the Spanish market. There are both international and local companies operating in the market. A recent trend has been that international investment firms has acquired local companies in order to position themselves for portfolio acquisitions in a growing market. Based on the growth in the Spanish market, the Group expects new entrants to enter the Spanish market or a continuation of international companies acquiring the local companies. All companies operating in the market have diversified exposure to sectors by targeting both financial institutions and corporates. As shown in the exhibit below, the largest debt collection agencies in Spain by revenue are: 1) Lindorff, 2) Geslico, 3) EOS, 4) Transcom and 5) Intrum Justitia. As the Group has been increasing its revenues over recent years it believes it is positioned among the top 15 companies in Spain. Although the Group competes with most of the players in the market, the Group also provide certain solicitor services to some of its competitors due to its extensive network across Spain.

Overview of the top 5 debt collection agencies in Spain by revenue

Rank	Company	Home country	Description	Revenue in Spain 2013 EURm
1	Lindorff	Norway	International debt collection company with presence in 13 countries that focuses on both debt collection services and purchase of debt portfolios	35.7
2	Geslico	Spain	Spanish debt collection company that focuses on offering debt collection services as integrated services	29.0
3	EOS	Germany	International debt collection company with presence in 26 countries that focuses on both debt collection services and purchase of debt portfolios	16.3
4	Transcom	Sweden	Offers customer care, sales, technical support and credit management services with operations in 23 countries	15.9
5	Intrum Justitia	Sweden	International debt collection company with presence in 20 European countries that focuses on both debt collection services and purchase of debt portfolios	11.4

Source: Company web sites, DBK, Debt Collection Agencies Report published July 2014

Norway

The Norwegian debt collection market counts 100 debt collectors ("inkassoselskaper") in addition to four ordinary players with license to acquire and manage non-performing portfolios. The number of debt collection players in Norway has remained stable in recent years. The top ten debt collectors represent a total market share of 75.5% of cases in process as of H1 2015. Among the top 10 competitors, eight companies are Scandinavian. PRA Group acquired the Norwegian debt collector company Aktiv Kapital in 2014.

Overview of the top 10 debt collection agencies in Norway by revenue

Rank	Company	Home country	Description	Revenue 2014 NOKm*
1	Lindorff	Norway	International debt collection company with presence in 13 countries that focuses on both debt collection services and purchase of debt portfolios	912.8
2	PRA Group	USA	International debt collection company with presence in 14 countries in Europe. PRA Group focus on both debt collection services and purchase of debt portfolios	578.8
3	Kredinor	Norway	Debt collection company that focuses on both debt collection services and purchase of debt portfolios	491.3
4	Intrum Justitia	Sweden	International debt collection company with presence in 20 European countries that focuses on both debt collection services and purchase of debt portfolios	204.2
5	Visma Collectors	Norway	Debt collection company that provides their customers invoicing services and debt collection	176.0
6	Conecto	Norway	Debt collection company that focuses on both debt collection services and purchase of debt portfolios	172.0
7	Gothia	Germany	Debt collection company that focuses on debt collection services	133.5
8	Sergel Norge	Sweden	International debt collection company with presence in 17 countries that focuses on both debt collection services and purchase of debt portfolios	117.2
9	Svea Finans	Norway	International debt collection company with presence in 10 countries that focuses on both debt collection services and purchase of debt portfolios	108.5
10	IKAS gruppen	Norway	Supplier of invoice administration and debt collection	80.8**

** Gross sales ** Includes IKAS AS, IKAS Vest AS, IKAS Øst AS, IKAS Nord AS, IKAS Nordvest AS*

Source: Company web sites, Proff Forvalt, PwC

5.5 Employees

The average number of employees of the Group amounted to 68 during 2015, during 2014 the average number of employees was 4.

Human Resources overview Spain

As of February 2016, Axactor had 152 FTEs based in Spain. The table below shows the number of FTEs by function. As of the date of this Information Memorandum, this has increased to approximately 173 FTEs in Spain.

	Number
FTEs:	152
Back Office	17
Front Office	61
Law Office	11
Legal Collection	62
Process Manager	1

Back office employees include 17 FTEs and a specialized team created in April 2013, which is in charge of the distribution of claims.

The Group recognizes the importance of a motivated workforce and is of the opinion that it has developed a stimulating culture within the business and external consultants, enabling high level of retention.

Human Resources overview Norway

The table below sets out an overview of IKAS FTEs by function as of December 2015. As of the date of this Information Memorandum, this has grown to approximately 70 FTEs in Norway.

	Number
FTEs:	63
IT and Back Office	5
Secretary, cleaning etc.	7
Sales	9
Management (CEO, CFO, CMO etc.)	9
Senior credit consultant	33

Group management is located in Norway and counts 6 FTEs as of March 2016.

5.6 Discontinued Operations

Divestment of the Group's Mineral Exploration Business

On 31 December 2015 Axactor sold the two former nickel subsidiaries to Swedish public junior mineral company Archelon. After the divestment, the Group does not have any operations within mineral exploration or exploitation.

5.7 Company History

The below sets forth certain significant events in the history of the Company, from its inception, through its period of engaging in mineral exploration and exploitation to becoming credit management service company:

- 1983: The Company was founded, and later, in 1989 commenced mineral exploration and development operations under the trading name International Gold Exploration IGE AB.
- 1997: The Company was listed on the Oslo Stock Exchange.
- 1999: The Company entered into a joint venture with a company called North Atlantic Natural Resources for the development of a mineral exploration project in Sweden, the Norrliden project.
- 2001: 50% of Björkdalsgruvan, an old gold mine in Sweden, was acquired by the Group, and the Group restarted production of gold in the mine.
- 2002: The Group began producing gold in Lolgorien, Kenya.
- 2003: The Group issued an option which gave the holder, a company called MinMet, the right to acquire the Group’s share of Björkdalsgruvan for shares in MinMet.
- 2003: MinMet exercised the option and bought the Björkdal mine from the Group.
- 2004: The Company distributed its holdings in MinMet, and in a company called Lappland Goldminers AB, to its shareholders.
- 2005: The Company was listed on the Nordic Growth Market, or NGM, in Sweden.
- 2006: The Group entered into negotiations with Endiama, the state-owned diamond company in Angola, regarding a potential joint venture for exploration of diamonds in Lacage, Angola.
- 2007: The Group was granted two licenses in Burundi comprising gold and vanadium, and its first diamond license in Angola.
- 2007: The Group transferred its mineral licenses in Sweden and Norway to its wholly owned subsidiary, Nickel Mountain Resources AB (formerly known as IGE Nordic AB). In connection with the transaction, the Company sold 25.4% of IGE Nordic AB and listed the shares in that company on the Oslo Axess, in Norway.
- 2007: The Group entered in a joint venture with the South African mining company, Goldplat, relating to the development of seven targets in south-western Kenya with potential of containing high grades of gold.
- 2008: The Company announced a voluntary offer to acquire all outstanding shares in IGE Nordic AB, which at the time operated under the trading name Nickel Mountain Resources AB. The Company

acquired 99.6% (including the 74.6% already owned by the Company) of the outstanding shares in Nickel Mountain Resources. Nickel Mountain Resources was delisted from Oslo Axess.

- 2008: The Group continued its exploration of the Rönnbäcken nickel project.
- 2009: In Burundi, the Group continued its projects for large-scale nickel opportunities, and all other operations were put on hold.
- 2009: The Group began alluvial diamond production in Luxinge, Angola, and gold production in Lolgorien, Kenya.
- 2009: The Company delisted its shares from NGM.
- 2009: The Company announced an independent mineral resource estimate compliant with National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (NI 43-101) for the Rönnbäcken nickel project.
- 2009: The Group decided to close down the operations in Burundi.
- 2009: The Group sold its interest in a mine, the Solberg mine, in Sweden.
- 2009: The Group sold its 50% share in a small-scale gold producing company, Kilimapesa Gold, to a company called Goldplat (Pty) Limited for USD 2.7 million.
- 2009: The Group announced a second independent NI 43-101 compliant preliminary assessment for the Rönnbäcken nickel project.
- 2010: The Group sold its 100% interest in exploration licenses comprising a copper project in Norway, the Bidjovagge gold copper project.
- 2010: The Group announced that it had entered into a share purchase agreement pursuant to which the Group acquired all business operations of AIM listed Pangea Diamondfield, through Pangea's subsidiary Efidium. A merger of the two companies’ activities created a diamond exploration and production company with resources spread across three countries in the Southern parts of Africa.
- 2010: The Company changed its name from International Gold Exploration IGE AB to IGE Resources AB.
- 2010: The Company announced an updated the NI 43-101 mineral resource estimate for the existing Rönnbäcknäset and Vinberget deposits relating to the Rönnbäcken nickel project. Additional tonnage was added to the resource along with an upgrade of the mineral resource classification.
- 2010: The Group announced its first sale of diamonds produced in a mine in Angola, the Cassanguidi mine. The subsidiary IGE Diamonds sold 3,407 carats of rough diamonds in Luanda, Angola.
- 2010: The Group entered into a strategic partnership with a company called Mitchell River Group, or MRG, under which MRG would provide additional expertise, capabilities and technical resources to the development of Rönnbäcken nickel project.
- 2010: Two exploitation licenses for the Rönnbäcken nickel resources were granted by the Swedish Chief Mining Inspector.
- 2010: The Group announced that it had received all necessary government approvals for its Luxinge diamond project in Angola. On this basis the Company signed a mining contract with the Angolan state-owned diamond company Endiama and commenced diamond production.
- 2010: The Geological Survey of Sweden classified the Rönnbäcken nickel deposits "an Area of National Interest for Mineral Extraction".
- 2010: The Group announced the first sale of diamonds from its partly owned Luxinge mine in Angola. A total of 6,045 carats ("cts") of rough diamonds were sold in Luanda.
- 2011: The Group announced that it was holding discussions with its partners in the Luxinge diamond project in Angola with the purpose of withdrawing from the project. The diamond recoveries and grades have not met the expectations established by earlier bulk sampling results.
- 2011: The Group announced that it had been granted the mining rights for its Bakerville diamond project in South Africa.
- 2011: The Group announced 2010 results, which were strongly affected by a SEK 368 million write-down of the Group's diamond projects portfolio.
- 2011: The Company announced an update of the independent NI 43-101 compliant preliminary economic assessment for the Rönnbäcken nickel project.
- 2011: The Company initiated a cost reduction program aiming to reduce the Company’s operational costs significantly. The Group decided to actively seek to divest of its diamond projects.
- 2011: The Company announced in September that it had reached an agreement with a company called Frontier Mining Projects for production in the Bakerville diamond mine. Most importantly, the arrangement made in connection therewith aimed to secure the Group from being exposed to any liabilities or overhead costs in Angola.
- 2011: The Company announced an update of the resource estimate for the Sundsberget deposit at the Rönnbäcken nickel project. The Mineral Resource for the Sundsberget deposit was upgraded from the

"Inferred" to the "Indicated" category and the deposit resource was increased by 111 million tonnes to 269.9 million tonnes with an average nickel grade of 0.170%.

- 2011: The Group announced a significant value increase of the Rönnbäcken nickel project with a substantial cash cost reduction provided by high-grade magnetite iron concentrate by-product. The Company announced the results of recent metallurgical test-work which yielded a high-grade magnetite iron concentrate by-product from nickel flotation tailings.
- 2011: The Group submitted an application for exploitation concession for the Sundsberget deposit to the Mining Inspectorate of Sweden.
- 2012: The Company announced an update of the mineral resource statement relating to the Rönnbäcknäset deposit which incorporated results from drilling of the down dip extension of the deposit.
- 2012: The Board of Directors decided that the Group’s focus should be on the Rönnbäcken nickel project. Investments in the African diamond portfolio were put on hold and measures were taken aiming to sell the diamond portfolio.
- 2013: The Board of Directors of the Company, at that time, decided to propose a purchase of an African gold project via a company called Ghana Gold for the equivalent of SEK 150 million. SEK 50 million was paid in cash up front and the remaining SEK 100 million was subject to a future approval of the transaction at an Extraordinary General Meeting. At an Extraordinary General Meeting, the transaction was initially approved but the approval was later appealed by a group of shareholders as Ghana Gold did not appear to have any assets of significance. The Board had made a number of formal mistakes in relation to the summoning to the meeting and the District court of Stockholm seconded the appeal and declared the decision to purchase Ghana Gold to be invalid. The Board of Directors, at that time, made a new attempt to explain why the Company had transferred SEK 50 million as a prepayment relating to the proposed purchase of Ghana Gold at the Annual General Meeting in August 2013. The proposal was voted down by the General Meeting, and a new Board of Directors was appointed.
- 2014: The new Board of Directors of the Company initiated a lawsuit against certain former board members amounting to SEK 55 million, based on an analysis that those former board members had been grossly negligent in connection with the Ghana Gold transaction.
- 2014: The African operations of the Group were divested by way of a dividend of the shares in the Group's subsidiary African Diamond AB to the shareholders of the Company. The Company also sold its subsidiary IGE Diamond AB.
- In September 2015, the Group entered into the SPA for the acquisition of ALD, which is was completed on 10 December (see note 36 in the annual report for consistency re dates), 2015.
- On 17 November 2015 at an Extraordinary General Meeting of the Company, the shareholders of the Company resolved to complete the Private Placement and the acquisition of ALD, and to seek divestment opportunities of the Group's mineral exploration business (or alternatively close down that business). The two nickel subsidiaries were sold to Swedish mineral company Archelon AB on December 31, 2015.
- On 20 January 2016, Axactor signed a contract with Santander Consumer Finance in Spain for the legal collection area. The first volumes were transferred to Axactor at the end of January, with a ramp up of number of claims during 2016, adding substantial new business to Axactor’s operations in Spain.
- On 12 February 2016 Axactor acquired an unsecured Spanish NPL portfolio with a face value of approximately EUR 500 million from Spanish savings banks. The portfolio comprises of more than one hundred thousand open accounts of Individuals and SMEs. Axactor paid around 3% of the Outstanding Balance.
- On 3 March 2016, Axactor acquired an unsecured NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured loans with a total outstanding balance of approximately EUR 18 million, with more than seven thousand open accounts of individuals and a solid paying book.
- On 16 March 2016, the Group entered into a Share Purchase Agreement, or SPA, for the IKAS Acquisition. The acquisition was closed 7 April 7 2016.
- On 17 March 2016, Axactor signed an agreement to acquire an NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured and secured loans with a total outstanding balance of approximately EUR 221 million, with more than twenty-five thousand open accounts of individuals and a solid paying book.

5.8 Disclosure About Environmental Issues that may affect Utilization of Tangible Fixed Assets

As of the date of this Information Memorandum, the Company is not aware of any environmental issues that may affect the Group's utilization of its material tangible fixed assets.

5.9 Disclosure About Dependency on Patents and Licenses, Etc.

The Company is of the opinion that the Group is not dependent on any patents or licenses, or industrial, commercial or financial contracts or new manufacturing processes.

5.10 Disclosure About Dependency on Applicable Regulations

The Group will be subject to regulations applicable to debt collection and debt purchasing operations in the jurisdictions in which it operates from time to time, including with respect to license and other regulatory requirements, data protection and anti-money laundering. Regulatory developments under the laws and regulations to which the Group is subject could expose it to a number of risks. The debt collection and purchasing industry is under scrutiny. Any new laws or regulations, driven by governmental, economic, fiscal, monetary or political factors, could as a result adversely affect the Group. The Company is not aware of any specific changes in regulatory conditions that are expected which could adversely affect the operations of the Company.

6. INDUSTRY OVERVIEW

This Section discusses the credit management services industry. Certain of the information in this Section relating to market environment, market developments, growth rates, market trends, industry trends, competition and similar information are estimates based on data compiled by professional organizations, consultants and analysts; in addition to market data from other external and publicly available sources, and the Company's knowledge of the markets, see Section 3 "General Information—Presentation of Industry and Other Information". The following discussion contains forward-looking statements, see Section 3 "General Information—Cautionary Note Regarding Forward-Looking Statements". Any forecast information and other forward-looking statements in this Section are not guarantees of future outcomes and these future outcomes could differ materially from current expectations. Numerous factors could cause or contribute to such differences, see Section 1 "Risk Factors" for further details.

Credit Management Services ("CMS")

Europe

Introduction

At the European level, the implementation of a new regulatory framework with common rules for banks in all 28 Member States set out in a single rulebook is going ahead. The Supervisory Review and Evaluation Process, or the SREP, results confirm that credit and counterparty risk remains one of the supervisors' key concerns for banks. Moreover, there are doubts on the sustainability and viability of certain banks' business models while there is little clarity on what strategies banks have in place to return to adequate levels of profitability as they move away from official funding.

The European Central Bank's, or ECB's, quantitative easing, or QE, program is likely to have a mixed impact on banks in the region. It may help reduce funding pressures, support the economy and provide a lift to investment banking activities, but the downside is that pressure on National Incident Management Systems, or NIMs, is likely to intensify. Sector restructuring had slowed ahead of the ECB's comprehensive assessment but, following the exercise's completion, banks are now once more reassessing their business and geographic footprints. Asset disposals and acquisitions are likely to be driven by the structural reform agenda, with 41% of universal banks expecting to sell assets. ECB Lending Surveys have been signaling a recovery in demand for consumer credit and housing loans since mid–2014. With the economic recovery in the region now gathering pace, non-performing loans, or NPLs, are declining in most countries. Italy is the exception, but proposed reforms should support profitability in the Italian banking sector.

Recent CMS trends

The European debt purchase and collection market has undergone significant change over the last three years. In particular, the sector has fundamentally changed the way it is capitalized. Market participants are now funded by an increasingly mature mix of debt having moved from commercial bank revolving credit facilities augmented by mezzanine lines to high-yield bonds, super senior facilities, retail deposits and likely soon securitization vehicles. The scale of liquidity available to this market is unprecedented and is helping to facilitate a broader change agenda

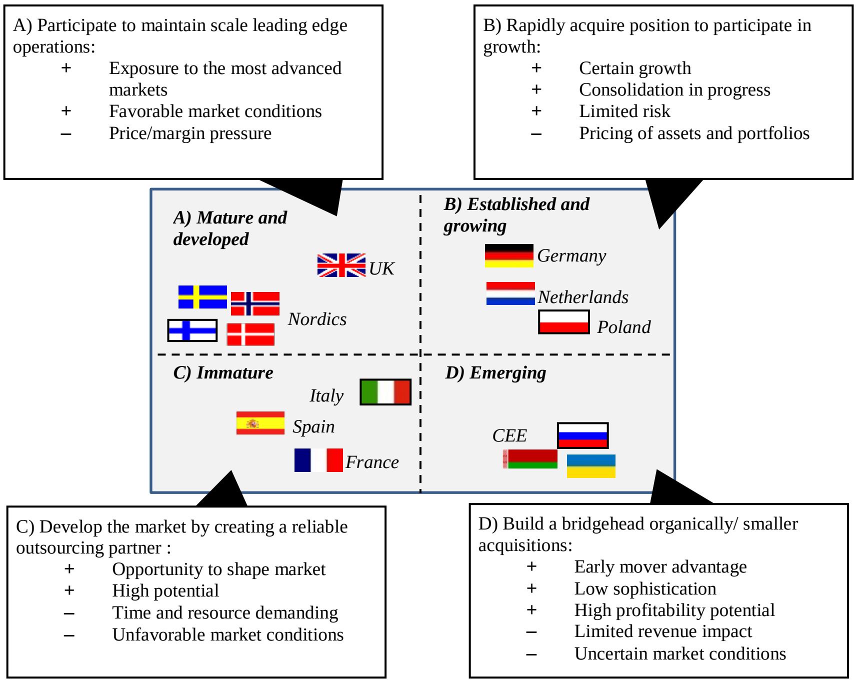
The market remains fragmented and is likely to consolidate. Banks' attitude to debt sale is the most important sector driver as it sets the size of the market. Banks across Europe have become more active sellers in recent years of both portfolios and of their collections and recoveries functions. However, banks will over time wish to move to a more business as-usual method of sale and will wish to do so with mature operators who can demonstrate the highest levels of customer treatment and compliance.

Loan Portfolio Market

The loan sale activity in 2015 is expected to significantly exceed the 2014 volume. Commercial Real Estate, or CRE, loans are still highly traded across Europe, but there has been a strong rise in sales of residential loan portfolios. UK, Ireland and Spain continue to be the active markets, and sales in Italy, Germany and CEE are accelerating.

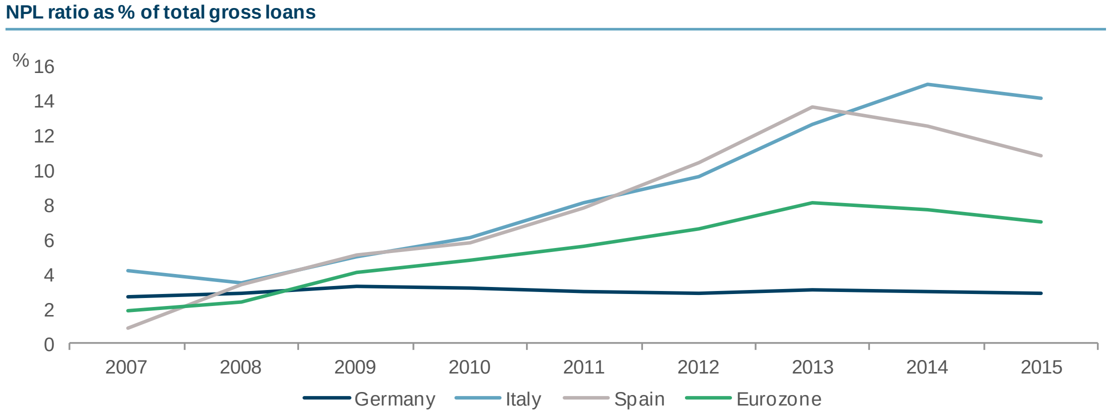
Mortgage loans are expected to increase by 1.9% this year, reaching a new high of EUR 3,930 billion. After contracting 1.6% in 2014 (the third consecutive year of contraction), a return to positive growth in business loans of 1.2% in 2015 is expected. NPLs are declining across the Eurozone (from 7.7% in 2014 to 7% in 2015).

The chart below depicts the development level of the debt collection market.



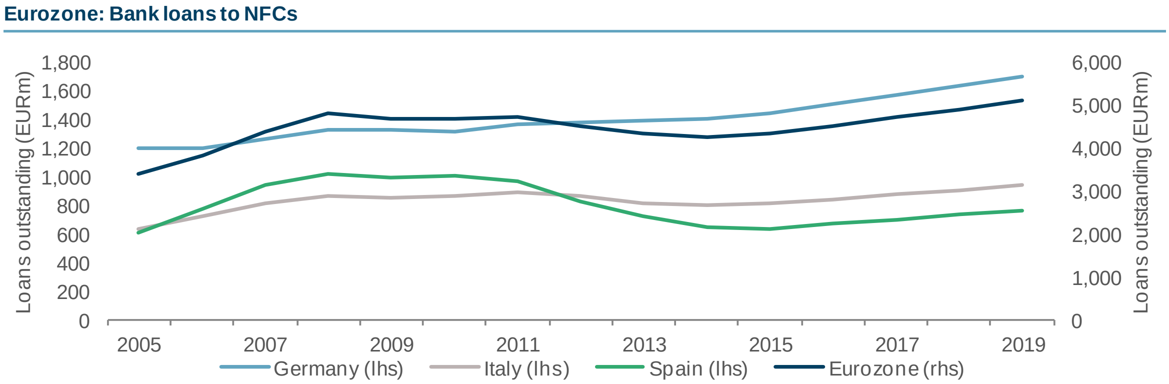
Source: EY Eurozone Forecast June 2015 (illustration and figures presented in text)

The chart below depicts the NPL ratio as a percentage of total gross loans in the countries and regions specified.



Source: ECB, Oxford Economics, Haver Analytics

The chart below depicts bank loans to Non-Financial Customers, or NFCs, in the Eurozone.



Source: ECB, Oxford Economics, Haver Analytics

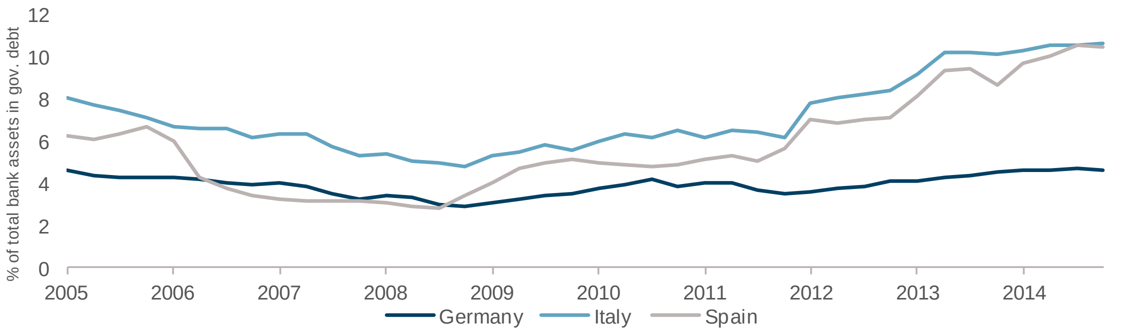
The charts below provide certain key Eurozone banking figures, and information about share of bank assets in government debt in Germany, Italy and Spain.

Banking overview

	2011	2012	2013	2014	2015	2016
Total assets (€bn)	33,543	32,684	30,443	31,174	32,116	33,317
Total loans (€bn)	12,322	12,196	11,731	11,737	11,961	12,339
Business/corporate loans (€bn)	4,720	4,542	4,345	4,276	4,329	4,513
Consumer credit (€bn)	628	604	576	564	573	592
Residential mortgage loans (€bn)	3,784	3,832	3,857	3,858	3,930	4,060
NPLs as % of total gross loans	5.6	6.7	8.1	7.7	7	6.3
Deposits (% year)	2.1	0.8	0.5	2.5	3.1	4.5
Loans/deposits (%)	113	110	106	103	102	101
Total operating income (€bn)	616	632	589	577	594	625

Source: ECB, Oxford Economics

Share of bank assets in government debt



Source: ECB, Oxford Economics, Haver Analytics

Spain

Banking Overview

After a strong economic growth during the period 2000-2007, Spain was deeply impacted by the financial crisis, and officially entered in recession in the first quarter of 2012. Consequently Spain was downgraded to BBB+ by S&P.

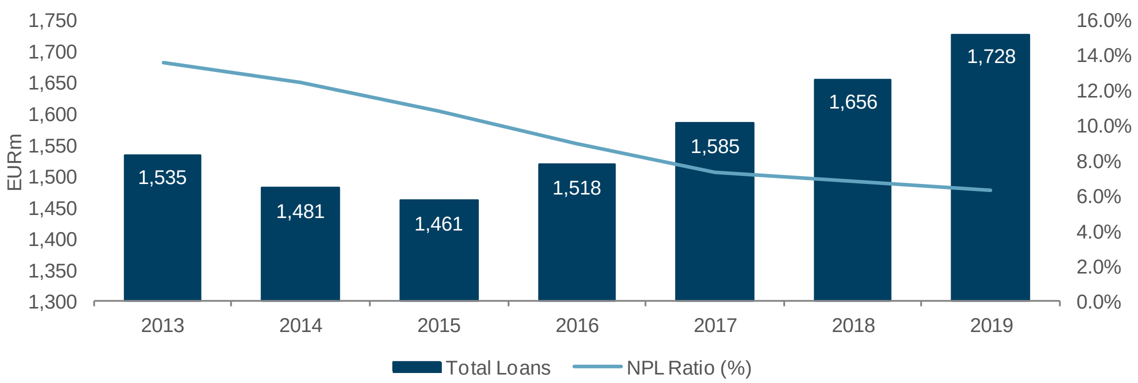
In 2014, the Spanish economy posted significant growth rates in output and employment that exceeded those in the euro area and confirmed the entrenchment of the recovery initiated the previous year following several years of prolonged recession. The economic recovery continued in the first half of 2015.

The ability to access leverage increased in 2014 and its expected that this availability will continue in the second half of 2015 and into 2016. Significant advance rates are available to acquirers of credit versus bank lending, and it is expected that this will help domestic purchasers to bid more competitively against international investors.

In the short-medium term, new transactions are expected to arise from divestments of financial institutions selling or creating joint ventures, or JVs, with third-party servicers and new transactions to take plane in the NPL space coming from bankruptcy proceedings.

The chart below depicts total loans and NPL ratio of the Spanish banking market.

Total loans and NPL ratio of the Spanish banking market



Source: ECB, Oxford Economics

The table below shows certain key figures for the Spanish banking sector.

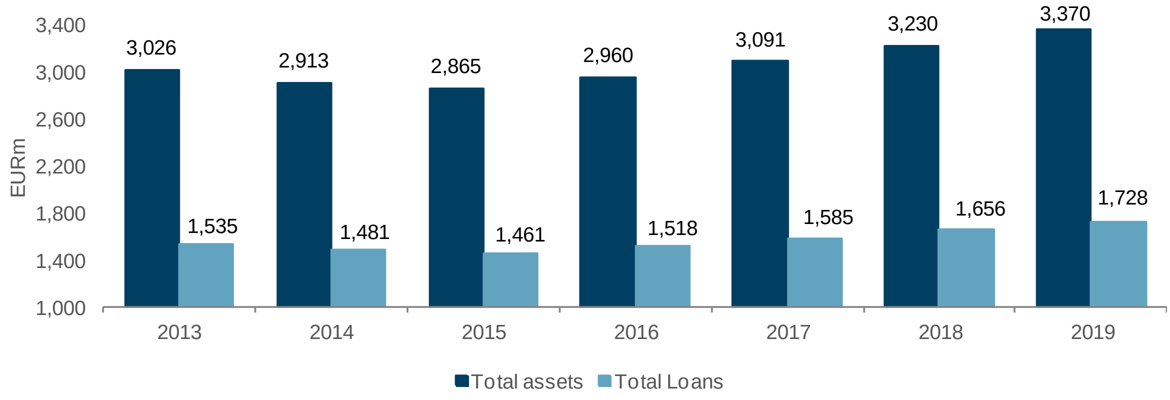
Banking overview

	2011	2012	2013	2014	2015	2016
Total assets (€bn)	3,401	3,423	3,026	2,913	2,865	2,96
Total loans (€bn)	1,783	1,718	1,535	1,481	1,461	1,518
Business/corporate loans (€bn)	944	880	719	651	637	669
Consumer credit (€bn)	201	188	171	160	162	167
Residential mortgage loans (€bn)	627	576	581	553	547	563
NPLs as % of total gross loans	7.8	10.4	13.6	12.5	10.8	9
Deposits (% year)	-5	-6.1	-0.6	-0.9	3.1	4.5
Loans/deposits (%)	124	127	111	108	104	103
Total operating income (€bn)	104	95	99	85	87	92

Source: ECB, Oxford Economics

The chart below depicts the total assets and total loans of the Spanish banking market.

Total assets and total loans of the Spanish banking market



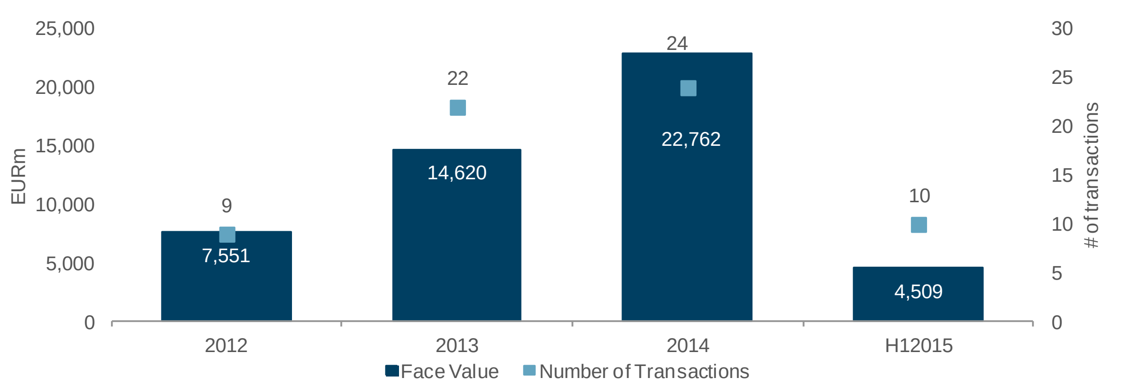
Source: ECB, Oxford Economics

NPL Market

The unsecured debt market has been the most active in the last years, however 2014 represented a balance between secured and unsecured transactions. The increase in the secured market is due to the portfolios including more promoter assets combined with more optimistic collateral value estimations.

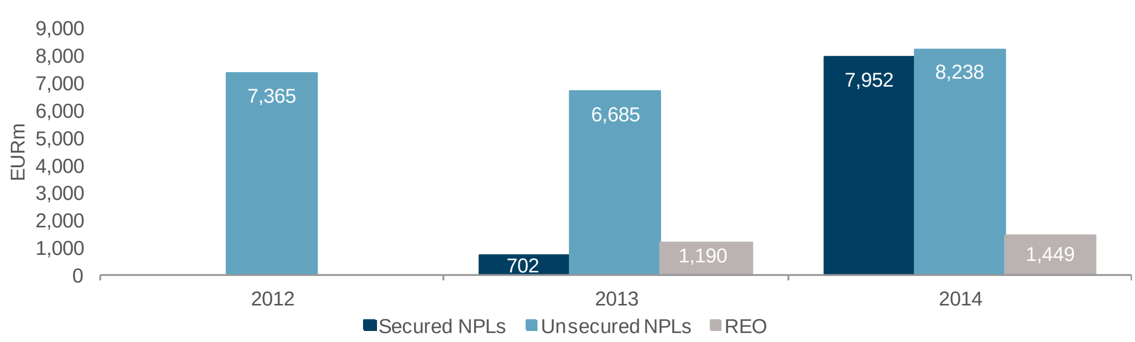
NPL transactions observed in 2014 largely related to residential mortgages, SME loans and commercial loan portfolios. The charts below depict recent NPL transactions, and transaction evolution by type of debt, in the Spanish market.

Recent Transactions



Source: INE, Bank Of Spain and Inverco

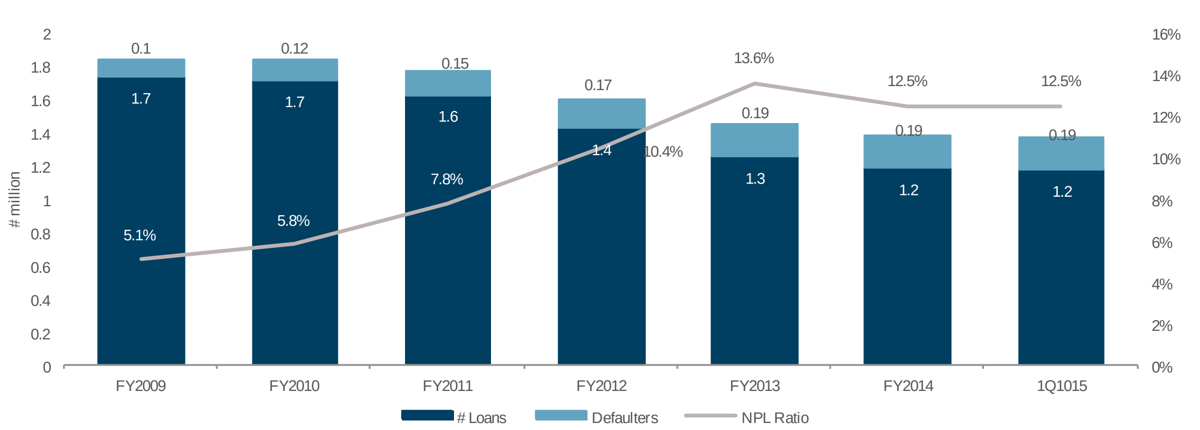
Transactions Evolution by type of debt



Source: INE, Bank Of Spain and Inverco

The chart below depicts NPL ratio and number of loans and defaulters in the Spanish NPL market.

NPL ratio and number of loans and defaulters



Source: INE, Bank Of Spain and Inverco

Accompanied by the growth in the market for debt transactions, there has been a strong growth in the secondary market for NPL portfolios in Spain over the last few years. This has been driven by funds that are pulling out of the Spanish market or re-allocating capital to other markets

Unsecured Loans

Typically, aggressive assumptions are made by investors of these portfolios, and high IRR percentages are applied for these valuations. A better than expected economic environment should positively impact portfolio values. Further the ability of borrowers to repay their debts is converting NPLs into re-performing loans and improving investor returns.

The NPL ratio registered in the first quarter of 2015 (12.5%) and increased savings in the full year 2014 (8.6%) show an improvement in the Spanish unsecured retail market. The market expects to see acquirers of unsecured retail portfolios at the height of the crisis sell these portfolios on a secondary basis and benefit from the recovery period after a period of 4-5 years of ownership.

Transactions expected in 2015 for unsecured NPL loans are expected to be portfolios combined with secured NPL loans. Axactor estimates that the transaction volume exceeded EUR 2 billion. Due to the correlation with the economy's performance, this sector is benefiting from improvements that have been experienced since the start of 2014. Unsecured portfolios are closely linked to the Spanish economy's evolution and the capacity of borrowers to repay debts is the main driver to measure investor returns. The unsecured market has been most active in the last couple of years, however, 2014 represented a balance between secured and unsecured transactions.

Secured Loans

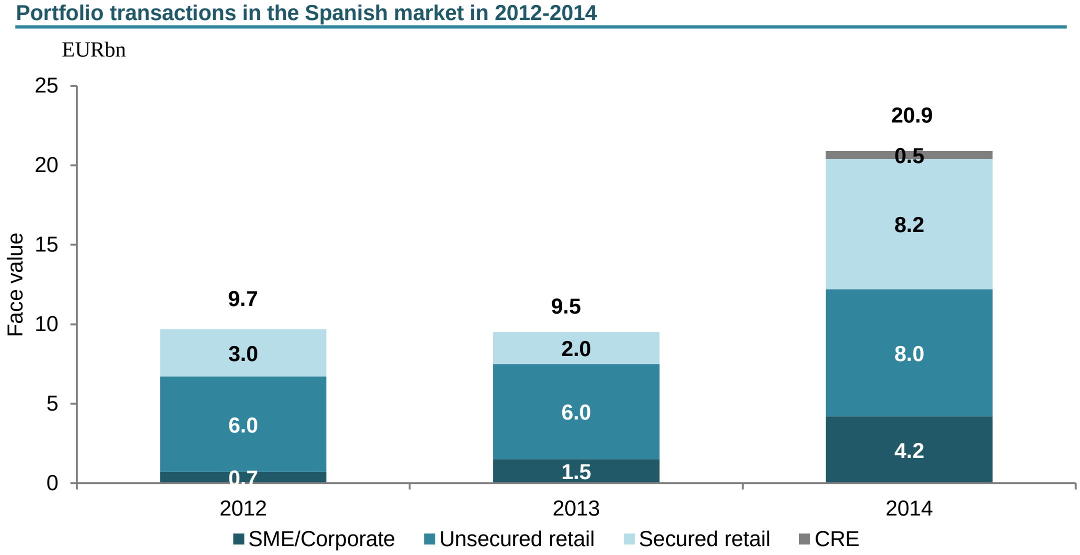
As experienced in the last few quarters, retail secured loans have a significant initial draw. Regarding land properties, a higher interest can be observed on investors' side, towing in liquid and well located assets with very strong demand.

In the last quarter of 2014, an increasing volume of portfolios could be observed due to the transition to selling promoter portfolios. Axactor predicts that, the increase in transacted volume in the second half of 2015 will continue in 2016 with vendors aiming to achieve deconsolidation targets before year end.

Since 2007 the transacted asset type has evolved from low quality residential retail assets towards well located promoter assets. This is the consequence of banks cleaning low quality assets from their balance sheets. The transactions closed in recent years included a majority of low quality retail assets outside of premium areas sold at discounts to investors. Now promoter NPL loans with higher collateral quality are being sold in the market.

In the last quarter of 2014, a greater volume of portfolios can be observed compared to the second quarter; the latter served as the transition to selling promoter portfolios. The increase in transacted volume in the second half of 2015 is expected to continue this year with vendors aiming to achieve deconsolidation targets before year end.

The charts below depict the unsecured loans and secured loans transaction volumes, respectively, in the Spanish market.



Source: PwC – Portfolio Advisory Group, Market update Q4 2014

Norway

Banking overview

The banking sector in Norway is relatively fragmented with a total of 124 banks, including 13 international branches. The seven largest banks (DNB Bank, Nordea Bank Norge and five regional savings banks) together represent 76% of assets under management. 25 medium size banks each with more than NOK 10 billion asset under management, represent approximately 18% of the total assets under management. 92 small banks with less than NOK 10 billion assets under management represent the remaining 7% of market share.

Norway's largest bank, DNB has close to a 30% market share in both the household and corporate market. Foreign banks, with Nordea being the largest, represent a significant market share of the loan market with a particularly strong position in the corporate market.

The table below shows selected key figures for the Norwegian Banking sector.

Banking overview

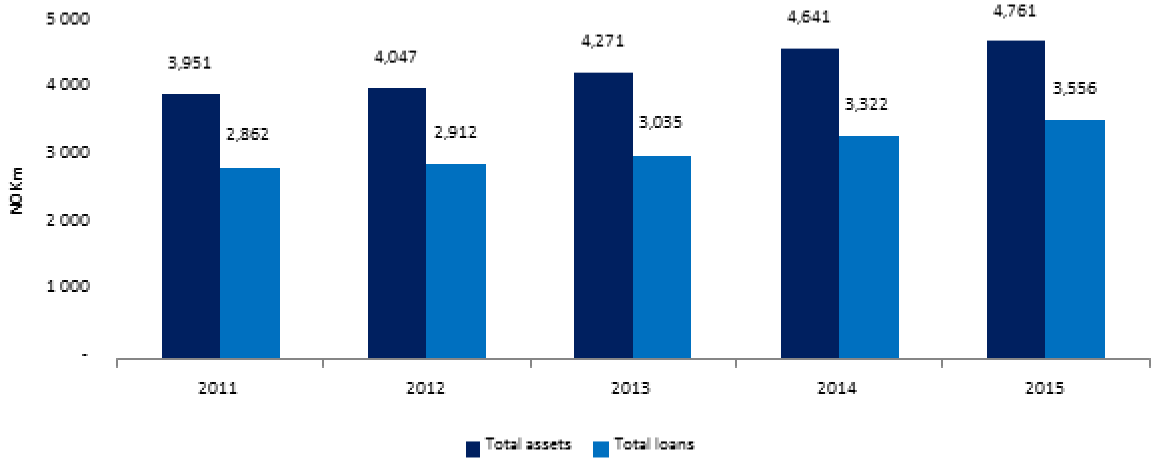
	2011	2012	2013	2014	2015
Total assets (NOKbn)	3,951	4,047	4,271	4,641	4,761
Total loans (NOKbn)	2,862	2,912	3,035	3,322	3,556
Business/corporate loans (NOKbn)	1,037	1,082	1,098	1,141	1,200
Consumer credit (NOKbn)	58	62	68	75	84
Residential mortgage loans (NOKbn)	454	458	453	449	448
NPL as % of total gross loans	1.7	1.5	1.3	1.1	1.3
Deposits (% year)	13	2	7	7	4
Loans/deposits (%)	92	93	95	93	90
Total operating income (NOKbn)	141	142	141	148	138

Source: SSB, the Financial Supervisory Authority of Norway

Total loans have grown slightly stronger than total assets over the past years. Gross loans to customers accounted for approximately 75% of banks' total assets in 2015, an increase from a historical ratio of ~72%.

The chart below depicts the total assets and total loans of the Norwegian banking market.

Total assets and total loans of the Norwegian banking market



Source: SSB, the Financial Supervisory Authority of Norway

A very strong Norwegian economy for the past years has contributed to solid bank earnings. In aggregate, the banking sector in Norway posted 6% higher pre-tax earnings in 2015 than the previous year. DNB, Norway's largest bank posted a 17.5% earnings improvement compared to 2014 backed by a close to 8% growth in lending partly driven by the significantly weakened NOK currency. [8]

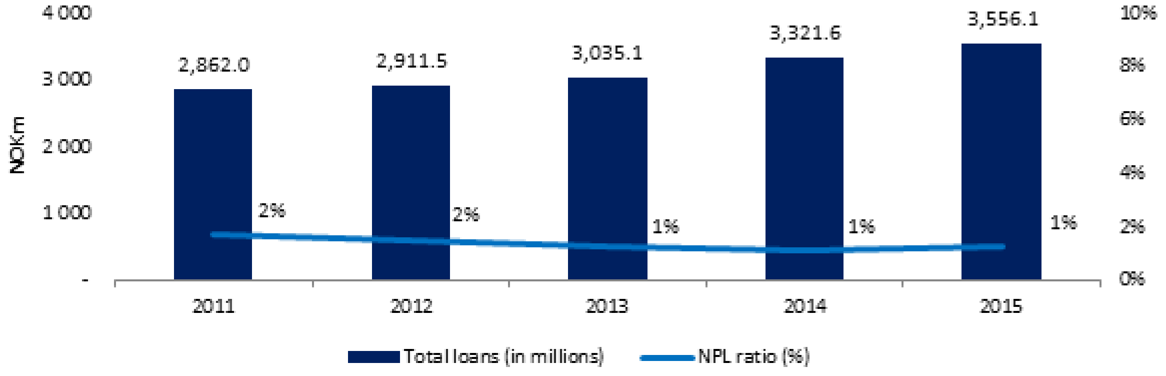
The recent oil price plunge is affecting the Norwegian economy and has significantly impacted the oil and gas sector and contributed to a marked slowing of the economy. However, only a relatively small portion of Norwegian banks' total lending is exposed directly to oil-related industry.

With NPL rates in Norway at very low levels and consistently among the lowest in Europe, Norwegian banks have so far not seen the need to increase their loss provisions materially. However, Q4 2015 losses at an annualized 0,31% rate is the highest single quarterly loss since Q4 2012. Of the three banking size categories, the medium size banks experienced the highest loss rates due to the fact that several banks in this category have significant consumer credit loan portfolios and correspondingly higher NPL rates.

[8] Figures presented are based on SSB and the Financial Supervisory Authority of Norway (Resultatrapport fra finansinstitusjoner 2015)

The chart below depicts the total loans and NPL ratio for the Norwegian banking market.

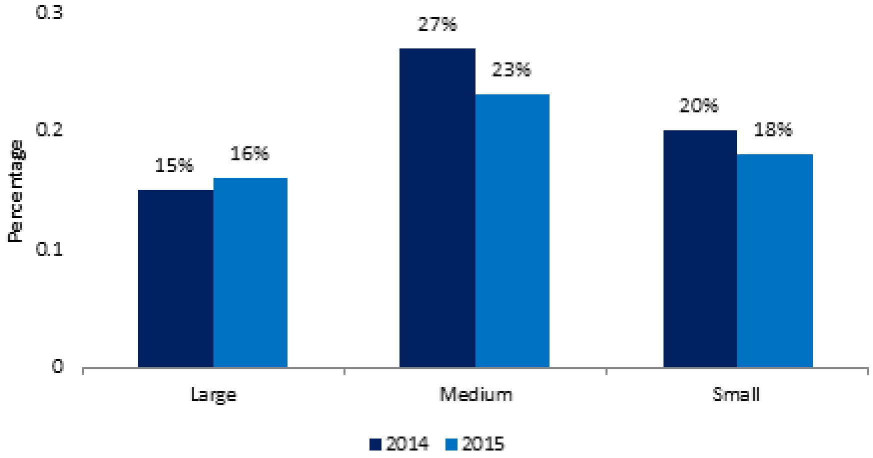
Total loans and NPL ratio of the Norwegian banking market



Source: World Bank Data, the Financial Supervisory Authority of Norway

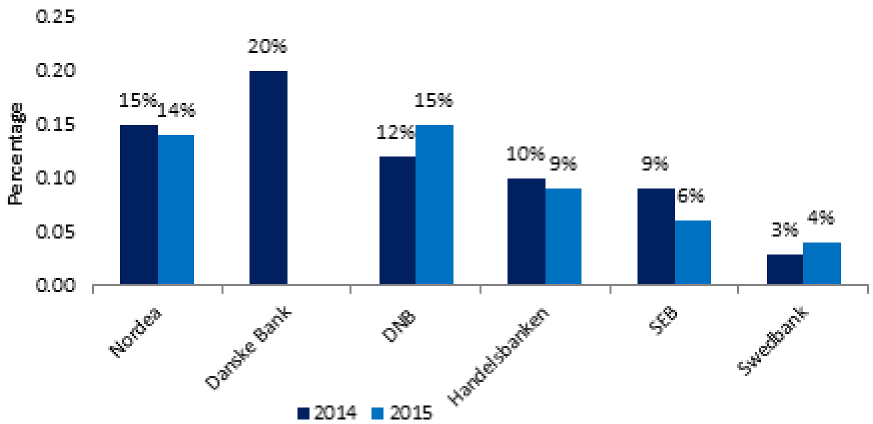
Loan losses

The chart below shows loan losses in percentage of gross loans.



Source: World Bank Data, the Financial Supervisory Authority of Norway

The chart below shows loan losses in percentage of gross loans by bank.



Source: World Bank Data, the Financial Supervisory Authority of Norway

Secured Loans

Loans held by private households are mainly mortgage loans with floating interest rate. With historically high household debt burden and property prices, households are more vulnerable to income changes and interest rates. Despite rising unemployment related to the slowdown in the economy, DNB does not expect losses on its mortgage portfolio to increase materially, but expects credit growth to slow.

NPL Market

The Norwegian market has historically seen few NPL portfolio transactions. Securitization is uncommon in Scandinavia and the few NPL transactions that have occurred in Norway have mainly been consumer credit portfolios.

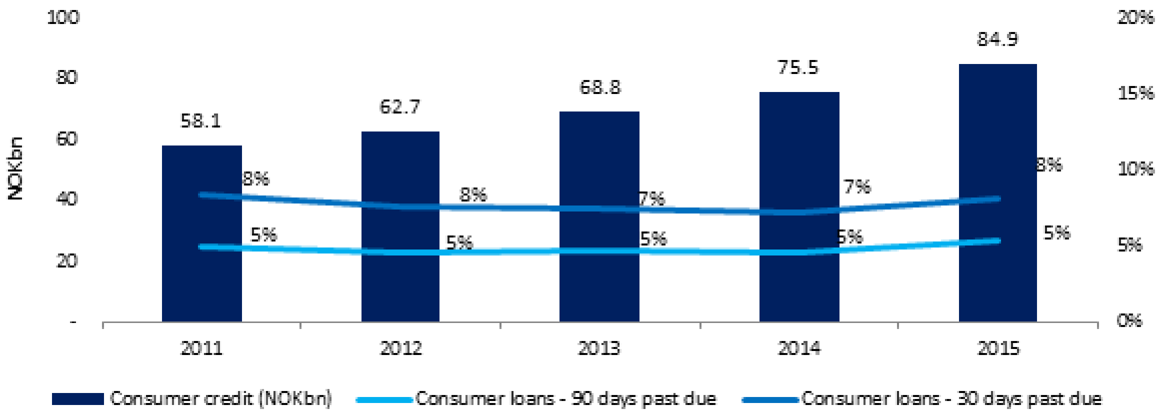
Last year, Lindorff acquired three portfolios of non-performing loans from DNB. The sale of the portfolios was part of DNB's capital efficiency program, and consisted of unsecured claims from DNB's consumer and equipment financing operations as well as corporate banking operations dating from 1984 to 2015. One of the portfolios consist of loans to non-strategic customers. The sale was one of the largest acquisitions of NPLs in the Norwegian market and Lindorff's largest transaction in the Nordic market this year.

Unsecured Loans

Consumer credit represents a significant share of total unsecured loans to households. In recent years, consumer credit in Norway has experienced strong growth outstripping the general growth in household credit. At 12.4%, consumer credit grew more rapidly in 2015 compared to an approximate 10% year-on-year growth during 2013 and 2014.

The share of non-performing loans in the segment is significantly higher than for secured loans. During 2015, the share of consumer credit loans past due increased markedly and reached its highest level since 2011.

The chart below shows the consumer credit and percentage of consumer loan that is past due in the Norwegian market. The overview is based on a sample of 12 banks and 10 credit institutions representing the majority of the consumer credit market in Norway.



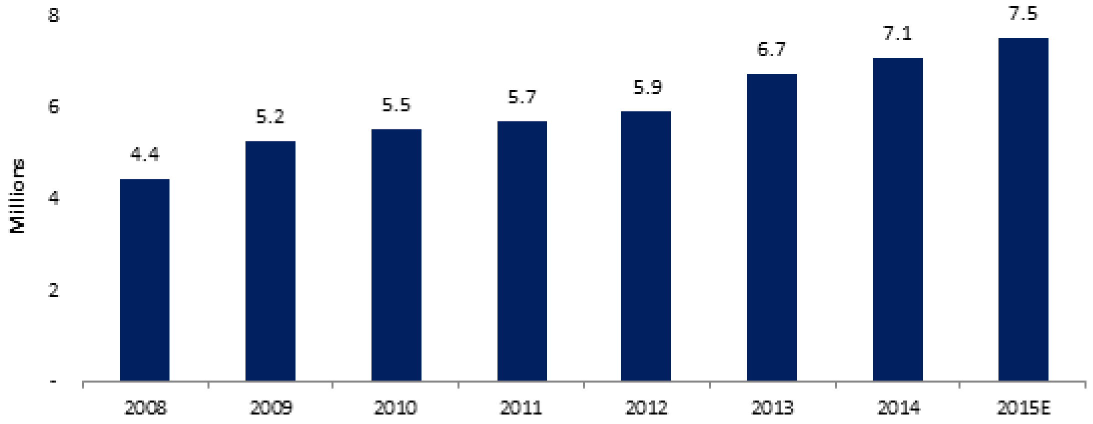
Source: the Financial Supervisory Authority of Norway

Debt collection market

The Norwegian debt collection market grew by 2.7% from NOK 13.64 billion in H1 2014 to NOK 14.01 billion in H1 2015. During the same period, the number of new cases grew by ~2% (76,000 cases). As of H1 2015, the debt collection market in Norway had 4.3 million cases in process. This represent an amount of non-performing loans of NOK 70.5 billion.

Debt collection cases

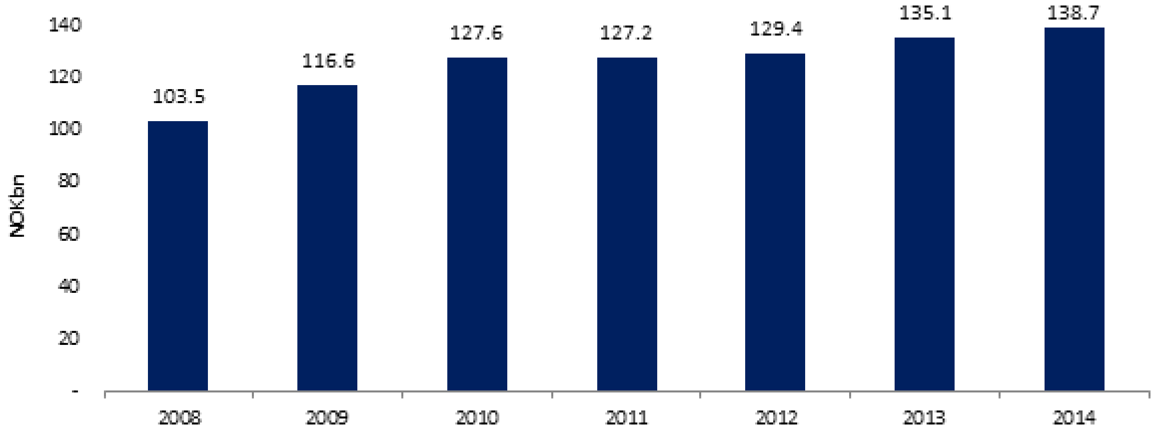
The chart below shows the number of debt collection cases in the Norwegian market.



Source: Industry association - Virke Inkasso

The chart below shows the volume from debt collection cases in the Norwegian market.

Debt collection volume



Source: Industry association - Virke Inkasso

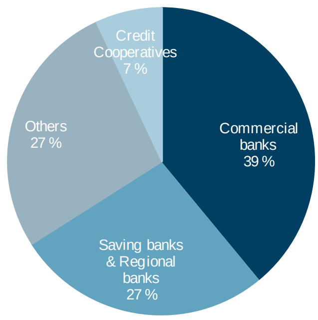
Germany

Banking Overview

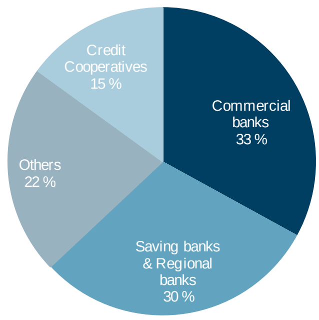
Germany has one of the most fragmented banking sector due to its three pillars model composed of: Commercial banks, Savings banks (Sparkassen) and Regional banks (Landesbanken) owned by federal states with operations restricted to the region and Cooperative banks owned by their members/depositors.

The chart below depicts the total assets and total loans of banks in the German banking sector, split by Commercial banks, Savings and Regional banks and others, as of June 2015.

Total assets as of June 2015



Total loans as of June 2015



Source: Bundesbank

The German banking sector is one of the strongest in Europe and has a better lending quality and lower NPL ratio than elsewhere in the Eurozone. Nevertheless, bank earnings continue to be blighted by the uncertain economic and especially low interest environment as well as sovereign and regulatory pressure.

Since 2011, efforts were made to strengthen the banking sector in terms of liquidity and funding, but also in terms of capital. The Basel III capital requirements in combination with the European Banking Authority, or the EBA, standards have helped to improve the resilience of German banks remarkably. With an average core tier 1 ratio of above 10%, all banks met or surpassed the recapitalization targets recommended by EBA's stress testing at the end of June 2012. Banks have largely achieved this by improving capital through measures such as retaining earnings, raising new capital or repurchasing hybrid capital instruments on the one hand, while at the same time reducing risk-weighted assets, or RWAs, by selling non-core assets or initiating risk reduction measures.

In the wake of strategic repositioning and efforts to restructure their business models, many banks have announced a retreat from certain business segments, such as shipping or commercial real estate lending, as well as certain geographical regions and have established either internal non-core units or external non-core resolution agencies to unwind their existing exposure in such areas.

The table below shows certain key figures for the German banking sector.

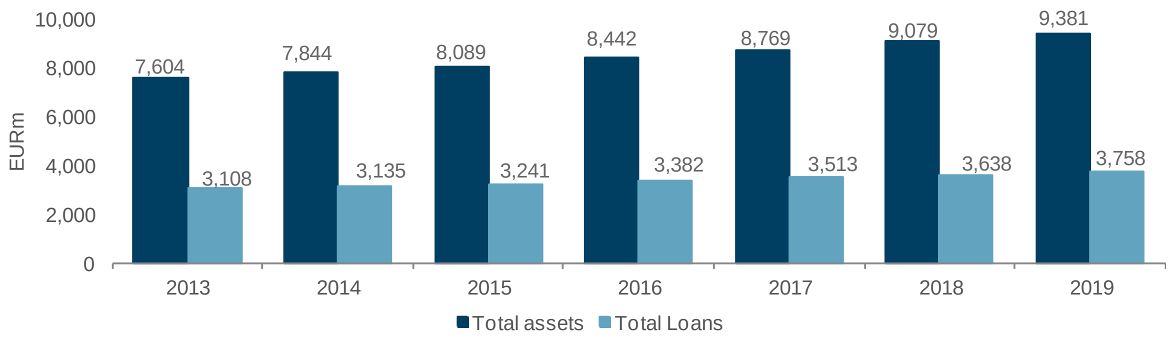
Banking overview

	2011	2012	2013	2014	2015	2016
Total assets (€bn)	8,467	8,315	7,604	7,844	8,089	8,442
Total loans (€bn)	3,246	3,239	3,108	3,135	3,241	3,382
Business/corporate loans (€bn)	1,368	1,378	1,395	1,406	1,447	1,511
Consumer credit (€bn)	229	225	223	222	228	237
Residential mortgage loans (€bn)	806	820	837	856	898	936
NPLs as % of total gross loans	3.3	3	3.1	3	2.9	2.9
Deposits (% year)	3.4	1.7	-0.6	1	2.2	3.8
Loans/deposits (%)	99	97	94	94	95	95
Total operating income (€bn)	128	135	122	125	131	139

Source: ECB, Oxford Economics

The chart below depicts the total assets and total loans of the German banking market.

Total assets and total loans of the German banking market



Source: ECB, Oxford Economics

NPL Market

German banks experienced a strong increase in NPLs following the IT bubble burst in 2001 while the housing market in Eastern Germany collapsed. From 2003 to mid-2008, Germany was the most active NPL market in the world with more than 60 major transactions representing EUR 50 billion in face value. The demand was mainly from international investors which had come over from Asia.

After a freeze in NPL market following the financial crisis, investors' interest in German loan portfolio has returned. In addition to resales of such portfolios by investors, or "secondary trading", this development was attributable to national and foreign banks testing the market in recent years.

Following a number of larger transactions in 2010 and 2012, and some small and medium-sized in the last few years, activity has increased sharply in 2015.

Demand for German NPL portfolios remains extremely high and investors, e.g., hedge funds, private equity firms and investment banks who were active before the crisis, are not only monitoring the current market development closely but being very actively. Also new investors have entered the market such as insurance companies or private investors who can participate in the workout of NPLs through closed-end funds.

Germany's NPL ratio has remained at a low level, a development attributable to the low unemployment rate, moderate default rates coupled with a stable real estate market and the fact that German banks did not experience a surge in NPLs on their balance sheets like other European banks.

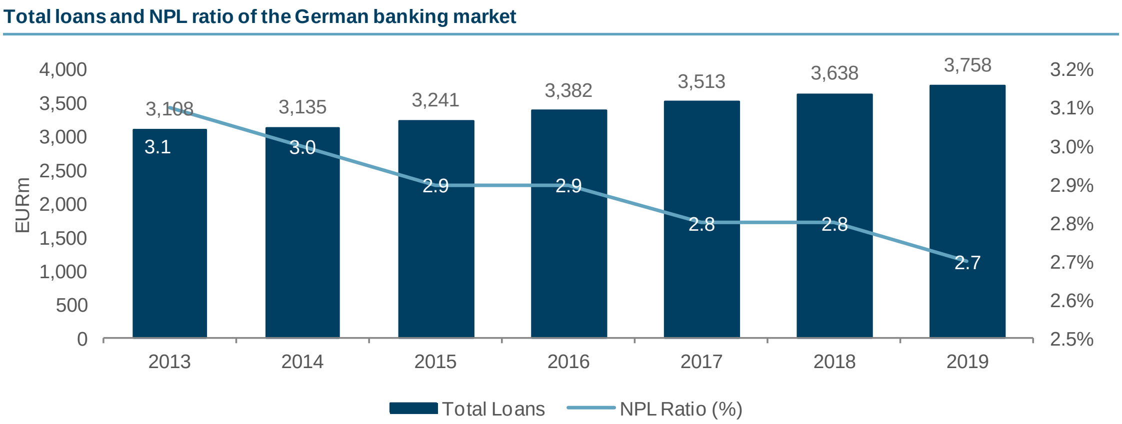
According to the German Financial Supervisory Authority's, or BaFin's, annual report 2014, the volume of NPLs in the German banking sector declined by 8.2 % compared with the previous year to EUR 154 billion. Measured against the total volume of loans to non-banks, the share of NPLs fell slightly to 2.7 %, compared with just under 2.9 % in 2012.

In the course of de-leveraging, banks have held in recent years on to their loan portfolios until investor pricing is more in line with the banks' expected values. Vendors have often been unable or unwilling to crystallize the loss if selling below book value. As a result, they have been reluctant to dispose of domestic loan portfolios and only external factors, such as regulatory pressure (e.g. asset quality review, or AQR, results) or a sharp rise in funding costs, would change the situation and prompt a sharp rise in portfolio sales.

Recent successful transactions – especially foreign banks selling German loan portfolios – have shown that the gap between sellers' price expectations and investors' bid prices has narrowed, with the market revealing strategic prices being paid.

In addition, the German real estate market is developing positively and, as a result, underlying collateral values are increasing, thus leading to higher pricing of loans secured by real estate.

The chart below depicts the total loans and NPL ration of the German banking market.



Source: ECB, Oxford Economics

External factors, such as regulatory pressure or a sharp rise in funding costs will further trigger banks to dispose non-core assets (especially NPLs).

There has been increasing activity in the German loan sale market so far in 2015. Commerzbank continues to be the most active seller, having completed two loan portfolio transaction (over EUR 3.5 billion). The German wind-down agencies FMS Wertmanagement has completed one transaction so far and has recently brought another commercial real estate laon portfolio, or CRE portfolio, to market whereas EAA has two transactions pending.

The Unsecured NPL Market

The unsecured consumer NPL market is characterized by smaller and continued transactions rather than occasional large transactions. Banks only sell terminated loan portfolios to investors, as the legal framework makes a transfer of the claim after termination much easier and data confidentially is not as strict when selling NPLs.

The most common type of unsecured consumer loans used by German customers is the opportunity to overdraw their accounts. Some banks appear to be more sophisticated and experienced in selling unsecured consumer NPL portfolios than in the past. However, the business of selling NPLs is still not part day-to-day business for many banks.

There is a large and experienced investor universe with substantial liquidity in the market. Bearing this in mind, sales processes can be very competitive with more than ten investors often being invited to tender. Banks’ approaches vary in terms of portfolio size, the "freshness" of the debt and whether a forward flow (e.g., monthly, quarterly, annually) or spot sale is the appropriate transaction structure.

Appetite exists for all forms of unsecured consumer NPLs in terms of age of debt (i.e., freshly terminated debt vs. very aged loans or residual claims), product (credit cards, consumer loans, etc.) and portfolio sizes. However, most portfolios which come to the market are homogeneous, which makes pricing and an assessment of the strategy easier for buyers. Buyers prefer to purchase debt which has not been placed with a debt collection company prior to a sale.
The face value of traded portfolios are often into the lower double-digit or even single-digit EUR million area. However, some transactions exceed EUR 100 million in face value.

German banks still have large amounts of old, partially fully charged-off consumer loans, or "Kellerakten". In the wake of banks’ efforts to cut costs and streamline internal processes, it can be expected that banks will do larger bulk sales to "clear out their cellars" and then implement regular sales programs to manage the NPL levels going forward.

A former survey by BKS Bank AG showed that in-house servicing remains the dominant strategy for banks (approximately 58%) for unsecured consumer NPLs, followed by a sale of NPLs (approximately 28%), while outsourcing is not yet widespread in dealing with NPLs (only approximately 16%).

Italy

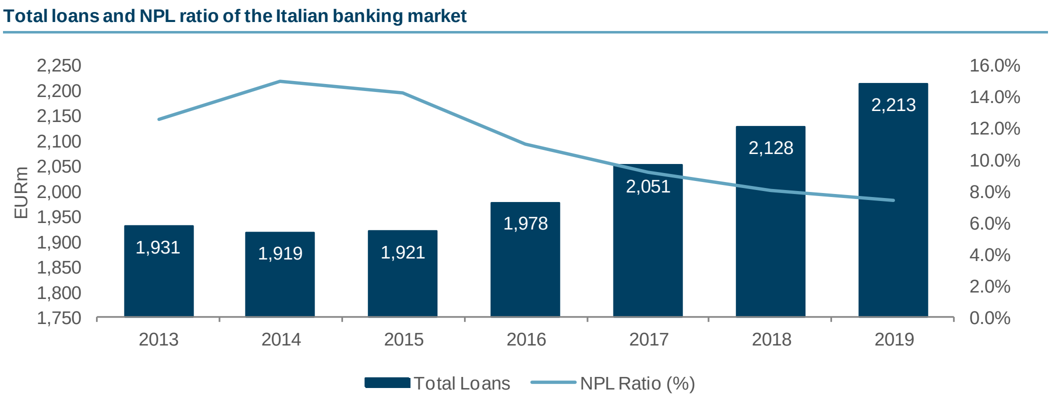
Banking Overview

In June 2015, the Italian government approved a new law decree called "Giustizia per la crescita" (Justice for the growth) aimed at reforming the bankruptcy private and civil laws to facilitate the rescue and turnaround of Italian distressed companies and NPL disposals.

Between the start of 2015 and the start of 2016, the Italian Government has introduced several reforms in the banking sector, related to banking foundations, small and medium-sized mutual banks and the 10 largest co-operative banks (the “popolari” banks). One of the targets of these reforms is to help cleanse the sector of its burden of bad debts and make them more attractive to investors, as well as the creation of a so–called "bad bank" to help banks offload their problem loans.

It is expected that the reforms could promote consolidation in the banking sector and support profitability and could support the ongoing de–leveraging, with the loan–to–deposit ratio falling from 120% in 2014 to 105% by 2019.

The chart below depicts the total loans and NPL ratio of the Italian banking market.



Source: ECB, Oxford Economics

The table below provides an overview of certain key figures of the Italian banking market.

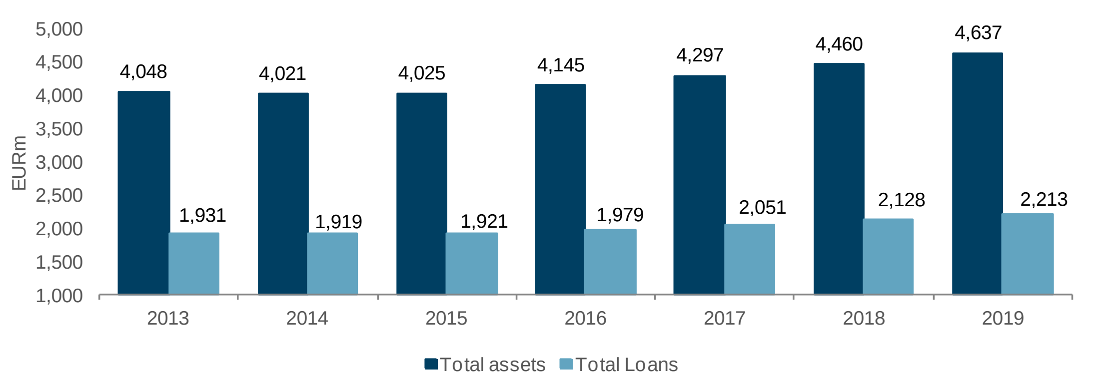
Banking overview

	2011	2012	2013	2014	2015	2016
Total assets (€bn)	4,070	4,219	4,048	4,021	4,025	4,145
Total loans (€bn)	2,379	1,981	1,931	1,919	1,921	1,978
Business/corporate loans (€bn)	894	865	814	808	815	843
Consumer credit (€bn)	64	60	59	57	57	58
Residential mortgage loans (€bn)	368	366	361	359	359	367
NPLs as % of total gross loans	8.1	9.7	12.6	15	14.2	11
Deposits (% year)	-2.7	7.8	2.2	3.1	3.5	5.8
Loans/deposits (%)	170	131	125	120	116	113
Total operating income (€bn)	79	79	79	76	81	87

Source: ECB, Oxford Economics

The chart below depicts the total assets and total loans of the Italian banking market.

Total assets and total loans of the Italian banking market



Source: ECB, Oxford Economics

NPL Market

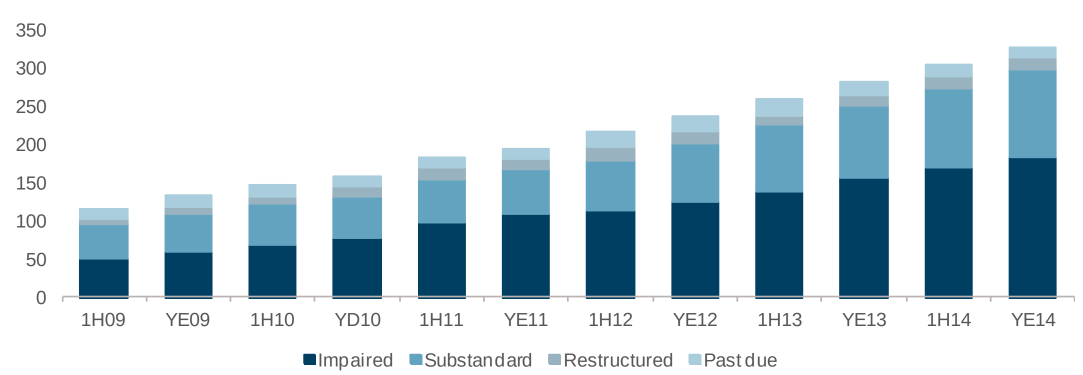
Following several years of economic crisis, the overall asset quality of Italian banks is still suffering with NPLs reaching approximately EUR 326 billion as of December 2014 (17% of total customer loans).

Corporate NPLs have more than quadrupled from approximately EUR 50 billion to approximately EUR 230 billion, representing 71% of total NPLs.

The 2014 asset quality review ("AQR") exercise has identified additional EUR 12 billion of adjustments of asset values for the Italian banking sector (the largest impact in Europe representing approximately 25% of the total EUR 48 billion adjustments in the Eurozone). Out of the EUR 12 billion in AQR adjustments, EUR 4.2 billion are related to MPS followed by Banco Popolare with EUR 1.6 billion.

The chart below depicts the total gross NPLs, in billions Euro, in the Italian banking market.

Total Gross NPLs (EURbn)



Source: Bank of Italy

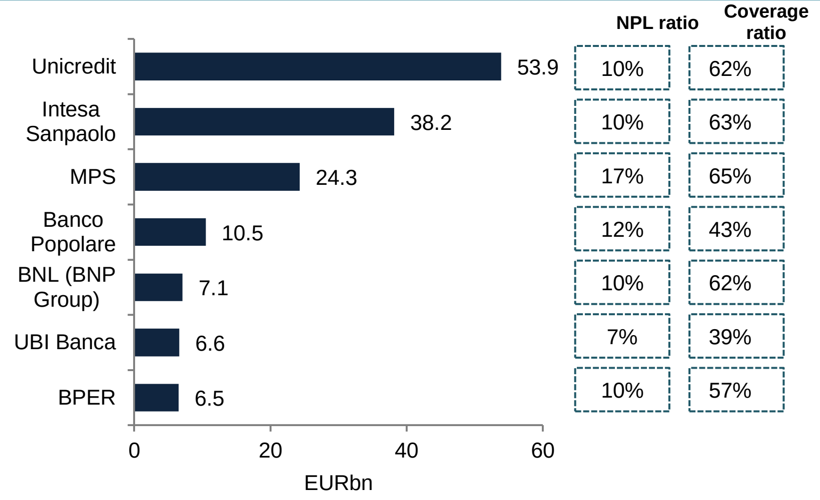
While the Italian unsecured debt market (with a specific focus on consumer NPL portfolios) has been quite active, with supply essentially coming from the main players (UniCredit, Banco Popolare, MPS, etc.), the market for corporate NPLs has been struggling to take off.

Towards the end of 2015, despite an increasing number of transactions, the size of them remains smaller compared to other European ones.

There is significant liquidity on the sidelines waiting to be deployed: while focus has been on other geographies so far (Spain, Ireland, Portugal) there is significant interest in the Italian market.

The chart below the Italian NPLs coverage ratio, for the full year 2014.

NPL landscape – Selected Italian banks



Source: Bank of Italy

7. BOARD OF DIRECTORS AND MANAGEMENT

This Section provides summary information on the Board of Directors and management of the Company and disclosures about their terms of employment and other relations with the Company, summary information on the certain other corporate bodies and the governance of the Company.

7.1 Current Board of Directors

In accordance with Swedish law, the Board of Directors is responsible for the organization of the Company and the management of the Company's affairs, for regular assessment of the Company's financial position, and for ensuring that the Company's operations are organized and controlled in a satisfactory manner.

Pursuant to Swedish law, the members of the Board of Directors are elected for a term lasting to the next Annual General Meeting. The Board currently consists of the following members:

	Position	**Served As Director Since**	**Term Expires**
Einar J. Greve	Chairperson	2015	2017
Gunnar Hvammen	Director	2015	2017
Per Dalemo	Director	2014	2016

Per Dalemo was for the first time elected at an Extraordinary General Meeting held on October 10, 2014. Thereafter he was re-elected at the Annual General Meeting on June 3, 2015. Einar J. Greve and Gunnar Hvammen were elected on the Extraordinary General Meeting held December 23, 2015.

The Company's registered business address, Hovslagargatan 5B SE-111-48 Stockholm, serves as c/o addresses for the members of the Board of Directors in relation to their directorships in the Company.

Set out below are brief biographies of the current Board Members.

Einar J. Greve, Chairman

Mr. Greve works as a strategic advisor at Cipriano AS. Mr. Greve has previously worked as partner of Wikborg Rein & Co for 15 years and as partner of Arctic Securities ASA. Mr. Greve has held and holds various positions in listed and unlisted companies. He holds a degree in law (cand.jur) from the University of Oslo and is an attorney-at-law and sole partner of Advokatfirmaet Greve. He is a Norwegian citizen and resides in Oslo, Norway.

Current directorships and senior management position	Axactor AB (chairman), Weifa ASA (chairman), Cipriano AS (chairman and CEO), Positano AS (chairman and owner), JE Greve AS (board member), Pagano AS (board member), C Sundstgt. 19 AS (chairman), Datum Invest AS (board member), Scandinaviegaarden AS (board member), Elliptic Laboratories AS (board member), The Future Group AS (board member), Vistin Pharma ASA (board member), Hæhre & Isachsen Holding AS (board member)
Previous directorships and senior management positions last five years	Offpiste AS (board member), Tjuvstart AS (chairman), Starten AS (chairman), Norske Skogindustrier ASA (board member), Saga Tankers ASA (board member), Eltek ASA (board member), Union Gruppen AS (chairman), Tjuvholmen 1 AS (board member) and Boleyn Holding AS (board member)

Gunnar Hvammen, Board Member

Mr. Hvammen is an active investor, taking active part in a few companies with investments and time. Investments and cofounding of companies have dominantly been in the oil service sector, but also little in new technology and real estate. Mr. Hvammen owns and operates through Lauvheim Holding AS and its wholly owned companies Solan Capital AS and Thabo Energy AS. He has previously been board member, chairman of the board and president for oil service related companies, a senior partner, president and co-founder of rig brokerage company Normarine (today Pareto Offshore), and partner in a financial house in Norway, Fondsfinans ASA. Mr. Hvammen went to Oslo Business School (previously Handelsakademiet). He is a Norwegian citizen and resides in Oslo, Norway.

Current directorships and senior management position	Personbassa Hvammen (CEO), Wedel Eiendom AS (CEO and board member), Lauvheim Holding 2 AS (CEO and chairman), Plogveien 1 AS (chairman), Lauvheim Holding AS (chairman), Thabo Energy AS (chairman), Bagto Eiendom AS (chairman), Borgeskogen 12 AS (chairman), Solan Capital AS (chairman), Lauvheim Eiendomsselskap ANS (chairman), Arctic Pharma AS (board member), Spermatech AS, Norsun AS (board member), Visitfonna AS, The Staaker Company AS (board member), Skioo SA (chairman) and Skioo Holding AS (chairman)
Previous directorships and senior management positions last five years	Weboden AS (chairman), Demo AS (chairman), Zoncolan AS (chairman), Spectrum ASA (board member), Lauvheim Holding 1 AS (CEO and chairman), Zoncolan AS (board member), North Energy ASA (board member), SD Standard Drilling Plc (chairman) and Prospector Offshore SA (board member)

Per Dalemo, Board Member

Mr. Dalemo is a partner and board member of Wistrand Law Firm. Mr. Dalemo has a law degree from the University of Gothenburg. He has previously worked for MAQS Law firm and for New Wave Group. Mr. Dalemo advises public and private firms in a wide variety of M&A transactions, including strategic mergers and consolidations, purchases and sales of public and private companies. Mr. Dalemo frequently advises boards in connection with their evaluation of potential M&A opportunities and other strategic alternatives. Mr. Dalemo joined Wistrand Law Firm in 2009. Mr. Dalemo is a Swedish citizen and resides in Gothenburg, Sweden.

Current directorships and senior management position	Wistrand Advokatbyrå Göteborg Aktiebolag (board member), Airport Retail Sweden AB (deputy board member) Hovås 57:145 Fastighets AB (board member), Hallstenshagens Advokatbyrå Aktiebolag (board member) and Mapletown Invest AB (board member)
Previous directorships and senior management positions last five years	None

7.2 Management

Set out below are brief biographies of the management of the Group.

Endre Rangnes, CEO
Business address: Sjølyst plass 2, 0278 Oslo, Norway

Mr. Rangnes was CEO of Lindorff Group AB in the period 2010-2014. Prior to that Mr. Rangnes served as CEO of EDB Business Partner ASA, now EVRY ASA, in the period 2003-2010. Prior work experience also includes various positions within the IBM Group (including being Country Manager Norway and serving as member of IBM Nordic’s executive and top management teams).

Current directorships and senior management position	Tieto Ojy (board member), Alpette AS (chairman) and Medici Invest AS (chairman)
Previous directorships and senior management positions last five years	Lindorff Group AB (CEO) and Altor Private Equity (Industrial advisor)

Geir Johansen, Chief Financial Officer

Business address: Sjølyst plass 2, 0278 Oslo, Norway

Geir Johansen joined Axactor as CFO, Head of IR and Risk & Compliance, in January 2016. Before joining Axactor he held the position as CFO at Fred.Olsen Ocean in Oslo. Over the last 20 years, Mr. Johansen has lived and worked in the Americas, Europe as well as North and South East Asia having held CFO positions in DOF Subsea ASA, S.D. Standard Drilling Plc and GSP Offshore. Earlier in his career Mr. Johansen worked 13 years in DNGL where he last held position as Finance Director for DNV Maritime globally. Mr. Johansen holds a Master's Degree in International Economics from BI as well executive education from IMD Switzerland.

Current directorships and senior management position..	Axactor Platform Holding AB (board member), Axactor Portfolio Holding AB (board member), Axactor AS (board member), IKAS Norge AS, IKAS AS, IKAS Øst, IKAS Nord, IKAS Vest AS and IKAS Nordvest AS
Previous directorships and senior management positions last five years....................................	Board member on several SD Standard Drilling Plc subsidiaries, Kybalion Group Holding AS (chairman), Kybalion Seafood AS (chairman) Kybalion Invest I AS (chairman) and Catch of Norway Seafood Pte Ltd (India) (chairman)

Johnny Tsolis, Head of Strategy and Projects
Business address: Sjølyst plass 2, 0278 Oslo, Norway

Mr. Tsolis has eight years of experience from working at Lindorff Group AB, with emphasis on post merger integration / cost improvement. Mr. Tsolis has also previously been a partner in DHT Corporate Services AS and Cardo Partner AS.

Current directorships and senior management position..	Axactor Platform Holding AB (board member), Axactor Portfolio Holding AB (board member), Axactor AS (board member) and Kamfer AS (board member)
Previous directorships and senior management positions last five years....................................	Mobiletech AS 2007-2012 (board member), DHT Corporate Services AS 2013-2015 (Partner), Cardo Partners AS (2005-2013), Handelsbanken 2002-2005 (project analyst) and Arkwright 2000-2002 (Senior Assoicate)

Oddgeir Hansen, Chief Operating Officer
Business address: Sjølyst plass 2, 0278 Oslo, Norway

Mr. Hansen was previously COO in Lindorff Group (2010 - 2014) and COO of EDB Business Partner (2003-2010). Prior work experience includes various positions within IBM Norway, including being Departemental Director with responsibility for monitoring and coordinating IBM Norway overall activities.

Current directorships and senior management position..	IKAS Norge AS, IKAS AS, IKAS Øst, IKAS Nord, IKAS Vest AS, IKAS Nordvest AS and Fryden AS (chairman)
Previous directorships and senior management positions last five years....................................	Lindorff Group (COO), Lindorff AS (chairman), Lindorff Holding Norway AS (CEO), Lindorff Norge AS (CEO) and Lindorff Capital AS (board member)

Siv Farstad, Executive Vice President, Human Resources
Business address: Sjølyst plass 2, 0278 Oslo, Norway

Ms. Siv Farstad has more than 5 years of experience from within the industry. Prior to joining Axactor, Ms. Farstad held the position as HR executive of Kommunalbanken. Prior to this, she held the position as Senior Vice President HR for Lindorff from January 2011 until May 2015. Earlier she served as HR manager for Microsoft Development Center Norway and EVP HR for NRK. In her earlier career, she has worked 14 years in Accenture where she held several consulting positions. Ms. Siv Farstad graduated with an Siviløkonom Degree in Business Administration from Pacific Lutheran University in 1988.

Current directorships and senior management position..	None
Previous directorships and senior management positions last five years....................................	Lindorff AS (President HR)

7.3 Disclosure About Conflicts of Interests

Axactor has taken reasonable steps to avoid potential conflicts of interests arising from all related parties' private interests and other duties to the extent possible, and if such occurs, to mitigate any conflict of interest. It is the view of the Company that the scope of potential conflicts of interests between the director's duties to the Company and their private interests and / or other duties is limited. The directors do not participate in the discussion or decision making of subjects that might be in conflict of their different interests.

To the Company's knowledge, there are no potential conflicts of interests between any duties to the Company, of any of the Board members or members of the Executive Management and their private interests and or other duties, except as described below.

Gunnar Hvammen, member of the Board

The largest owner of Solan Capital AS, which owns 36,000,000 shares in the Company, is Mr. Hvammen and is thus not considered as independent from the Company's larger shareholders.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any member of the administrative, management, supervisory bodies or executive management has been selected as a member of the administrative, management or supervisory bodies or member of senior management.

There are no family relations between any of the Company's Board members or Executive Management.

7.4 Disclosure About Convictions in Relation to Fraudulent Offences

Save as set out below, no member of the current Board of Directors or the current management of the Company has for at least the previous five years preceding the date of this Information Memorandum:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his capacity as a founder, director or senior manager of a company.

7.5 Remuneration and Benefits

The compensation of the members of the Board of Directors is determined on an annual basis by the Company's shareholders at the Annual General Meeting. On the Extraordinary General Meeting held December 23, 2015 the annual board member fees was set to SEK 900,000 for the Chairman and SEK 450,000 for each of the two Directors. The previous level for the year ended December 31, 2014 was SEK 250,000 for the Chairman and SEK 150,000 for each other board member.

The Company has not granted any loans, guarantees or other similar commitments to any member of the Board of Directors, there are no agreements regarding extraordinary bonuses to any member of the Board of Directors, and there are no agreements with any members of the Board of Directors which provide for compensation payable upon termination of the directorship.

During the year ended December 31, 2014, the Group's management comprised of one member, Torbjörn Ranta (then CEO). Mr. Ranta was during this period employed on a consultancy contract basis via his private company. The Company was invoiced a net amount of SEK 984 thousand for the services of Mr. Ranta for the year ended December 31, 2014, which included Mr. Ranta's pension costs.

At the Extraordinary General Meeting on 17 November 2015 it was resolved to establish an employee share option plan (please see further Section 7.6 below).

The Company employs pension arrangements for members of management and employees in accordance with requirements that are applicable in the jurisdiction in which the relevant employee is employed. The Company has arranged for pension insurances that give employees the right to receive future pension payments depending how the amount contributed is administrated by the insurance company. For the year ended December 31, 2015, the Company had no pension related expenditures for its management or employees.

Cipriano AS was engaged in early autumn 2015 for ascertaining a positive outcome of the ALD acquisition. Cipriano was as result paid a success fee of NOK 3 million for its rendered services. Chairman of the Board Mr. Einar J. Greve is the beneficial owner of Cipriano AS.

In early autumn 2015 the Company entered into a consultancy agreement with Alpette AS, a company which is a closely related party to the Company’s new CEO Endre Rangnes, pursuant to which Alpette AS would be entitled to a success fee of NOK 1.8 million for services rendered in connection with the acquisition of ALD. Under the agreement Alpette AS has rendered services in order to facilitate the acquisition of ALD and which have been to the benefit of the Group. The fee of NOK 1.8 million has been paid in full to Alpette AS as per the date of this Information Memorandum.

In early autumn 2015 the Company entered into a consultancy agreement with Latino Invest AS, a company which is a closely related party to the Company’s new Head of Strategy and Projects Johnny Tsolis, pursuant to which Latino Invest AS would be entitled to a success fee of 1.65 million NOK for services rendered in connection with the acquisition of ALD. Under the agreement Latino Invest AS rendered services in order to facilitate the acquisition of ALD, which have been to the benefit of the Group. The fee of NOK 1.65 million has been paid in full to Latino Invest AS as per the date of this Information Memorandum.

Per Dalemo is employed by Wistrand Law firm. Wistrand Law firm in Gothenburg was one of Axactor’s legal advisors in relation to the acquisition of ALD in Spain and the various share issues. In total Wistrand invoiced Axactor some SEK 2 million in legal fees in the fourth quarter of 2015. Mr. Dalemo has not been part of the legal team extending services to Axactor.

At the EGM on November 17, 2015, the Company approved and ratified a consultancy agreement between the Company and Ferncliff TIH II AS, a company which is a closely related party to the Company’s principal shareholder, Strata Marine & Offshore AS, pursuant to which Ferncliff TIH II AS would be entitled to a success fee of NOK 4 million for services rendered in connection with the acquisition of ALD. The fee of NOK 4 million has been paid in full to Ferncliff TIH II AS as per the date of this Information Memorandum.

Certain of Axactor’s major shareholders, today’s management team of the Company and Mr. Greve (today’s Chairman of the Board) were among the underwriting syndicate guaranteeing successful completion of the private placement and reparatory rights issue of 400 million and 60 million shares, respectively, in late autumn 2015.

Other than as described above, the Company has not granted any loans, guarantees or other similar commitments to any member of the Group's management, there are no agreements regarding extraordinary bonuses to any member of the Group's management of Directors, and there are no agreements with any members of the management which provide for compensation payable upon termination of the employment.

7.6 Shares and Other Securities Held by Directors and Members of Management

The table below sets forth the number of Shares and other securities issued by the Company beneficially owned by each of the Company's board members and members of management as of the date of this Information Memorandum.

	Position	Shares	Other Securities
Board member			
Einar J. Greve	Chairman	13,650,000	None
Gunnar Hvammen	Director	36,000,000	None
Per Dalemo	Director	500,000	None
Management			
Endre Rangnes	CEO	12,550,000	(1)
Johnny Tsolis	Head of Strategy and Projects	9,500,000	(1)
Geir Johansen	Chief Financial Officer	0	(1)
Siv Farstad	Executive Vice President, Human Resources	2,000,000	(1)
Oddgeir Hansen	Chief Operating Officer	3,600,000	(1)

(1) Granted share options, see below

At the Extraordinary General Meeting on 17 November 2015 it was resolved to establish an employee share option plan. The employee share options shall be granted free of charge and shall be allocated to the Company's key personnel. The total number of options that may be issued will amount to not more than 55,500,000 and have been allocated as given in the below table. The share options expire on 31 December 2020.

	Position	Options	Start date
Management			
Endre Rangnes	CEO	16,000,000	1 November 2015
Johnny Tsolis	Head of Strategy and Projects	10,000,000	1 November 2015
Geir Johansen	Chief Financial Officer	6,000,000	1 January 2016
Siv Farstad	Executive Vice President, Human Resources	1,500,000	1 November 2015
Oddgeir Hansen	Chief Operating Officer	4,000,000	1 November 2015

	% of grant	Strike Price, in NOK
Vesting after 12 months	27%	1.00
Vesting after 24 months	27%	1.15
Vesting after 36 months	27%	1.25
Vesting after 48 months	19%	1.30

The above management share option scheme was approved at the Extraordinary General Meeting held on 17 November 2015.

There are currently no restrictions on the disposal of the board members' or members of management's holding of Shares or other securities in the Company. Lock-up for the Consideration Shares are described in Section 4.6.

7.7 Nomination Committee, Audit Committee and Remuneration Committee

The Board of Directors appoints a Nomination Committee on an annual basis the year preceding the Annual General Meeting. The committee is selected based on principles set out in the Company's Code of conduct, which in the Group is to select the nomination committee from the largest shareholders around the date of the 3rd quarter the year preceding the Annual General Meeting. The Nomination Committee is selected for the period up to next Annual General Meeting only.

The Board of Directors has as per the date of this Information Memorandum not yet selected a Nomination Committee for the next annual general meeting due to the shift of direction of the Company. The Nomination Committee last appointed by the board consisted of the members set out below:

	Member Since	Term Expire(1)
Martin Nes (Chair)	2014	2015
Lars Christian Stugaard	2014	2015
Gunnar Hvammen	2014	2015

(1) The members of the Nomination Committee are appointed on an annual basis, each serving one-year periods from an Annual General Meeting until the next Annual General Meeting.

Martin Nes and Lars Christian Stugaard are representing the Company's shareholder, Strata Marine & Offshore AS, whereas Gunnar Hvammen is representing Solan Capital AS.

The Nomination Committee shall identify suitable candidates for various director positions. Other responsibilities may include reviewing and changing corporate governance policies. The committee normally consists of the Chairman of the Board and representatives of the two largest shareholders in the Company at the time of Committee member selection.

The Company does currently not have an Audit Committee. The Board of Directors will have a meeting with the responsible auditor normally during the last meeting of the Board of Directors before the Annual General Meeting of every year, or at the Board meeting approving of the release of the annual report. During this meeting the Board along with the responsible Auditor will review the accountings and the work of the management regarding the financial reporting for the relevant accounting year. The Board also receives updates on an interim basis regarding the financials of the Group, budgets and accountings in order to have a continuous and sufficient perception of how the Group is run from an accounting perspective. If the Board is notified of potential issues, these will be addressed in the upcoming Board meeting. The Board considers this current solution to be a preferable alternative, compared to appointing an Audit Committee, as the whole Board becomes automatically involved in, and more aware of, the Group's accounting and the needs related to the auditing of different companies.

The Company does currently not have a Remuneration Committee, as the number of employees in the Group has been limited. Remuneration of management is accordingly dealt with by the entire Board of Directors.

7.8 Corporate Governance Principles

In accordance with Section 3-3b of the Norwegian Accounting Act, companies with listed shares are required to comply with the Norwegian Code of Practice for Corporate Governance (recommendation by the Norwegian Corporate Governance Board (Norsk Utvalg for Eierstyring og Selskaps-styring, NUES), or provide an explanation of the reason for any deviation and what alternative solution the company has selected (i.e. to follow the "comply or explain" principle). Foreign companies can comply with either the Norwegian Code of Practice for Corporate Governance (NUES) or the equivalent code of practice that applies in the country where the company is registered. As the Company is a Swedish private limited liability listed on the Oslo Stock Exchange, NUES does not apply directly to the Company. However, with due regard to the fact that the Company is listed in Norway and to a substantial degree approaches the Norwegian investor market, and considering that Company wishes to place emphasis on sound corporate governance, the Company has prepared its corporate governance policies on the basis of NUES, but made certain necessary adjustments given the Company's Swedish domicile.

As of the date of this Information Memorandum, the Company applies the Norwegian Code of Practice for Corporate Governance except as set out below.

- Deviation in relation to the appointment of an Auditing Committee and a Remuneration Committee. This deviation from the Code of Practice is explained in Section 7.7 "—Nomination Committee, Audit Committee and Remuneration Committee".
- The Company currently does not have a nomination committee.

- The nomination committee's proposals are to be presented in the notice of a shareholders' meeting where the election of board members or auditor is to be held and on the company's website. The Company currently does not have a nomination committee.

It should be noted that the Company has a modest market capitalization and does not yet record regular sales revenues. Therefore, the administrative costs of the Company has been kept to a reasonable level. The above deviations are a result of limited administrative resources why the Company has not been able to comply with NUES in all respects. It is the intention of the Company to to initiate a review of its corporate governance principles and enhance compliance with NUES.

8. FINANCIAL INFORMATION

The following selected financial information has been extracted from the Company's audited consolidated financial statements as of and for the years ended December 31, 2014 and 2015. The Company's annual financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to, the annual financial statement for the years 2014 and 2015, which are incorporated by reference to this Information Memorandum, see Section 14.

8.1 Selected Income Statement Information

The table below sets out a summary of the Company's audited consolidated income statement information for the years ended December 31, 2014 and 2015.

Income Statement Information
SEK 1,000

	Year Ended December 31	
	Audited	**Audited**
	2015	**2014**
Continued operations		
Net income	4,437	—
Other operating income	—	75
Total operating income	4,437	75
Other external expenses	(29,940)	(9,927)
Personnel expenses	(5,089)	187
Results from equity accounted participations	—	—
Operating result before depreciations and impairment losses	(30,592)	(9,665)
Depreciation/amortization and impairment loss on tangible, intangible & financial fixed assets	(837)	—
Operating results after depreciation and impairment losses	(31,429)	(9,665)
Financial revenue	329	3,105
Financial expenses	(30,218)	(3,111)
Total financial items	(29,889)	(6)
Result before tax	(61,318)	(9,671)
Income tax	—	—
Results for the period from remaining operations	(61,318)	(9,671)
Loss from discontinued operations	(105,288)	(36,336)
Result for the period including discontinued operations	(166,606)	(46,007)
Result for the period attributable to:		
Equity holders of the parent company	(166,606)	(45,986)
Non-controlling interest	—	(21)
Result for the period	(166,606)	(46,007)
Result per share before and after dilution including discontinued operations	(1.25)	(1.54)
Result per share before and after dilution excluding discontinued operations	(0.46)	(0.32)
Average number of shares (millions)	133.7	29.8

8.2 Selected Statement of Financial Position Information

The table below sets out a summary of the Company's audited consolidated balance sheet information as of December 31 2014 and December 31 2015.

Statement of Financial Position Information
SEK 1,000

	Year Ended December 31	
	Audited	**Audited**
	2015	**2014**
Assets		
Intangible fixed assets		
Mineral interests	—	111,676
Customer relationships	37,125	—
Database	7,530	—
Other intangible assets	448	—
Goodwill	124,467	—
Tangible fixed assets		
Plant and machinery	549	551
Long-term financial assets		
Other long-term investments	267	359
Long-term receivables	—	31
Total fixed assets	170,386	112,617
Other receivables	58,284	696
Prepaid expenses	3,760	161
Cash and cash equivalents	372,375	61,502
Total current assets	434,419	62,359
Total assets	604,805	174,976
Equity and liabilities		
Equity attributable to equity holders of the parent company		
Share capital	298,307	45,405
Other paid-in capital	1,468,788	1,256,648
Reserves	(96)	—
Retained earnings and profit for the period	(1,290,007)	(1,141,416)
	476,992	160,637
Non-controlling interest	—	157
Total equity	476,992	160,794
Liabilities		
Long-term liabilities		
Convertible loan	5,000	5,000
Deferred tax liabilities	11,357	—
Other long-term liabilities	500	4,000
Total long-term liabilities	16,857	9,000
Long-term liabilities		
Accounts payable	12,420	1,560
Short-term loans and borrowings	74,051	1,146
Accrued expenses and prepaid income	24,485	2,475
Total current liabilities	110,956	5,181
Total equity and liabilities	604,805	174,976
Pledged assets	4,000	31
Contingent liabilities	—	—

8.3 Selected Cash Flow Information

The table below sets out a summary of the Company's audited consolidated cash flow statement for the years ended December 31 2014 and 2015.

Cash Flow Statement Information
SEK 1,000

	Year Ended December 31	
	Audited	**Audited**
	2015	**2014**
Cash flow from operations		
Results after financial items	(166,606)	(46,007)
Adjustments for non-cash items	134,586	31,468
Total cash flow from operations before change in working capital	(32,020)	(14,539)
Change in working capital		
Increase/decrease in receivables	2,133	2,041
Increase/decrease in short-term liabilities	5,852	(4,665)
Total cash flow from operations	(24,036)	(17,163)
Cash flow use for investments		
Purchase of intangible fixed assets	—	(5,162)
Purchase of tangible fixed assets	—	(691)
Purchase of financial fixed assets	(82,691)	—
Sale of financial fixed assets	—	2,000
Total cash flow used for investments	(82,691)	(3,853)
Financial activities		
New share issue	460,386	74,081
Costs related to fundraising	(24,281)	(7,950)
Raised credits	—	1,098
Amortization of debt	(1,099)	—
Total cash flow from financial activities	435,006	67,229
Change in cash and bank	328,279	46,213
Exchange difference in liquid funds	(17,406)	—
Cash and bank on January 1	61,502	15,289
Cash and bank at the end of the reporting period	372,375	61,502
Adjustment for non-cash items		
Impairment losses on intangible fixed assets	104,310	3,685
Depreciation of tangible fixed assets	973	180
Exchange loss	19,771	(1,081)
Loss from sold companies	9,532	30,000
Other	—	(1,316)
Total	134,586	31,468

8.4 Discontinued operations

The term “Discontinued Operations” refers to the nickel and mining activities that were sold on December 31, 2015. The below table shows the revenues and costs relating to the discontinued operations. These amounts have been excluded from the consolidated statement of loss for the Group.

The nickel operations were discontinued on the last day of 2015. The nickel subsidiaries were sold to Archelon and paid via newly issued Archelon shares. Axactor received shares corresponding to 4.6 per cent of the capital and votes of the buyer. This financial effect from disposing of the nickel units was SEK -114 million in 2015. The major part thereof is accounted for as impairment, and then there also arose a minor realization loss in the external accounts of Axactor on deconsolidation of said units.

The below table shows the revenues and costs relating to the discontinued operations. These amounts have been excluded from the consolidated statement of loss for the Group.

Income Statement Information
SEK 1,000

	Year Ended December 31	
	Audited	**Audited**
	2015	**2014**
Other operating income	40	219
Total operating income	40	219
Other external expenses	(588)	(2,729)
Personnel expenses	(297)	39
Depreciation/impairment of fixed assets	(104,447)	(33,865)
Operating result	(105,292)	(36,336)
Financial revenue	4	—
Financial expenses	—	—
Total financial items	4	—
Result before tax	(105,288)	(36,336)
Income tax	—	—
Loss from discontinued operations	(105,288)	(36,336)

Cash Flow Statement Information
SEK 1,000

	Year Ended December 31	
	Audited	**Audited**
	2015	**2014**
Cash flow from operations		
Results after financial items	(104,717)	(34,866)
Adjustments for non-cash items	101,801	32,037
Income tax paid	—	—
Total cash flow from operations before change in working capital	(2,916)	(2,829)
Total cash flow from change in working capital	(1,864)	(6,815)
Total cash flow used for investments	—	(473)
Total cash flow from financial activities	4,772	—
Change in cash and bank	(8)	(10,117)
Cash and bank on January 1	135	10,252
Cash and bank at the end of the reporting period	127	135
Adjustment for non-cash items		
Impairment losses on intangible fixed assets	101,665	32,037
Depreciation of tangible fixed assets	136	—
Other	—	—
Total	101,801	32,037

8.5 Auditor and Audit Reports

The Company's independent auditor is PriceWaterhouseCoopers AB, or PWC, with responsible main auditor being Johan Palmgren. PWC has been the Company's independent auditor since December 2014. PWC's address is at Skånegatan 1, 405—32 Göteborg. Johan Palmgren is a member of the Swedish Institute of Public Accountants (Sw. *Föreningen Auktoriserade Revisorer*).

Prior to PWC, the Company's auditor was Mazars Set AB in the period from April 2013 to December 2014, and prior to Mazars Set AB the Company's auditor was KPMG AB since July 2011.

In March 2013, KPMG resigned, at their own request, after having expressed to the Board of Directors at that time that they did not understand the business logics behind a proposed transaction relating to Ghana Gold, as further discussed in Section 13 "Legal Matters". KPMG had raised a number of questions and had meetings with representatives of the Board of Directors. KPMG concluded that the transaction had a "suspicious character", and on these grounds they notified the Economic Crimes Authority of Sweden on their suspicions.

In the audit of the Group's financial statements for the financial year 2013, Mazars Set AB refrained from making an opinion as a result of the following (extracted from the 2013 auditor’s report):

> "*A significant proportion of the Group and Parent Company's assets include investments in nickel operations in Sweden. These investments are difficult to evaluate as they have not yet shown any return and in the current market conditions there are few transactions that could provide guidance for the value. The Company and the group are in need of additional financing in order to be able to continue to develop the nickel assets. The assets have been valued under the assumption of going concern. I have not been able to obtain enough audit evidence regarding the availability of financing in order to ascertain that the going concern assumption is correct. Therefore I cannot make any statement on the value of the nickel related assets of the Company.*
>
> *As a result of the conditions described in the paragraph “Basis to refrain from opinion” we cannot state whether the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with Annual Accounts Act, and the consolidated accounts have been prepared in accordance with the Annual Account Act and present fairly, in all material respects, the financial position of the group as of 31 December 2013. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts. As a result of these circumstances, I can neither agree nor disagree to recommend that the annual meeting of shareholders adopt the income statements and balance sheets and statement of comprehensive income and statement of financial position for the group.*"

Mazars Set AB auditor also refrained from making a statement and expressed an adverse opinion, the reason for which was a former Board of Directors decision to acquire Ghana Gold and the prepayment of SEK 50 million, which was paid to the seller prior to the acquisition being approved at the Company’s General Meeting (a transaction which was subsequently disapproved by the General Meeting; see Section 13 "Legal Matters" for further information. In relation thereto, the auditor made a statement as follows (extracted from the 2013 auditor’s report):

> "*As stated in my Report on the financial statements, I can neither agree nor disagree that the annual meeting of shareholders adopt the income statement or the balance sheet. During January 2013 the then appointed Board of Directors consisting of Jukka Kallio, Ulrik Jansson, Hans Lindroth and Terje Lien decided to acquire 100 percent of the capital and votes of Ghana Gold AB. The decision to acquire Ghana Gold AB demanded the consent of a General Meeting. Before the General Meeting was provided with the opportunity to vote on the matter, the Board of Directors decided to disburse a prepayment to the sellers in an amount of 50 million SEK. The General Meeting subsequently rejected the proposed acquisition, which implied that the prepayment was to be returned. This has not yet happened. I have demanded explanations and documentation from the Board of Directors concerning the transaction, which I have received. My opinion is that even considering these presented explanations and documentation, it may be questionable if the acquisition and prepayment have been conducted with sufficient data and reasonable analysis of the risks that have resulted for the Company and its shareholders given the financial position of the Company. The appointed auditor of the Company at the time of the decision to acquire Ghana Gold AB, Mrs. Birgitta Gustafsson, decided to submit a notice to the prosecutors regarding suspected crime in accordance with the provisions in the Swedish Companies Act. The notice was not submitted on grounds of evident criminal activity, but on suspicion of such activity. I consider that the responsible Board Directors at that time have acted in negligence and that they may be held responsible for the damage caused to the Company as a result of the prepayment in respect of the Ghana Gold AB acquisition.*
>
> *As a result of the conditions described in paragraph "Basis to refrain from statement and to express an adverse opinion”"I can neither agree nor disagree that that the annual meeting of shareholders decides on the appropriation of the profit and loss in accordance with the proposal in the statutory administration report. As a result of the conditions described in paragraph "Basis to refrain from statement and to*

express an adverse opinion" I recommend the Annual General Meeting not to discharge the previous Board Directors Jukka Kallio, Ulrik Jansson, Hans Lindroth and Terje Lien from liability for the financial year 2013. I do recommend to discharge the other Board Directors and Managing Director active during financial year 2013 from liability".

The 2015 annual report of Axactor has been audited by PWC. The auditor's report for the financial year 2015, as issued by PWC, included a qualified opinion related to the below information concerning the lack of audit evidence relating to the carrying value of accrued legal fees of SEK 13,542,583. The below is an extract and should be read in connection with the complete audit report for 2015, as incorporated as a reference document to this Information Memorandum. The 2015 annual report of the Company is also included as an appendix in this Information Memorandum, see Appendix B.

In the consolidated balance sheet as of 31 December 2015, an accrued cost of SEK 13,542,583 is recognised which relates to the company's assessment of the cost that will be invoiced to the company in 2016 for services rendered in 2015. The cost relates to external hired assistance for legal services in the operations in the Spanish subsidiary ALD Abogados SL. We have not been able to obtain sufficient and appropriate audit evidence relating to the carrying value of the accrued legal fees of SEK 13,542,583 due to the lack of documentation of the liability. Consequently, we have not been able to determine if any adjustments are necessary to the consolidated income statement or balance sheet.

8.6 Management discussion and analysis of financial performance for the twelve-month period ended 31 December, 2015 and 2014

In the following, the term “Discontinued Operations” refers to the nickel and mining activities that were sold on December 31, 2015. The term “Remaining Operations” refers to the parent company and the debt collection companies. Numbers for corresponding period in 2014 are in brackets.

8.6.1 **Income Statement**

The net post-tax full-year result for 2015 is SEK -166.6 million. The net result from remaining operations was SEK -61.3 million (SEK -9.7 million), while the result for discontinued operations was SEK -105.3 million (SEK -36.3 million). The total comprehensive result for the year as a whole was SEK -166.7 million (SEK -47.1 million).

Earnings per share (EPS) for the 12-month period ending 31 December 2015 amounted to SEK -0.46, excluding discontinued operations (SEK -0.32). EPS including discontinued operations totalled SEK -1.25 for 2015 and SEK -1.54 for 2014.

Sale revenues for the year amounted to SEK 4.4 million (SEK 0 million). The Spanish subsidiary ALD was consolidated into the group in December 2015, and its revenues therefore made a limited contribution to the group P&L. The nickel operations were at the pre-feasibility stage, and generated no revenues in either 2015 or 2014.

The loss of SEK -166.6 million for the year is mainly attributable to the almost full impairment of the nickel operation in 2015 and the resulting impairment costs and realisation loss of SEK 113.8 million.

Transaction costs relating to the acquisition of ALD in Spain amounted to SEK 15.7 million. Unrealised foreign exchange losses amounted to SEK 19.9 million, as the majority of cash was held in NOK.

As the nickel operations are classified as discontinued operations, essentially all of the group’s recorded depreciation and impairment charges relate to the discontinued part of the business. Depreciation and impairment pertaining to discontinued operations amounted to SEK -104.4 million (SEK -33.9 million) in 2015.

Net financial items relating to remaining operations amounted to SEK –29.9 million (SEK 0 million) in 2015. This figure includes a realisation loss of SEK -9.5 million in respect of the divested nickel subsidiaries and an unrealised foreign exchange loss of SEK -19.9 million.

8.6.2 **Cash flow**

Axactor had cash flow of SEK 310.8 million during the 12-month period January–December 2015 (SEK 46.2 million). The positive figure for 2015 is the result of sizable share issues in the last quarter of 2015.

At the end of December 2015, Axactor's assets totalled SEK 604.8 million, compared to SEK 175.0 million at the end of 2014. The nickel subsidiaries were deconsolidated by year-end 2015. The Spanish subsidiary ALD has been included in the group balance sheet, as have the net issue proceeds received in November and December 2015, after deduction for various issue and legal costs. Further, in early December 2015, the sellers of ALD received cash consideration of EUR 10 million and EUR 5 million in newly issued Axactor shares.

Investments in 2015 amounted to SEK 188.4 million, all related exclusively to the ALD acquisition.

8.6.3 **Financial position**

At the end of December 2015, cash and cash equivalents amounted to SEK 372.4 million (SEK 61.5 million). Most of the liquid assets are held in the Norwegian currency, NOK. At year-end, equity totalled SEK 477.0 million (SEK 160.8 million), representing an equity ratio of 79 per cent.

Short-term loans and other short-term liabilities amounted to SEK 111.0 million (SEK 5.2 million) at the end of the fourth quarter of 2015. Approximately half of this amount relates to an earnout agreement linked to the ALD acquisition and a post-closing adjustment for ALD's actual working capital on the takeover date. These two components were estimated to have a joint value of SEK 51 million at the end of December 2015, and form part of the Axactor group's total short-term liabilities.

Based on the strategy and ramp-up plan for Axactor, the board has proposed that no dividend be paid for 2015.

The auditor´s report includes a remark related to an accrued cost of SEK 13,5 million which in the opinion of the auditor has not been sufficiently documented. The accrual relates to the company's assessment of the cost that will be invoiced to the company in 2016 for services rendered in 2015. The cost relates to external hired assistance of legal services pertaining to collection activities in ALD. The board acknowledges the remark as it reflects a conservative approach to cost provisions for external services, and recognizes that the newly acquired ALD for 2016 and going forward will be keeping the accounts in accordance with IFRS principles and the Axactor Group's accounting policy.

8.6.4 **Operations ALD**

In 2015 ALD had total revenues according to IFRS of approximately EUR 10 million with an EBITDA-result of EUR 3.7 million. In 2014 ALD's revenues were some EUR 7 million implying continued growth in the local market during the last year. However, only the proportion of ALD's revenues attributable to the post acquisition period (SEK 4.4 million during December 2015) have been incorporated into the Axactor group's P&L account.

8.6.5 **Segment reporting**

The Company' segment reporting is included in the Company's annual reports, which is incorporated as a reference document in this Information Memorandum. The overview of reference documents is shown in section 14.2 in this Information Memorandum. As stated in Section 14.3, the segment reporting for 2015 is given in the annual report for the year, page 30.

8.7 Significant Changes in the Group's Financial and Trading Position Since December 31, 2015

Since December 31, 2015, which is the date of the Group's last reported balance sheet, the following significant changes in respect of the Group have occurred:

- On 18 January 2016 Axactor published that it had opened and commissioned its new call-centre in Spain in Valladolid. At the date of this Information Memorandum, 58 FTEs are employed in the collection activities in Valladolid.
- On 20 January 2016 Axactor disclosed that it has entered into a third party collection agreement with Santander Consumer Finance in Spain.

- In early February 2016 Axactor repaid a loan of SEK 5 million extended in 2010 by Swedish state-owned fund Norrlandsfonden.
- On 12 February 2016, Axactor acquired an unsecured NPL portfolio originally generated by a Spanish local savings bank. The portfolio includes unsecured loans with a total outstanding balance of approximately EUR 500 million and more than one hundred thousand open accounts of Individuals and SMEs. Axactor paid around 3% to acquire the portfolio. On March 3, 2016, Axactor acquired an unsecured NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured loans with a total outstanding balance of approximately EUR 18 million, with more than seven thousand open accounts of individuals and a solid paying book.
- On 16 March 16, 2016, the Group entered into a Share Purchase Agreement, or SPA, for the IKAS Acquisition. The acquisition was closed on 7 April 7, 2016. IKAS was Established in 1988 by Kjell Reiersrud, and is today one of Norway’s most reputable suppliers of invoice administration and debt collection. IKAS delivers market leading and modern payment solutions for selected small to medium sized businesses across all sectors.
- On 16 March 2016, the Company entered into final agreement for a New Debt Facility with DNB a new debt facility of EUR 25 million.
- On 17 March 17, 2016, Axactor signed an agreement to acquire an NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured and secured loans with a total outstanding balance of approximately EUR 221 million, with more than twenty-five thousand open accounts of individuals and a solid paying book.

The Company is not aware of any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group’s prospects for the current financial year.

9. PRO FORMA FINANCIAL INFORMATION

9.1 Purpose of the unaudited pro forma condensed financial information

Axactor AB (the “Company”) has acquired 100% of the shares of IKAS Norge AS and its subsidiaries IKAS Øst AS, IKAS AS, IKAS Nord AS, IKAS Nordvest AS and IKAS Vest AS ("IKAS-companies"). Pursuant to the share purchase agreement, the Company will also purchase the minority stakes in these subsidiaries which are not already owned by IKAS Norge AS. The agreement was signed on 16 March 2016 and the acquisition was successfully completed on 7 April 2016. The purchase price of the acquisition is NOK 290.9 million (SEK 277.7 million), subject to adjustments for changes in cash, debt and working capital. This post closing adjustment will be based on a consolidated statement of financial position as of 7 April 2016 which will be prepared by the Company within 90 days after the completion date of transaction. 70% of the purchase price is to be paid in cash, and 30% in 49,033,589 shares in Axactor AB issued at price of NOK 1.78 per share. Consequently, the cash consideration to the sellers of IKAS-companies will be approximately NOK 203.7 million (SEK 194.4 million).

ALD Abogados, a Spanish debt collection company was acquired by Axactor AB in November 2015 and was consolidated by Axactor AB from December 2015.

These acquisitions trigger pro forma information (the “Pro Forma Triggering Acquisitions”).

The unaudited pro forma condensed financial information has been prepared to comply with the applicable EU-regulations including EU Regulation No 809/2004. This information is not in compliance with SEC Regulation S-X, and had the securities been registered under the U.S: Securities Act of 1933, this unaudited pro forma condensed financial information, including the report by the auditor, would have been amended and / or removed from the offering document.

The unaudited pro forma condensed financial information has been prepared for illustrative purposes to show how the Pro Forma Triggering Acquisitions might have affected the Company’s unaudited consolidated condensed statement of income for 2015 as if the acquisitions occurred on 1 January 2015 and the unaudited consolidated condensed statement of financial position as of 31 December 2015 as if the acquisition of IKAS occurred on the date of the statement of financial position.

The acquisition of ALD Abogados is reflected in the 31 December 2015 statement of financial position of the Company but not fully reflected in the 2015 income statement.

Because of its nature, the unaudited pro forma condensed financial information addresses a hypothetical situation, and, therefore, does not represent the Company’s actual financial position or results if the Pro Forma Triggering Acquisitions had in fact occurred on those dates and is not representative of the results of operations for any future periods. Investors are cautioned not to place undue reliance on this unaudited pro forma financial information.

The Company has for the purposes of the pro forma financial information performed a purchase price allocation (PPA) in which the identifiable assets, liabilities and contingent liabilities of IKAS have been identified. The acquisition of ALD and the PPA has been reflected in the 31 December statement of financial position of Axactor AB.

The PPAs have formed the basis for the amortization charges in the pro forma condensed statements of income and the IKAS PPA has formed the basis for the presentation in the pro forma condensed statement of financial position. The final allocation may significantly differ from this allocation and this could materially have affected the amortization of excess values in the pro forma condensed statements of income and the presentation in the pro forma condensed statement of financial position. The main uncertainty relates to the valuation of customer relationship and database.

The purchase price allocation and details on the consideration for the shares in the IKAS-companies are presented in note 2A below.

9.2 Basis for preparation

The pro forma financial information is compiled based on the following historical financial information:

Axactor AB

- Audited financial statements of Axactor AB for 2015 prepared in accordance with IFRS as adopted by EU (IFRS)

ALD Abogados

- Unaudited figures for the profit and loss of ALD Abogados in the period from 1 January to 30 November 2016 prepared in accordance with Spanish GAAP.
- Historical financial information of ALD Abogados is prepared in EUR and translated to SEK for the purpose of the pro forma financial information.

Ikas Norge AS and subsidiaries

- 2015 audited separate financial statements of Ikas Norge AS, Ikas AS, Ikas Øst AS, Ikas Nord AS and Ikas Vest AS prepared in accordance with Norwegian GAAP.
- 2015 unaudited financial statements of Ikas Nordvest AS (exempted from audit).
- IKAS Norge AS has not prepared consolidated financial statements. Historical financial information for the IKAS-companies has thus been aggregated for the purpose of the unaudited pro forma financial information. For purposes of the pro forma financial information the parent company's (Ikas Norge AS) investments in subsidiaries (non-current financial assets) and intra-group transactions, receivables and debt balances have been eliminated. Note 3A shows the unadjusted historical financial information and the eliminations for the IKAS-companies.
- Historical financial information of IKAS Norge AS and subsidiaries is prepared in NOK and translated to SEK for the purpose of the pro forma financial information. We refer to note 4A for the figures in NOK and note 3A for the figures in SEK.

The unaudited pro forma condensed statements of income of the Company are prepared in a manner consistent with the accounting policies of the Company (IFRS as adopted by EU) applied in 2015. Please refer to the 2015 financial statements for a description of the accounting policies.

The unaudited pro forma condensed financial information for the Company does not include all of the information required for financial statements under IFRS, and should be read in conjunction with the historical information of the Company.

The unaudited pro forma financial information has been prepared under the assumption of going concern.

The unaudited pro forma financial information is presented in SEK, which is the presentation currency of the Company.

For purposes of the unaudited pro forma financial information the statements of income of the IKAS-companies have been translated from the functional currency (NOK) to SEK based on the average exchange rate for the period and the statements of financial position has been translated to SEK based on the exchange rate at the balance sheet date. For this purpose, the following exchange rates have been used:

- Average for 2015 NOK/SEK of 0.9571
- 31 December 2015 NOK/SEK of 1.0475

The following exchange rate has been used to translate equity transactions from NOK to SEK:

- 31 December 2015 NOK/SEK of 1.0475

For purposes of the unaudited pro forma financial information the statement of income of ALD has been translated from the functional currency (EUR) to SEK based on the average exchange rate for the period. For this purpose, the following exchange rate has been used:

- Average Jan-Nov 2015 SEK/EUR of 9.3614

9.3 Unaudited pro forma financial information

Unaudited pro forma condensed statements of income 2015

All numbers in SEK thousands	Historical financial information Axactor AB IFRS Jan. 1 - Dec. 31, 2015 (audited)	ALD Abogados Spanish GAAP Jan. 1 - Nov. 30 2015 (unaudited)	ALD Abogados IFRS-adjustments Jan. 1 - Nov. 30 2015 (unaudited)	ALD Abogados Pro forma adjustments Jan. 1 - Nov. 30 2015 (unaudited)	Historical financial information IKAS-companies Norwegian GAAP Jan. 1 - Dec. 31, 2015 (unaudited)	IKAS-companies IFRS-adjustments Jan. 1 - Dec. 31, 2015 (unaudited)	Pro forma adjustments Jan. 1 - Dec. 31, 2015 (unaudited)	Notes	Pro forma Jan. 1 - Dec. 31, 2015 (unaudited)
Rendering of services	-	90,740.0	-	-	93,612.2	-	-		184,352.3
Other operating Income	4,437.0	-	-	-	270.6	-	-		4,707.6
Gross Revenues	**4,437.0**	**90,740.0**	**-**	**-**	**93,882.8**	**-**	**-**		**189,059.9**
Cost of sales	-	-35,715.5	-	-	-	-	-		-35,715.5
Other external expenses	-29,940.0	-5,761.9	-	-	-17,319.4	-	-2,002.0	2B	-55,023.2
Personnel expenses	-5,089.0	-11,436.8	-	-	-48,417.0	-	-		-64,942.8
Operating result before depreciations and impairment losses	**-30,592.0**	**37,825.8**	**-**	**-**	**-65,736.4**	**-**	**-2,002.0**		**33,378.3**
Depreciation/amortization and impairment loss on tangible and intangible assets	-837.0	-	-	-8,179.5	-1,190.4	-	-13,983.4	2A	-24,190.4
Operating results after depreciation and impairment losses	**-31,429.0**	**37,825.8**	**-**	**-**	**26,956.0**	**-**	**-15,985.3**		**9,188.0**
Financial revenue	329.0	2.8	-	-	5,651.4	-	-0.3	2F	5,982.9
Financial expenses	-30,218.0	-55.0	-	-	-63.8	-	-6,846.6	2F	-37,183.4
Other financial income	-	0.0	-	-	-	-	-		0.0
Other financial cost	-	-0.0	-	-	-	-	-		-0.0
Result before tax	**-61,318.0**	**37,773.6**	**-**	**-**	**32,543.6**	**-**	**-22,832.2**		**-22,012.5**
Income tax	-	-11,191.7	-	2,290.3	-7,425.2	-	3,495.8	2E	-12,830.8
Results for the period from remaining operations	**-61,318.0**	**26,582.0**	**-**	**-**	**25,118.4**	**-**	**-19,336.4**		**-34,843.3**
Loss from discontinued operations	-105,288.0	-	-	-	-	-	-		-105,288.0
Result for the period including discontinued operations	**-166,606.0**	**26,582.0**	**-**	**-**	**25,118.4**	**-**	**-19,336.4**		**-140,131.3**

Unaudited condensed pro forma statement of financial position 31 December 2015

All numbers in SEK thousands	Historical financial information Axactor AB 31 December 2015 (audited)	Historical financial information IKAS-companies 31 December 2015 (unaudited)	IKAS-companies IFRS-adjustments 31 December 2015 (unaudited)	Pro forma adjustments 31 December 2015 (unaudited)	Notes	Pro forma 31 December 2015 (unaudited)
ASSETS						
Fixed assets						
Intangible fixed assets						
Customer relationships	37,125.0	-	-	59,403.3	2A	96,528.3
Database	7,530.0	-	-	12,616.2	2A	20,146.2
Other Intangible assets	448.0	1,378.7	-	-1,378.7	2A	448.0
Goodwill	124,467.0	-	-	212,690.5	2A	337,157.5
Tangible fixed assets						
Plant and Machinery	549.0	-	-	-		549.0
Tangible assets (not specified)	-	7,930.6	-	-		7,930.6
Long-term financial fixed assets						
Non-current financial assets	-	1,806.7	-	-		1,806.7
Other long-term investments	267.0		-	-		267.0
Total fixed assets	**170,386.0**	**11,116.0**	**-**	**283,331.4**		**464,833.4**
Current assets						
Trade receivables	-	6,018.5	-	-		6,018.5
Other receivables	61,257.0	3,597.5	-	-		64,854.5
Prepaid expenses	787.0	-	-	-		787.0
Cash and cash equivalents	372,375.0	34,637.9	-	-57,550.0	2C	349,462.9
Financial assets	-	-	-	1,240.3	2A	1,240.3
Total current assets	**434,419.0**	**44,254.0**	**-**	**-56,309.7**		**422,363.3**
TOTAL ASSETS	**604,805.0**	**55,370.0**	**-**	**227,021.6**		**887,196.7**
EQUITY						
Equity attributable to equity holders of the Parent Company						
Share capital	298,307.0	1,909.3	-	81,412.8	2D	381,629.1
Other paid in capital	1,468,788.0	19.1	-	-19.1	2D	1,468,788.0
Reserves	-96.0		-	-		-96.0
Other retained earnings and profit for the period	-1,290,007.0	10,365.2	19,704.1	-11,212.7	1A, 2D	-1,271,150.4
Total equity	**476,992.0**	**12,293.6**	**19,704.1**	**70,181.0**		**579,170.7**
LONG TERM LIABILITIES						
Convertible loan	5,000.0	-	-	-		5,000.0
Interest-bearing loans and borrowings	-	579.2	-	111,096.1	2F	111,675.3
Other long-term liabilities	500.0	200.5	-	-		700.5
Deferred tax liabilities	11,357.0	466.9	-	17,970.5	2A, 2E	29,794.4
Total long term liabilities	**16,857.0**	**1,246.6**	**-**	**129,066.6**		**147,170.2**
CURRENT LIABILITIES						
Trade and other payables	-	4,020.1	-	-		4,020.1
Account payables	12,420.0	-	-	-		12,420.0
Interest-bearing loans and borrowings	-	-	-	27,774.0	2F	27,774.0
Short term loans and borrowings	5,542.0	-	-	-		5,542.0
Other liabilities	-	5,273.5	-	-		5,273.5
Public duties payable	-	6,132.3	-	-		6,132.3
Income tax payables	-	6,700.3	-	-		6,700.3
Accrued expenses and prepaid income	92,995.0	-	-	-		92,995.0
Dividends	-	19,704.1	-19,704.1	-	1A	-
Total current liabilities	**110,957.0**	**41,830.3**	**-19,704.1**	**27,774.0**		**160,857.3**
TOTAL EQUITY AND LIABILITIES	**604,806.0**	**55,370.5**	**-**	**227,021.6**	**-**	**887,198.1**

9.4 Notes to the unaudited pro forma financial information

Note 1A IFRS adjustments

No differences have been identified between Spanish GAAP and IFRS for ALD Abogados for the period 1 January 2015 to 30 November 2015.

The IKAS companies have in the 31 December statement of financial position provided for dividends proposed by the board of directors in 2016. Under IFRS no liability is to be recorded.

Note 2A Purchase Price Allocation IKAS

The total consideration for the shares in the IKAS-companies is estimated to be NOK 290.9 million (SEK 277.7 million), subject to adjustments for changes in cash, debt and working capital at the date of completion of the transaction. 70% of the purchase price is to be paid in cash, and 30% in 49,033,589 shares in Axactor AB at a subscription price of NOK 1.78. Consequently the, cash consideration to the sellers of IKAS-companies will be approximately NOK 203.7 million (SEK 194.4 million).

For the purpose of the pro forma financial information, the consideration is translated using the SEK/NOK exchange rate as of 31 December 2015.

All numbers in SEK thousands	
Cash consideration	194,418
Share consideration	83,322
Total purchase price	**277,740**

The table below illustrates a reconciliation of total fair value of assets and liabilities and goodwill:

All numbers in SEK thousands	
Fair value adjustments	71,890
Deferred tax liability	-17,970
Book value of equity	11,131
Fair value of assets and liabilities	**65,050**
Purchase price for shares	277,740
Less fair value of assets and liabilities	65,050
Goodwill	**212,690**

The table below sets out the book value and fair value of identifiable assets and liabilities of the IKAS-companies, as well as the fair value adjustments:

All numbers in SEK thousands	**Book Value 31.12.15**	**Fair Value incl. deferred tax 31.12.15**	**Fair Value adjustments incl. deferred tax**
Customer relationship	-	59,403.3	59,403.3
Database	-	12,616.2	12,616.2
Goodwill	-	212,690.5	212,690.5
Intangible assets	1,378.7	-	(1,378.7)
Tangible Assets	7,930.6	7,930.6	-
Financial assets	671.5	1,912.5	1,240.3
Trade receivables	6,008.2	6,008.2	-
Other receivables	846.3	846.3	-
Cash and cash equivilants	34,638.6	34,637.9	-
Total assets	**51,474.0**	**336,045.7**	**284,571.7**
Equity	11,130.7	277,731.9	266,601.2
Deferred taxes	468.8	18,439.3	17,970.5
Liabilities to financial institutions	579.2	579.2	-
Other long-term liabilities	200.5	200.5	-
Trade payables	4,020.1	4,020.1	-
Tax payable	6,686.0	6,686.0	-
Public duties payable	6,128.5	6,128.5	-
Dividends	15,083.5	15,083.5	-
Other current liabilities	7,176.7	7,176.7	-
Total shareholders' equity and liabilities	**51,474.0**	**336,045.7**	**284,571.7**

When it comes to the acquisition of IKAS-companies, the fair value of customer relationships and database are amortized linearly over the remaining useful life, estimated to be 5 years for customer relationship and 6 years for database. The table below shows the calculation of annual amortization of the fair value of these intangible assets.

Amortisations IKAS-companies			
	Useful Life (years)	**Fair Value (SEK '000)**	**Amortisations per year**
Customer relationship	5	59,403	11,881
Database	6	12,616	2,103
			13,983

When it comes to the pro forma adjustments of ALD Abogados, the fair value of customer relationships and database are amortized linearly over the remaining useful life, estimated to be 5 and 6 years respectively. The table below shows the calculation of annual amortization and pro forma amortisation of the fair value of these intangible assets based on the final Purchase Price Allocation of 30 November 2015. The exchange rate of 30 November 2015 (SEK/EUR of 9.2302) was used when converting the PPA from EUR to SEK.

Amortisations ALD Abogados				
	Useful Life (years)	**Fair Value (SEK '000)**	**Amortisations per year**	**Amortisations from 1 January to 30 November 2015**
Customer relationship	5	38,185	7,637	7,001
Database	6	7,716	1,286	1,179
			8,923	**8,180**

These pro forma adjustments will have continuing impact

Note 2B Transaction costs

The Company estimates the transaction costs related to the acquisition of the IKAS-companies to be SEK 2.0 million. These pro forma adjustments will not have continuing impact.

Note 2C Pro forma effect on cash and cash equivalents

The table below presents the pro-forma effect on cash and cash equivalents of SEK *-57.6* million in the unaudited condensed pro forma statement of financial position as of 31 December 2015.

All numbers in SEK thousands	
Initial cash consideration for IKAS-companies	-194,418
New debt facility DNB	138,870
Transaction costs related to the acquisition of IKAS-companies	-2,002
Pro forma cash adjustment	**-57,550**

These pro forma adjustments will not have continuing impact.

Note 2D Pro forma adjustments on the total equity

a) **Share capital**
The pro forma adjustment on share capital (SEK 81.4 million) is the increase in share capital as a result of 49,033,589 shares issued as Considerations Shares as part of the settlements to the sellers of IKAS-companies (SEK 83.3 million) and the elimination of share capital of the IKAS-companies of SEK 1.9 million.

b) **Other paid in capital**
The pro forma adjustment on other paid in capital of SEK 0.02 million is due to elimination of other paid in capital for IKAS-companies.

c) **Other retained earnings and profit for the period**
The pro forma adjustment of SEK -11.2 million comprises of the fair value adjustment of PPA of SEK 266.6 million, the share capital and other paid in capital for IKAS-companies of SEK 1.9 million and of SEK 0.02 respectively, reduced by consideration for the shares in IKAS-companies of SEK 277.7 million and transactions costs of SEK 2.0 million.

These pro forma adjustments will not have continuing impact.

Note 2E Tax effect of pro forma adjustments

The tax effects of the pro forma amortization of customer relationships and database are calculated using the nominal tax rate in Norway of 25% when it comes to the IKAS-companies and the nominal tax rate in Spain of 28% when it comes to ALD Abogados. Concerning IKAS-companies, the pro forma amortization of SEK 13.9 million in the unaudited pro forma condensed statement of income for 2015 has pro forma tax effects of SEK 3.5 million. While concerning ALD Abogados, the pro forma amortization of SEK 8.5 million in the unaudited pro forma condensed statement of income for 2015 has pro forma tax effects of SEK 2.4million. The pro forma adjustments will have continuing impact.

Note 2F Funding of the acquisition

The Company entered into final agreement for the New Debt Facility with DNB on 16 March 2016. When it comes to the acquisition of IKAS-companies, 50 % of the purchase price will be covered by the New Debt Facility. The Company further contemplates to carry out 49,033,589 Considerations Shares as part of the settlements to the sellers of IKAS-companies, covering 30 % of the purchase price. The remaining 20 % of the purchase price will be funded by Axactor's cash on hand.

The pro forma adjustment of SEK 0.3 million in the unaudited pro forma condensed consolidated income statement 2015 emerges as a consequence of reversal of interest income related to the amount of the purchase price funded by cash on hand (SEK 55.5 million), using the Company's interest rate p.a. of 0.5%.

The loan from DNB of SEK 138.9 million has duration of 5 years with linearly repayments and an interest rate NIBOR + 400 bps. The current portion of the loan is SEK 27.8 million, while the non-current portion is SEK 111.1 million. Calculated interested expense embedded in the unaudited consolidated condensed statements of income for 2015 for the mentioned loan is SEK 6.9 million.

Note 3A Aggregated figures of historical financial information for IKAS-companies

Income statement for 2015

All numbers in SEK thousands	Historical unadjusted financial information							
	Ikas Norge AS **Norwegian GAAP** **Jan. 1 - Dec. 31, 2015** (audited)	**Ikas AS** **Norwegian GAAP** **Jan. 1 - Dec. 31, 2015** (audited)	**Ikas Øst AS** **Norwegian GAAP** **Jan. 1 - Dec. 31, 2015** (audited)	**Ikas Vest AS** **Norwegian GAAP** **Jan. 1 - Dec. 31, 2015** (audited)	**Ikas Nord AS** **Norwegian GAAP** **Jan. 1 - Dec. 31, 2015** (audited)	**Ikas Nordvest AS** **Norwegian GAAP** **Jan. 1 - Dec. 31, 2015** (unaudited)	**IKAS** **Eliminations** **Jan. 1 - Dec. 31, 2015** (unaudited)	**IKAS-companies** **Norwegian GAAP** **Jan. 1 - Dec. 31, 2015** (unaudited)
Rendering of services	46,084	23,097	8,653	6,781	6,863	3,270	-1,136	93,612
Other operating Income	93	97	39	-	-	42	-	271
Gross Revenues	**46,177**	**23,194**	**8,692**	**6,781**	**6,863**	**3,312**	**-1,136**	**93,883**
Cost of sales	-	-	-	-	-	-		-
Other external expenses	-6,204	-5,122	-2,232	-1,961	-1,700	-1,237	1,136	-17,319
Personnel expenses	-20,479	-12,334	-5,591	-4,396	-3,779	-1,839	-	-48,417
Operating result before depreciations and impairment losses	**19,494**	**5,739**	**869**	**424**	**1,384**	**236**	**1,136**	**-65,736**
Depreciation/amortization and impairment loss on tangible, intangible & financial fixed assets	-527	-310	-143	-27	-103	-81	-	-1,190
Operating results after depreciation and impairment losses	**18,967**	**5,429**	**726**	**397**	**1,281**	**155**	**-**	**26,956**
Financial revenue	5,502	94	21	3	20	12	-	5,651
Financial expenses	-4	-19	-4	-1	-20	-17	-	-64
Other financial income	-	-	-	-	-	-	-	-
Other financial cost	-	-	-	-	-	-	-	-
Result before tax	**24,466**	**5,504**	**743**	**399**	**1,281**	**150**	**-**	**32,544**
Income tax	-5,256	-1,469	-203	-113	-346	-38	-	-7,425
Results for the period from remaining operations	**19,210**	**4,034**	**540**	**286**	**936**	**112**	**-**	**25,118**
Loss from discontinued operations	-	-	-	-	-	-	-	-
Result for the period including discontinued operations	**19,210**	**4,034**	**540**	**286**	**936**	**112**	**-**	**25,118**

Statement of financial position as of 31 December 2015

All numbers in SEK thousands	**Ikas Norge AS** **31 December 2015** (audited)	**Ikas AS** **31 December 2015** (audited)	**Ikas Øst AS** **31 December 2015** (audited)	**Ikas Vest AS** **31 December 2015** (audited)	**Ikas Nord AS** **31 December 2015** (audited)	**Ikas Nordvest AS** **31 December 2015** (unaudited)	**IKAS Eliminations** **31 December 2015** (unaudited)	**IKAS Group Norwegian GAAP** **31 December 2015** (unaudited)
ASSETS								
Fixed assets								
Intangible fixed assets								
Other Intangible assets	87	10	-	600	492	189	-	1,379
Tangible fixed assets								
Other tangible assets	4,139	2,037	922	34	295	504	-	7,931
Long-term financial fixed assets							-	-
Non-current financial assets	1,054	33	-	151	-	-	568	1,807
Total fixed assets	**5,281**	**2,081**	**922**	**786**	**786**	**693**	**568**	**11,116**
Current assets								
Trade receivables	213	2,768	1,212	841	644	341	-	6,019
Other receivables	2,934	288	38	5	129	8	2,488	5,889
Cash and cash equivalents	23,584	6,229	1,526	1,442	1,510	347	-	34,638
Total current assets	**26,730**	**9,285**	**2,775**	**2,288**	**2,283**	**696**	**2,488**	**46,545**
TOTAL ASSETS	**32,011**	**11,366**	**3,697**	**3,074**	**3,069**	**1,389**	**3,055**	**57,661**
EQUITY								
Equity attributable to equity holders of the Parent Company								
Share capital	1,909	95	286	382	286	286	-1,337	1,909
Other paid in capital	-	19	-	-	-	-	-	19
Other retained earnings and profit for the period	857	3,317	1,699	1,400	1,018	169	1,904	10,365
Total equity	**2,767**	**3,432**	**1,986**	**1,782**	**1,304**	**455**	**568**	**12,294**
LONG TERM LIABILITIES								
Interest-bearing loans and borrowings	-	168	-	-	242	169	-	579
Other long-term liabilities	-	-	-	-	-	200	-	200
Deferred tax liabilities	115	226	82	-	15	29	-	467
Total long term liabilities	**115**	**393**	**82**	**-**	**258**	**399**	**-**	**1,247**
CURRENT LIABILITIES								
Trade and other payables	3,037	578	108	164	60	72	-	4,020
Other liabilities	4,290	1,163	567	423	670	292	4,779	12,184
Public duties payable	2,657	1,663	585	600	455	171	-	6,132
Income tax payables	4,826	1,273	177	104	321	-	-	6,700
Dividends	14,320	2,864	191	-	-	-	-2,291	15,084
Total current liabilities	**29,129**	**7,541**	**1,629**	**1,292**	**1,507**	**536**	**2,488**	**44,121**
TOTAL EQUITY AND LIABILITIES	**32,010**	**11,366**	**3,697**	**3,074**	**3,068**	**1,390**	**3,055**	**57,661**

Note 4A Unadjusted historical financial information for IKAS-companies in their functional currency (NOK)

Income statement for 2015

All number NOK thousands	**Ikas Norge AS Audited**	**Ikas AS Audited**	**Ikas Øst AS Audited**	**Ikas Vest AS Audited**	**Ikas Nord AS Audited**	**Ikas Nordvest AS* Unaudited**
Rendering of services	44,107	22,106	8,282	6,490	6,569	3,130
Other operating Income	89	93	37			40
Revenues	**44,196**	**22,199**	**8,319**	**6,490**	**6,569**	**3,170**
Personnel expenses	-19,600	-11,805	-5,351	-4,207	-3,617	-1,760
Other operating expenses	-5,938	-4,902	-2,136	-1,877	-1,627	-1,184
EBITDA	**18,658**	**5,493**	**832**	**406**	**1,325**	**225**
Depreciation	-504	-296	-137	-26	-99	-77
EBIT	**18,154**	**5,196**	**695**	**380**	**1,226**	**148**
Financial income	5,266	90	20	3	19	11
Financial costs	-4	-18	-3	-1	-19	-16
EBT	**23,416**	**5,268**	**711**	**382**	**1,226**	**143**
Taxes	-5,030	-1,406	-194	-108	-331	-36
Net result	**18,386**	**3,862**	**517**	**274**	**895**	**107**

*Ikas Nordvest AS is excempted from audit

Statement of financial position as of 31 December 2015

All number NOK thousands	**Ikas Norge AS Audited**	**Ikas AS Audited**	**Ikas Øst AS Audited**	**Ikas Vest AS Audited**	**Ikas Nord AS Audited**	**Ikas Nordvest AS* Unaudited**
Intangible assets	91	11	-	629	515	198
Tangible assets	4,336	2,134	965	36	309	528
Financial assets	1,105	35	-	158	-	-
Non-current assets	**5,532**	**2,179**	**965**	**823**	**824**	**726**
Trade receivables	223	2,900	1,269	880	675	357
Other receivables	3,073	301	40	5	135	9
Cash and cash equivalents	24,704	6,525	1,598	1,511	1,581	364
Current assets	**28,000**	**9,726**	**2,907**	**2,396**	**2,391**	**729**
Total assets	**33,532**	**11,905**	**3,873**	**3,220**	**3,215**	**1,455**
Share capital	2,000	100	300	400	300	300
Other paid in capital		20				
Other retained earnings and profit for t	898	3,475	1,780	1,467	1,066	177
Equity	**2,898**	**3,595**	**2,080**	**1,867**	**1,366**	**477**
Deferred taxes	120	237	86	-	16	30
Liabilities to financial institutions	-	176	-	-	254	177
Other long-term liabilities	-	-	-	-	-	210
Non-current liabilities	**120**	**412**	**86**	**-**	**270**	**417**
Trade payables	3,181	605	114	172	63	76
Tax payable	5,055	1,333	186	109	336	-
Public duties payable	2,783	1,742	613	629	477	179
Dividends	15,000	3,000	200		-	-
Other current liabilities	4,494	1,219	593	443	702	306
Current liabilities	**30,513**	**7,899**	**1,706**	**1,353**	**1,578**	**561**
Total equity and liabilities	**33,531**	**11,905**	**3,873**	**3,220**	**3,214**	**1,455**

*Ikas Nordvest AS is excempted from audit

9.5 Auditor's statement to the pro forma financial figures

The Company's auditor PWC has issued a report on the pro forma financial information of Axactor. The report is included in Appendix A in this Information Memorandum. The report includes the below information concerning the lack of audit evidence relating to the carrying value of accrued legal fees of SEK 13,542,583. The below is an extract and should be read in connection with the complete auditor's statement included in Appendix A in the Information Memorandum.

> *As described in our auditors report on the consolidated financial statements as of 31 December 2015 for Axactor Group AB dated April 20, 2016, the consolidated balance sheet as of 31 December 2015, includes an accrued cost of SEK 13,542,583 which relates to the company's assessment of the cost that will be invoiced to the company in 2016 for services rendered in 2015. The cost relates to external hired assistance for legal services in the operations in the Spanish subsidiary ALD Abogados SL.*
>
> *We have not been able to obtain sufficient and appropriate audit evidence relating to the carrying value of the accrued legal fees of SEK 13,542,583 due to the lack of documentation of the liability. Consequently, we have not been able to determine if any adjustments are necessary to the consolidated income statement or balance sheet.*
>
> *Apart from the possible effects of the relationship as described above, the consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Axactor Group AB as of 31 December 2015 and of its financial performance for the year in accordance with International Financial Reporting Standards as adopted by the EU, and the Annual Accounts Act.*

10. CAPITAL RESOURCES

10.1 Overview; Sources and Uses of Funds

In the period from January 1, 2013 to the date of this Information Memorandum, the Group's primary sources of liquidity have been net proceeds from share issuances and borrowings. The principal uses of funds in 2013 related to the development of the Rönnbäcken nickel resource (amounting to SEK 1.4 million), general and administration costs, costs related to financing and legal advice, in addition to the SEK 50 million payment by the Company in connection with the Ghana Gold transaction; see Section 13 "Legal Matters". The principal uses of funds in 2014 related to the development of the Rönnbäcken nickel resource (amounting to SEK 3.1 million). The principal uses of funds in 2015 was related to the ALD-acquisition (some EUR 10 million paid in cash to the sellers of ALD in addition to EUR 5 million paid in kind via issued Axactor shares in early December 2015).

As of December 31, 2015, the Group had a net cash balance of approximately SEK 273 million. Through a private placement completed February 2016, the Company raised gross proceeds of NOK 106.1 million. After several acquisitions of NPL portfolios in 2016 and the IKAS acquisition, the Company's net cash balance is approximately NOK 120 million at the date of this Information Memorandum.

As of the date of this Information Memorandum, the Company is not aware of any restrictions on the use of its capital resources, other than restrictions under the New Debt Facilities of the Group, see Section 10.2 "—Borrowings". The Company is of the opinion that none of these restrictions have materially affected, or could materially affect, the Group's operations.

10.2 Borrowings

On October 15, 2015, Board of Directors of the Company approved a credit committee approved term sheet offer from DNB for a new debt facility of EUR 25 million. The Company entered into final agreement for the New Debt Facility with DNB on March 16, 2016.

Of the New Debt Facility of EUR 25 million, SEK 138.9 million has been drawn related to the cash consideration to be paid to the sellers of IKAS.

The loan from DNB has duration of 5 years with linearly repayments and a margin of 400 bps. The current portion of the loan is SEK 27.8 million, while the non-current portion is SEK 111.1 million.

According to the agreement, the New Debt Facility will be for a term of three years following signing and the purpose is to finance loan portfolios or the acquisition of companies solely in the business of collecting loan portfolios, and will include customary representation and warranties, covenants that the Group shall satisfy certain key ratios and events of default provisions.

At the date of this Information Memorandum, the Company is not in breach of, or near breaching, any covenants related to the New Debt Facility.

10.3 Investing Activities

For the year ended December 31 2014, and during the period up until the acquisition of ALD, the Group's principal investing activities related to the exploration and development of the Rönnbäcken nickel resources and the Group's exploration and exploitation permits relating thereto. These investing activities have mainly comprised of a pre-feasibility scoping study, a pre-feasibility study that has focused on environmental tests and the magnetite by-product, mineralogy studies, processing trials and re-logging of project drill core. Investing activities relating to the Rönnbäcken nickel resources in 2013 were significantly affected by the Ghana Gold transaction that involved the payment by the Company of SEK 50 million; see Section 13 "Legal Matters".

For the year ended December 31, 2014, the Group's capital expenditure relating to investing activities (all of which relates to the Rönnbäcken project) amounted to SEK 3.1 million.

The Group's capital expenditure in 2015 relating to investing activities amounted SEK 188.4 million, all in respect to the acquisition of ALD.

The Group's principal recent investing activities after December 31 2015 are given below.

- On 12 February, Axactor acquired an unsecured NPL portfolio originally generated by a Spanish local savings bank. The portfolio includes unsecured loans with a total outstanding balance of approximately EUR 500 million and more than one hundred thousand open accounts of Individuals and SMEs. Axactor paid around 3% to acquire the portfolio, equal to EUR 12,1 million.
- On 3 March 2016, Axactor acquired an unsecured NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured loans with a total outstanding balance of approximately EUR 18 million, with more than seven thousand open accounts of individuals and a solid paying book. Axactor paid EUR 1.1 million for the portfolio.
- On On 16 March 16, 2016, the Group entered into a Share Purchase Agreement, or SPA, for the IKAS Acquisition. The acquisition was closed on 7 April 7, 2016.
- On 17 March 2016, Axactor signed an agreement to acquire an NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured and secured loans with a total outstanding balance of approximately EUR 221 million, with more than twenty-five thousand open accounts of individuals and a solid paying book. Axactor paid EUR 15.3 million for the portfolio.

YTD 2016 capital expenditure amounts to EUR 28.8 million related to the purchase of loan portfolios acquired and NOK 203 million paid to the sellers of IKAS in April 2016. In addition the company is investing in IT systems and new office space in Madrid, and approx. EUR 1.5 million will be recorded in the Q1 2016 financial report to reflect the investments done year to date.

As of the date of this Information Memorandum, save for the IKAS Acquisition, the Group does not have any investments that are in progress, and there exist no future investments on which the management bodies of the Group have already made firm commitments.

10.4 Off-Balance Sheet Arrangements

The receivable from Alluvia Mining, the Group's counterparty in the Ghana Gold transaction, was at year-end 2014 determined to be a contingent asset, in accordance with IAS 37, and hence removed from the Group's balance sheet; see Section 13 "Legal Matters" for further information.

As of the date of this Information Memorandum, and other than as described above, the Group is not subject to any off-balance sheet arrangements which have had, or are reasonably likely to have, a current or future material effect on the Group's financial condition. This includes derivatives, currency hedges and any other financial instrument that could be used for hedging purposes.

10.5 Working Capital Statement

As of the date of this Information Memorandum, the Company is of the opinion that the Group's working capital is sufficient for its present requirements and, in particular, is sufficient for at least the next twelve months from the date of this Information Memorandum.

10.6 Capitalization and indebtedness

The tables below set out the Company's capitalization and net financial indebtedness as of December 31, 2015 both on an actual basis and on an adjusted basis to show the estimated effects of the IKAS Acquisition. You should read this information together with the other parts of this Information Memorandum, in particular Section 8 " Historical Financial Information" and Section 9 " Pro Forma Financial Information", as well as the Company's financial statements incorporated by reference into this Information Memorandum.

The "actual" columns in the tables below set out the Company's audited capitalization and net financial indebtedness, respectively, as of December 31, 2015 and have been based on the Company's audited consolidated financial statements as of and for the year ended December 31, 2015, whereas the "as adjusted" columns set out the Company's unaudited capitalization and net indebtedness, respectively, on an adjusted basis to show the estimated effects of the IKAS acquisition.

Investors are cautioned that the as adjusted figures included in the tables below are estimates which are associated with significant uncertainties.

Capitalization

SEK 1,000	As of December 31, 2015	
	Actual	**As Adjusted**[9]
Share capital	298,307	381,629
Other paid in capital	1,468,788	1,468,788
Other reserves	(96)	(96)
Other equity	(1,290,007)	(1,290,854)
Non-controlling interests	—	—
Total equity (A)	**476,992**	**559,467**
Total current liabilities	110,956	182,852
—of which is guaranteed/secured	—	—
—of which is unguaranteed / unsecured	110,956	182,852
Total non-current liabilities	16,857	147,170
—Guaranteed/Secured	—	—
—Unguaranteed / Unsecured	16,857	147,170
Total liabilities (B)	**127,813**	**330,022**
Total capitalization (A+B)	**604,805**	**889,488**

[9] The column ”As Adjusted” shows the position post the payment by the Company of the cash consideration to the sellers of IKAS as they would have occurred as at December 31, 2015

Net Financial Indebtedness

SEK 1,000	As of December 31, 2015	
	Actual	**As Adjusted[10]**
A. Cash	**372,375**	**349,463**
B. Cash equivalents	—	—
C. Trading securities	—	—
D. Liquidity (A)+(B)+(C)	**372,375**	**349,463**
E. Current financial receivables	—	—
F. Current bank debt	—	—
G. Bonds / other loans due within 1 year	—	—
H. Current portion of non-current debt	—	27,774
I. Other current financial debt	5,542	5,542
K. Current financial debt (F)+(G)+(H)+(I)	**5,542**	**33,316**
L. Net current financial indebtedness (K)-(E)-(D)	**(366,833)**	**(316,147)**
M. Non-current bank debt	—	111,675
N. Bonds due after 1 year	—	—
O. Other non-current financial debt	5,000	5,000
P. Non-current financial debt (M)+(N)+(O)	**5,000**	**116,675**
Q. Net financial indebtedness (L)+(P)	**(361,833)**	**(199,472)**

As of December 31, 2015, the Company did not have any indirect or contingent indebtedness.

[10] The column ”As Adjusted” shows the position post the payment by the Company of the cash consideration to the sellers of IKAS as they would have occurred as at December 31, 2015

11. CORPORATE INFORMATION; SHARES AND SHARE CAPITAL

The following Section provides summary corporate information and other information relating to the Company, the Shares and share capital of the Company, and certain provisions of the Company's Articles of Association and applicable Swedish and Norwegian law in effect as of the date of this Information Memorandum. The summary does not purport to be complete and is qualified in its entirety by applicable Swedish and Norwegian law.

11.1 Incorporation; Registration Number; Registered Office and Other Company Information

The Company, Axactor AB (publ.), is a Swedish public limited liability company (Sw. publikt aktiebolag), organized and existing under the laws of Sweden, pursuant to the Swedish Companies Act (Sw. aktiebolagslagen). The Company's is registered with the Swedish Companies Register (Sw. Bolagsregisteret) with registration number 556227-8043. The Company was incorporated on December 17, 1982.

The Company has its registered office at Hovslagargaran 5B, bottom floor, SE-111 48 Stockholm, Sweden, telephone number: +46 (0)8 402 28 00 and telefax: +46 (0)8 402 28 01, which also has served as the Company's head office. The Company plans to move its head office to Norway.

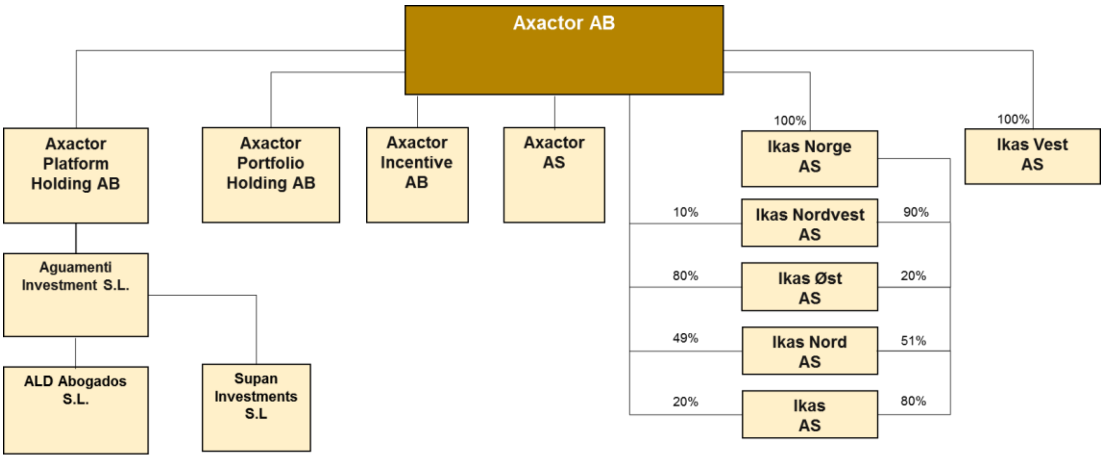
The Company’s statutory shareholder register, as maintained in accordance with the Swedish Companies Act, is operated through Euroclear Sweden. In order to facilitate registration of the Shares with the VPS, and hence trading of the Shares on the Oslo Stock Exchange, a portion of the Shares outstanding in the Company (i.e. those Shares that are tradeable on the Oslo Stock Exchange) are registered in the name of the Company's VPS Registrar, or its custodian bank, with the Company's statutory shareholder register maintained with Euroclear Sweden in accordance with Swedish law.

The Company's VPS Registrar, for the purposes of registration of the Shares in the Norwegian VPS system, is DNB Bank ASA, Registrars Department; whereas the Company's registrar with Euroclear Sweden is Nordea.

The Company is a holding company, and the operations of the Group are carried out through the operating subsidiaries of the Company.

11.2 Corporate Structure and Subsidiaries

The chart below depicts the Group's corporate structure (simplified), post completion of the IKAS Acquisition.



All subsidiaries are wholly owned (directly or indirectly) by the Company. The Spanish debt collection business of the Group is carried out through ALD Abogados S.L. Aguamenti Investments, S.L. is a holding company, whose principal purpose is to hold the shares in ALD Abogados S.L.

The registered address of the Company's subsidiaries are as follows:

- Axactor Platform Holding AB: Hovslagargatan 5B, SE-111 48 Stockholm, Sweden

- Aguamenti Investments, S.L.: calle Claudio Coello, 124-6, 28006 Madrid, Spain;
- ALD Abogados S.L.: Leonardo Asesores Financieros, S.A., Paseo de la Castellana 13, 28046 Madrid, Spain
- Supan Investments S.L: C/ Alcala 63, 4& Planta 28014 , Madrid, Spain
- Axactor Portfolio Holding AB: Hovslagargatan 5B, SE-111 48 Stockholm, Sweden
- Axactor Incentive AB: Hovslagargatan 5B, SE-111 48 Stockholm, Sweden
- Axactor AS: Sjølyst plass 2, 0278 Oslo, Norway
- IKAS Norge AS: Drammensveien 20, 3300 Hokksund, Norway
- IKAS Nordvest AS: Romsdalsgata 9, 6415 Molde, Norway
- IKAS Øst AS: Vangsvegen 33, 2318 Hamar, Norway
- IKAS Nord AS: Stalheimveien 2, 9403 Harstad, Norway
- IKAS AS: Drammensveien 20, 3300 Hokksund, Norway
- IKAS Vest AS: 4098 Tananger, Norway

11.3 Share Capital and Share Capital Development

As of the date of this Information Memorandum, the Company's share capital is SEK 328,107,180, consisting of 656,214,360 Shares, each fully paid up and with a par value of SEK 0.50.

The current articles of association allows for a maximum of 1,600,000,000 Shares to be issued. The Company does not hold any Shares in treasury.

The table below shows the development in the Company's share capital for the period from 1 January 2013 to the date hereof.

	Date	Capital Increase / Change (SEK)	Share Capital After Change (SEK)	Par Value of shares (SEK)	New / Redeemed Shares	Total Number of Outstanding Shares
Reverse share split (1:10) ...	December 12, 2013	—	45,437,306	2.50	-163,574,303	18,174,923
Share capital reduction	December 19, 2013	-36,349,845	9,087,461	0.50	—	18,174,923
Debt conversion..................	January 27, 2014	1,526,399	10,613,860.5	0.50	3,052,798	21,227,721
Debt conversion..................	May 30, 2014	737,309.5	11,351,170	0.50	1,474,619	22,702,340
Rights offering....................	November 20, 2014	34,053,510	45,404,680	0.50	68,107,020	90,809,360
Private Placement	November 24, 2015	200,000,000	245,404,680	0.50	400,000,000	490,809,360
Consideration Shares	December 10, 2015	22,902,500	268,307,180	0,50	45,805,000	536,614,360
Rights offering....................	December 28, 2015	30,000,000	298,307,180	0,50	60,000,000	596,614,360
Private Placement	February 26, 2016	29,800,000	328,107,180	0,50	59,600,000	656,214,360

11.4 Other Financial Instruments in Issue

The Company does not have in issue any convertible securities, exchangeable securities, warrants or other securities exchangeable into Shares in the Company.

For information about the Company management share option scheme, see Section 7.5 "Board of Directors and Management—Remuneration and Benefits".

11.5 Authorizations to Increase the Share Capital and to Issue Shares and Other Instruments

At the Company's Extraordinary General Meeting held on December 23, 2015, the Board of Directors of the Company was granted an authorization to issue up to 280 million new shares with or without observing the existing shareholders' preferential rights. This mandate entails a maximum dilution of 30% calculated in relation to the new number of outstanding shares post the November 2015 issues. This new mandate replaces the old mandate approved at the June 2015 Annual General Meeting of shareholders. The authorization expires at the next Annual General Meeting of the Company 26 May, 2016.

11.6 Articles of Association

Pursuant to Section 3 of the Articles of Association, the purpose of the Company is to directly or through subsidiaries or via co-operations with others, conduct debt collection work, extend financial and administrative services, legal and invoicing services, acquire debt, investment operations, own and manage real and movable property as well as therewith associated activities. Pursuant to Section 6 of the Articles of Association, the Board of

Directors shall have at least 3 and a maximum 6 members. The Articles of Association of the Company contain no provisions restricting foreign ownership of Shares. There are no limitations under the Articles of Association on the rights of foreign holders to hold or vote on the Shares.

There are no conditions imposed by the Articles of Association of the Company which set out more stringent conditions for exercise of rights attaching to the Shares than required by statutory law.

11.7 Certain Rights Attached to the Shares

Voting Rights

At General Meetings of shareholders, each Share carries one vote and each shareholder is entitled to vote the full number of Shares such shareholder holds in the Company.

As a general rule, resolutions that shareholders are entitled to pass pursuant to Swedish law or the Company's Articles of Association require a simple majority of the votes being cast. In the case of election of members to the Board of Directors, the persons who obtain the most votes cast are deemed elected to fill the positions up for election. However, as required under Swedish law, certain decisions, including resolutions to waive preferential rights in connection with any share issue, to approve a merger or de-merger, to amend the Company's Articles of Association or to authorize the Board of Directors to implement share capital increases with deviation from the shareholders' preferential rights or to implement reduction of the share capital, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a shareholders' meeting. Swedish law further requires that certain decisions, which have the effect of altering the rights and preferences of certain share or shares, receive the approval of all the holders of such share or shares present at the meeting and who together represent not less than nine-tenth of all shares whose rights are affected, as well as the majority required for amendments to the Company's Articles of Association. If such alterations only have effect on the rights of an entire class of shares, the decision requires the approval of one half of all the holders of shares of such class and nine-tenths of such class represented at the meeting, as well as the majority required for amendments to the Company's Articles of Association. Decisions that (i) would reduce any shareholder's right in respect of dividend payments or other rights to the assets of the Company; or (ii) restrict the transferability of the shares, are required to be supported by all of the shareholders present at the meeting who together represent not less than 90% of the share capital in the Company. Decisions that result in restrictions in the number of shares which shareholders may vote for at general meeting are required to be supported by two-thirds of the votes casts and nine-tenths of the shares represented at the general meeting.

In general, in order to be entitled to vote, a shareholder must be registered as the owner of Shares in the shareholder register of the Company maintained with Euroclear Sweden. Beneficial owners of Shares that are registered in the name of a nominee are generally not entitled to vote under Swedish law, nor are any persons who are designated in the register as holding such Shares as nominees. Shareholders registered as such in the VPS will only be entitled to vote at General Meetings of the Company if arrangement for registration of entitlement to vote (Sw. *Rösträttregistrering*) in Euroclear Sweden has been made through the VPS Registrar at the latest 5 business days prior to the General Meeting and has noticed the Company of his participation at the General Meeting in accordance with the notice to the meeting.

According to the Company's Articles of Association notice of a General Meeting of shareholders shall be published in the journal "Post och Inrikes Tidningar" and on the Company's website, and an announcement that notice has been given shall be placed in the journal "Svenska Dagbladet". The notice shall include matters to be addressed at the meeting, and a proposal for an agenda for the meeting. A shareholder is entitled to submit proposals to be discussed at General Meetings provided such proposals are submitted in writing to the Board of Directors in such good time that it can be entered on the agenda of the meeting.

The Annual General Meeting shall be called by the Board of Directors such that it can be held within six (6) months from the end of each financial year. The annual general meeting shall deal with and decide on the submission of the annual financial statement and annual report, the question of declaring dividend and such other matters as may be set out in the notice of the Annual General Meeting.

Extraordinary General Meetings can be called by the Board of Directors. In addition, the Board of Directors shall call an Extraordinary General Meeting whenever so demanded in writing by the Company's auditor or shareholders representing at least 10% of the share capital, in order to deal with a specific subject.

The following matters shall always be resolved by the Annual General Meeting:

- Submission of the annual report and the auditors' report as well as, where appropriate, the consolidated accounts and auditors' report on the consolidated accounts;
- Adoption of the profit and loss account and balance sheet and, where appropriate, the consolidated profit and loss account and consolidated balance sheet;
- Allocation of the Company's profits or losses as set forth in the adopted balance sheet;
- Discharge from liability of the members of the Board of Directors and the managing director;
- Determination of the remuneration to the Board of Directors and the auditors; and
- Election of the board members and auditors.

Pre-Emption Rights

If the Company issues shares, warrants or convertibles in a cash issue or a set-off/debt conversion issue (Sw. *kvittningsemission*), the holders of Shares have pre-emption rights to subscribe for such securities in proportion to the number of Shares held prior to the issue. The shareholders' preferential rights may be waived by a resolution at a General Meeting supported by at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the meeting.

Rights to Dividends and Liquidation Proceeds

All Shares carry equal rights to dividends as well as to the Company's assets and potential surplus in the event of liquidation. Resolutions regarding dividends are passed by the General Meeting. All shareholders registered as shareholders in the shareholder register maintained with Euroclear Sweden on the record date adopted by the General Meeting are entitled to receive dividends. Dividends are normally distributed to shareholders as a cash payment per share through Euroclear Sweden, but may also be paid out in a manner other than cash (in-kind dividend). If shareholders cannot be reached through Euroclear Sweden, such shareholder still retains its claim on the Company to the dividend amount, subject to a statutory limitation of ten years. Upon the expiry of the limitation period, the dividend amount shall pass to the Company.

There are no restrictions on the right to dividends for shareholders domiciled outside Sweden. Under Swedish foreign exchange controls currently in effect, transfers of capital to and from Sweden are not subject to prior government approval except for the physical transfer of payments in currency, which is restricted to licensed banks. Consequently, a non-Swedish resident may receive dividend payments without Swedish exchange control consent if such payment is made only through a licensed bank.

Redemption and Conversion Rights

There are no redemption rights or conversion rights attached to the Shares..

11.8 Certain Securities and Corporate Law Matters

Ownership Disclosure Requirements

Under the Swedish Securities Trading Act, a shareholder is required to notify both the Company and the Swedish Financial Supervisory Authority, or the SFSA, when its holding (including options for shares) reaches, exceeds or falls below 5, 10, 15, 20, 25, 30, 50, 66 2/3 or 90% of the total number of votes and/or Shares in the Company. The notice is to be made in writing or electronically on the website of the SFSA on the trading day immediately following the day of the applicable transaction. The SFSA will announce the contents of the notification no later than 12:00 CET on the trading day following receipt of the notification. When calculating a shareholder's percentage of ownership, a company's treasury shares are to be included in the denominator, while warrants and convertibles are to be excluded. For the purposes of calculating a person's or entity's shareholding, not only the shares and financial instruments directly held by the shareholder are included, but also those held by related parties. The Swedish Securities Trading Act contains a list of related parties whose shareholding must be aggregated for the purposes of the disclosure requirements. Related parties include, but are not limited to, subsidiaries and, in certain circumstances, proxies, parties to shareholders' agreements as well as spouses/ co-habitants.

As the Company is organized and existing under the laws of Sweden, and therefore has Sweden as its home state for the purposes of EU wide securities regulations, the ownership disclosure rules set out in the Norwegian Securities Trading Act are not applicable in respect of trading in the Shares.

Insider Trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Section 3-2 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

Swedish rules regarding insider trading are also applicable in relation to the Company. Pursuant to the Swedish Financial Instruments Trading (Market Abuse Penalties) Act (SFS 2005:377) (Sw. Lag (2005:377) om straff för marknadsmissbruk vid handel med finansiella instrument) any person who receives insider information and who on his own behalf or on behalf of any third party, through trading on the securities market (within EES), acquires or sells such financial instruments to which the information relates shall be convicted of the offence of insider dealing. The same shall apply to any person who receives insider information and who, through advice or in any other manner, causes any third party to acquire or sell financial instruments to which the information relates through trading on the securities market.

Mandatory Offer Rules

As the Company's registered office is in Sweden, and the Shares of the Company are admitted to trading on the Oslo Stock Exchange, partly Swedish and partly Norwegian mandatory offer rules will apply in respect of the Company pursuant to Swedish, Norwegian, as EU wide securities regulations.

According to Section 6-14 of the Norwegian Securities Trading Regulations (Nw. Verdipapirforskriften) matters relating to:

- the consideration offered in the case of a bid, in particular the price, and matters relating to the bid procedure, in particular the information on the offeror's decision to make a bid, the contents of the offer document and the disclosure of the bid, shall be dealt with in accordance with the rules of Norway, whereas
- in matters relating to the information to be provided to the employees of the offeree company and in matters relating to company law, in particular the percentage of voting rights which confers control and any derogation from the obligation to launch a bid, as well as the conditions under which the board of the offeree company may undertake any action which might result in the frustration of the bid, the applicable rules of Sweden will apply.

Swedish rules on the thresholds triggering a mandatory offer obligation, and rules on consolidation, will also apply in relation to the Company. Pursuant to the Swedish Act on Public Takeover Bids on the Stock Market (Sw. Lagen om offentliga uppköpserbjudanden på aktiemarknaden) any person that acquires more than 3/10 of the voting rights of a listed company (including a Swedish company listed on the Oslo Stock Exchange) is required to make an unconditional public offer for the purchase of the remaining shares in the company. Further, the shares of related parties, such as close relatives of the shareholder and companies controlled by such persons, companies in the same group of companies as the shareholder, and persons with which the shareholder is bindingly acting in concert and companies controlled by such persons, are considered equal to the shareholder's own shares.

The Oslo Stock Exchange will be the authority competent to supervise the takeover bid. Matters relating to the consideration offered in the case of a bid, in particular the price, and matters relating to the bid procedure, in particular the information on the offeror's decision to make a bid, the contents of the offer document and the disclosure of the bid, shall be dealt with in accordance with the rules set out in the Norwegian Securities Trading Act. According to the Norwegian Securities Trading Act, the offer must be made within four weeks after the threshold was passed and is subject to approval by the Oslo Stock Exchange before submission to the shareholders. All shareholders must be treated equally. The offer price per Share must be at least as high as the highest price paid or agreed by the bidder in the six-month period prior to the date when the obligation to make a mandatory offer occurred, but if it is clear that the market price at the point the mandatory bid obligation was triggered is higher, the bid shall be at least as high as the market price. In the event that the acquirer thereafter, but prior to the expiration of the bid period, acquires or agrees to acquire, additional Shares at a higher price, the acquirer is obliged to restate its bid at that higher price. A mandatory offer must be in cash. A bid may nonetheless give the shareholders the right to accept an alternative to cash. A shareholder who fails to make the required offer must within four weeks dispose of sufficient shares so that the obligation ceases to apply (i.e. reduce the ownership to a level below the relevant threshold). Otherwise, The Oslo Stock Exchange may cause the shares exceeding the relevant threshold to be sold by public auction. The Oslo Stock Exchange may impose a daily fine upon a shareholder who fails to make the required offer or sell down below the relevant threshold.

Compulsory Acquisition

According to the Swedish Companies Act, a shareholder that holds more than nine-tenths of the Shares in the Company (majority shareholder) is entitled to buy-out the remaining shares of the other shareholders (minority shareholders) of the Company. Furthermore, a minority shareholder whose Shares may be bought out in accordance with the aforementioned is entitled to compel the majority shareholder to purchase his shares. The purchase price shall be determined to market price and for listed shares the purchase price shall correspond to the listed value, unless specific circumstances otherwise dictate. A dispute regarding the existence of any buy-out right or obligation or the purchase price shall be determined by three arbitrators in accordance with the Swedish Arbitration Act.

Other information

There has been no public takeover bids by third parties in respect of the Company’s equity during the last financial year and the current financial year. The securities are not subject to any mandatory bid, squeeze out or sellout rules.

12. MAJOR SHAREHOLDERS

The table below shows the Company's 20 largest shareholders updated as per April 25, 2016.

Name	**Type of account**	**No. of ordinary shares**	**Total holding (% of total shares)**
ARCTIC FUNDS PLC	Comp.	40,437,195	6.16 %
SOLAN CAPITAL AS	Comp.	36,000,000	5.49 %
TVENGE TORSTEIN INGVALD	Priv.	30,000,000	4.57 %
LOPEZ SANCHEZ ANDRES	Priv.	22,902,500	3.49 %
MARTIN IBEAS DAVID	Priv.	22,902,500	3.49 %
SWEDBANK GENERATOR	Comp.	19,517,435	2.97 %
VERDIPAPIRFONDET ALFRED BERG NORGE	Comp.	19,368,370	2.95 %
VERDIPAPIRFONDET HANDELSBANKEN	Comp.	18,851,801	2.87 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	Comp.	14,670,426	2.24 %
VERDIPAPIRFONDET DNB SMB	Comp.	14,053,073	2.14 %
STATOIL PENSJON	Comp.	13,915,500	2.12 %
CIPRIANO AS	Comp.	13,650,000	2.08 %
MP PENSJON PK	Comp.	13,539,039	2.06 %
ALPETTE AS	Comp.	12,550,000	1.91 %
SKANDINAVISKA ENSKILDA BANKEN S.A.	Nom.	12,000,000	1.83 %
STOREBRAND VEKST	Comp.	10,602,615	1.62 %
NORDNET LIVSFORSIKRING AS	Comp.	9,930,100	1.51 %
LATINO INVEST AS	Comp.	9,500,000	1.45 %
VERDIPAPIRFONDET STOREBRAND OPTIMA	Comp.	7,913,492	1.21 %
INTELCO CONCEPT AS	Comp.	6,037,313	0.92 %
Total top 20		**348,341,359**	**100,00%**
Total shares outstanding		**656,057,746**	**53.10%**

As of 25 April 2016, and so far as is known to the Company, Arctic Funds PLC representing 6.16% and Solan Capital AS representing 5.49% are the only persons that, directly or indirectly, are interested in 5% or more of the share capital of the Company (which constitute a notifiable holding under the Swedish Securities Trading Act).

To the knowledge of the Board of Directors, there are no arrangements which may at a subsequent date result in a change of control of the Company. Further, to the knowledge of the Company, the Company is not directly or indirectly owned or controlled by a single shareholder or a group of shareholders acting in concert. The Company has not implemented any specific measures to prevent abuse of control from any major shareholder. However, certain provisions of the Swedish Companies Act and other legislation relevant to the Company aim to prevent such abuse, see Section 11 "Corporate Information; Shares and Share Capital".

13. LEGAL MATTERS

13.1 Legal and arbitration proceedings

In June 2014, the Company filed a lawsuit with the Stockholm District Court against certain former members of the Company's Board of Directors. The lawsuit was based on, among other things, those certain former board members' decisions to transfer SEK 50 million to a closely related party of a member of the Board of Directors of the Company without an approval by a General Meeting, in connection with a proposed acquisition of a company called Ghana Gold in the spring of 2013. The Company's claim amounts to SEK 55 million, plus accrued interest. In view of the uncertainty with regard to the financial situation of the counterparty in the Ghana Gold transaction, a company called Alluvia Mining, and its ability to repay the funds transferred to it, and the financial possibilities of the respondents to the Company's law suit to, in the future, pay the claimed amount in full, the nominal value of the claim was written down to SEK 30 million in the 2013 financial statements of the Group. At year-end 2014, a new assessment was made by the Company as to the prospects of repayment of the funds transferred to Alluvia Mining. At that time, the Company concluded that such repayment was unlikely as Alluvia Mining had not responded to numerous contact attempts and appeared to be insolvent or bankrupt. As the value of the claim against Alluvia Mining was deemed to be limited as a result of its financial situation, and as the compensation claim against the former board members of the Company was deemed to be the primary valuable asset, a decision was made to treat this item as a contingent asset, in accordance with IAS 37, in the 2014 financial statements of the Group, and hence the value of the claim was removed in its entirety from the Group's balance sheet. In the external accounts, this resulted in an impairment of 30 million SEK as per end of December 2014.

A ruling by the Stockholm District court on the Company's lawsuit against the former board members is expected in 2016, or at the latest in 2017, which may or may not be appealed to a higher court. The Company estimates that this legal process will be associated with legal expenses of around SEK 1-2 million per year.

A decision was taken by the Swedish public prosecutor in early July 2015 to file criminal charges against two of the four former Board Directors in relation to the same circumstances. Axactor’s legal advisors are of the opinion that such criminal charges impact positively on Axactor’s probability to win its civil case, irrespective of the outcome of the criminal case.

The Company is also involved in a dispute with former Board Director Jukka Kallio who claims his law firm has a valid receivable for non-paid board remuneration by Axactor during his time in office as Board Director. The Company rejects the claim as such and, secondly, will, if the claim gets declared valid, aim to set it off against its own claim on the four former Board Directors in respect of their assessed gross negligence in connection with the above described Ghana Gold-transaction. The claim by the law firm Kallio Law is for some 175 TSEK plus interest.

Other than the above, the Company is not, nor has it been during the course of the twelve months preceding the date of this Information Memorandum, involved in any governmental, legal or arbitration proceedings (and the Company is not aware of any such proceedings which are pending or threatened) which may have, or have had in the recent past, a significant effect on the Group's financial position or profitability.

13.2 Related party transactions

This Section provides information about certain transactions to which the Group is, or has been, subject to with its related parties during the two years ended December 31,2013, 2014 and 2015 and up to the date of this Information Memorandum. For the purposes of the following disclosures of related party transactions, "related parties" are those that are considered as related parties of the Group pursuant to IAS 24 "Related Party Disclosures".

In January 2013, the Company transferred SEK 50 million as an advance partial payment related to a proposed purchase of a company called Ghana Gold AB from Alluvia Mining. Alluvia Mining was at the time a related party to the Group as a result of Mr. Terje E Lien being a board member of both Alluvia Mining and the Company; for further information see Section 13 "Legal Matters". The underlying purpose of the purchase of Ghana Gold AB is one of the questions being subject to the dispute relating to Ghana Gold AB as further set out in Section 13 "Legal Matters". According to the board of directors of the Company at the time the purchase was part of a strategic repositioning of the Company’s business.

In May 2013, the Company borrowed SEK 4 million from, at the time, a board member of the Company, Mr. Ulrik Jansson. The loan carries interest at a rate of 12% per annum and matures after three years from May 2013. The loan was undertaken by the Company as a consequence of the SEK 50 million payment to Alluvia Mining in January 2013, due to which the Group was drained of cash at the end of May and was in need of external funding.

The loan thus matures in May 2016, but the Company has no intention to repay it as its counter claim on Mr. Jansson by far exceeds the loan amount.

In December 2012, a company called Amarant Mining became a major shareholder of the Company, and during that same month Amarant convened an Extraordinary General Meeting that appointed a new Board of Directors. In conjunction therewith, members of the Company's management either left the Company or were asked to leave by Amarant Mining. After Amarant Mining disposed its Shares in the Company in the summer of 2013 to a company called Altro Invest, a new Board of Directors was again appointed, at which time the Company was in deep distress, without proper management and sufficient funding. The newly appointed directors were accordingly forced to carry out the executive management of the Company. These management services were carried out through service contracts with board members outside of their ordinary duties as members of the Board of Directors. For these services, the Company paid a total amount of SEK 2.2 million. In addition, Altro Invest provided, in the second half of 2013, the Company with a short-term loan facility. Under the loan facility, the Company borrowed an amount of SEK 4 million. The loan carried an interest at a rate of 7.5% per annum. In May 2014, the loan from Altro Invest was converted to Shares in the Company.

In the fall of 2013, at that time board member Mr. Svein Breivik and deputy board member Mr. Erlend Henriksen granted the Company short-term interest free loans of in total SEK 600 thousand. These loans were converted into Shares in the Company in the spring of 2014. In addition, in the summer of 2014, Mr. Breivik was part of a group of 30 lenders who granted the Company a loan of in total SEK 1.1 million. Mr. Breviks share of the loan amounted to SEK 100 thousand. The loan carried an interest at a rate of 10% per annum. The loan was repaid in its entirety in February 2015.

In the fourth quarter of 2014, Altro Invest, which at the time was a former major shareholder of the Company, repaid to the Company a negative balance (debt to the Company) in an amount of approximately SEK 300 thousand.

In the summer and autumn 2014, a company called Renud Invest, which was controlled by former deputy board member Mr. Erlend Henriksen provided certain consultancy services to the Company. For these services the Company paid approximately SEK 47 thousand.

In the spring of 2014, work had been carried out in order to prepare for, and later carry out, a spin-off of a company called African Diamond, which at that time was a subsidiary of the Company. A former board member of the Company, Mr. Ole Weiss, through his controlled private company, Weiss International, was paid SEK 72 thousand for assistance in this work.

In the autumn of 2014, a new Board of Directors of the Company instructed PWC and Wistrand Advokatbyrå to undertake financial due diligence and legal due diligence, respectively, of the Company. Mr. Per Dalemo, a lawyer at Wistrand Advokatbyrå, was at the time member of the Board of Directors of the Company. The legal due diligence work was however conducted by other lawyers at Wistrand Advokatbyrå. The cost of the legal due diligence work amounted to SEK 162 thousand, net of VAT. Wistrand Advokatbyrå and PWC have been instructed to undertake work on behalf of the Company in relation to this Information Memorandum and in relation to the Extraordinary General Meeting held on 17 November 2015.

The Company has entered into consultancy agreement between the Company and Alpette AS, a company which is a closely related party to the Company's new CEO Endre Rangnes, pursuant to which Alpette AS would be entitled to a success fee for services rendered in connection with the acquisition of ALD. Under the agreement Alpette AS has rendered services in order to facilitate the acquisition of ALD and which have been to the benefit of the Group. A fee of NOK 1.8 million was paid for the services on 7 December 2015.

Cipriano AS was engaged in early autumn 2015 for ascertaining a positive outcome of the ALD acquisition. Cipriano was as result paid a success fee of NOK 3 million for its rendered services. Chairman of the Board Mr. Einar J. Greve is the beneficial owner of Cipriano AS.

The Company has entered into a consultancy agreement between the Company and Latino Invest AS, a company which is a closely related party to the Company's new Head of Strategy and Projects Johnny Tsolis, pursuant to which Latino Invest AS would be entitled to a success fee for services rendered in connection with the acquisition of ALD. Under the agreement Latino Invest AS has rendered services in order to facilitate the acquisition of ALD and which have been to the benefit of the Group. A fee of NOK 1.65 million was paid for the services on 7 December 2015.

All of the above mentioned transactions were made on a "arms' length" basis, and on market based terms, except for the transaction relating to the purchase of Ghana Gold AB and the borrowing from Ulrik Jansson.

13.3 Material contracts

In September 2015, the Group entered into a Share Purchase Agreement, or SPA, for the acquisition of ALD, which was completed on December 5, 2015. The acquisition marked Axactor's entry into the market for credit management services. ALD had established itself as a leading debt collection agency in the Spanish market.

Through 2016, the Company has acquired several portfolios of unsecured NPL in the Spanish market. These are listed below:

- On February 12, 2016 Axactor acquired an unsecured Spanish NPL portfolio with a face value of approximately EUR 500 million from Spanish savings banks. The portfolio comprises of more than one hundred thousand open accounts of Individuals and SMEs. Axactor paid around 3% of the Outstanding Balance.
- On 3 March 2016, Axactor acquired an unsecured NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured loans with a total outstanding balance of approximately EUR 18 million, with more than seven thousand open accounts of individuals and a solid paying book.
- On 17 March 2016, Axactor signed an agreement to acquire an NPL portfolio originally generated by a large Spanish consumer finance institution. The portfolio includes unsecured and secured loans with a total outstanding balance of approximately EUR 221 million, with more than twenty-five thousand open accounts of individuals and a solid paying book.

The acquisition of debt portfolios is a key part of Axactor's business model and if the Group is unable to enter into debt collection contracts, purchase portfolios or Collection Platforms at appropriate prices, the Group's business and its ability of implementing its business plan could may be materially affected.

The Company has entered into a conditional SPA for the IKAS Acquisition, which was completed on April 7, 2016. For further information in relation to the IKAS Acquisition please see Section 5.

14. OTHER INFORMATION

14.1 Third party information

The information in this Information Memorandum that has been sourced from third parties has been accurately reproduced and as far as the Company is aware enable to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

14.2 Documents on Display

For the life of this Information Memorandum, the following documents (or copies thereof) may be inspected at the Company's website, www.axactor.se, the web site of www.nickelmountain.se (previous web page of the Company), or at the Company's business address:

- The memorandum of Association and Articles of Association of the Company.
- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Information Memorandum; and
- The historical financial statements of the Company and its subsidiary undertakings for each of the two financial years preceding the publication of the Information Memorandum, i.e. the Group's audited consolidated financial statements as of and for the year ended December 31 2014 and 2015

14.3 Cross-Reference Table

The information incorporated by reference in this Information Memorandum should be read in connection with the following cross-reference table below. Except as provided in this section, no other information is incorporated by reference into this Information Memorandum.

Section in Information Memorandum	Disclosure requirement Information Memorandum	Reference Document	Page of Reference Document
8.6.5	6.2	http://axactor.no/wp-content/uploads/2016/04/Axactor-annual-report-2015-FINAL-web-220416.pdf	30
8	3.1	2015: http://axactor.no/wp-content/uploads/2016/04/Axactor-annual-report-2015-FINAL-web-220416.pdf 2014: http://nickelmountain.se/wp-content/uploads/2015/04/NMG_AR_2014_0424-Master.pdf 2013: http://nickelmountain.se/wp-content/uploads/2014/06/NMG_AR_2013_f.pdf	Entire document

The Group's audited consolidated financial statements as of and for the years ended December 31 2014 and 2015, are available in their entirety at the Company's website, www.axactor.no, and at the Oslo Stock Exchange information system, www.newsweb.no, under the Company's trading symbol "AXA".

15. DILUTION

The Company has 656,214,360 shares outstanding today (excluding the Consideration Shares). Following the issuance of the Consideration Shares, the Company's total number of shares will increase with 49,033,589 Shares to a total of 705,247,949 Shares.

The issuance of the Consideration Shares will result in a dilution of the shareholders of the Company.

The table below shows Company's share capital resulting from the issuance of Consideration Shares. The percentage split in the table shows the share capital split by the total share capital post the issuance of the Consideration Shares.

Share capital prior to the issuance of Consideration Shares	656,214,360 / 93.0%
Consideration Shares share capital	49,033,589 / 7.0%

16. DIVIDENDS AND DIVIDEND POLICY

This Section provides information about the dividend policy and dividend history of the Company, as well as certain legal constraints on the distribution of dividends under the Swedish Companies Act.

16.1 Dividend Policy

The Company has not distributed any cash dividends since its inception. The Company aims at maintaining a sound financial structure, reflecting the capital requirements of its business and growth opportunities, and does not anticipate distributing cash dividends in the near or medium term.

When determining whether to declare a dividend or not, or the size of any dividend, account will be taken of the Company's financial targets, investments or commitments made, possible acquisition or growth opportunities, expected future results of operations, financial condition, cash flows and other factors. There can be no assurance that in any given year a dividend will be proposed or declared.

16.2 Legal Constraints on the Distribution of Dividends

The declaration of dividends or other capital distributions by Swedish companies is decided upon by the General Meeting of shareholders. Dividends or other capital distributions may only be declared to the extent that there is unrestricted equity (Sw. *fritt eget kapital*) available, meaning that there must be full coverage for the Company’s restricted equity (Sw. *bundna egna kapital*) after the distribution. Restricted equity includes, among other things, the Company’s share capital and its statutory reserve.

Further, in addition to the requirement regarding full coverage for the Company’s restricted equity, dividends or other capital distributions may only be declared to the extent that such declaration is prudent, taking into consideration: (a) the demands with respect to the size of shareholders' equity which are imposed by the nature, scope and risks associated with the operations of the Company and, if applicable, the Group; and (b) the need to strengthen the balance sheet, liquidity and financial position in general of the Company and, if applicable, the Group.

The General Meeting may, as a general rule, not declare dividends in an amount higher than the Board of Directors has proposed or approved. Under the Swedish Companies Act, minority shareholders that together represent at least 10% of all outstanding shares of the Company have the right to request a payment of dividend (to all shareholders) from the Company’s profits. Following such a request, the Annual General Meeting is required to resolve to distribute 50% of the remaining profit for the relevant year as reported on the statement of financial position adopted at the Annual General Meeting, after deductions made for: (a) losses carried forward that exceed unrestricted reserves (Sw. *fria fonder*); (b) amounts which, by law or the Articles of Association, must be transferred to restricted equity; and (c) amounts which, pursuant to the Articles of Association, are to be used for any purpose other than distribution to the shareholders. However, the general meeting is not obliged to declare dividends in excess of 5 % of the Company’s shareholders’ equity. Moreover, the General Meeting may not declare dividends to the extent that there will not be full coverage of the Company’s restricted equity or in violation of the prudence rule described above.

16.3 Manner of Dividend Payments; Swedish Withholding Tax

Future payments of dividends on the Shares will be denominated in SEK. Such dividends will, where distributed through Euroclear Sweden, be distributed in SEK, and, where distributed through the VPS, be distributed in NOK as exchanged from the SEK amount distributed to the VPS Registrar through Euroclear Sweden. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will however receive dividends by check in their local currency. If it is not practical in the sole opinion of DNB Bank ASA, Registrars Department, being the Company’s VPS registrar, to issue a check in a local currency, a check will be issued in USD. The issuing and mailing of checks will be executed in accordance with the standard procedures of DNB Bank ASA, Foreign Payments Department. The exchange rate(s) that is applied will be DNB Bank ASA’s rate on the date of issuance. Dividends will be credited automatically to the VPS registered shareholders’ NOK accounts, or in lieu of such registered NOK account, by check, without the need for shareholders to present documentation proving their ownership of the Shares.

For shareholders not resident in Sweden for tax purposes, and that do not conduct business from a permanent establishment in Sweden, who receive dividends on shares in a Swedish limited liability company, such as the Company, Swedish withholding tax is normally withheld. The tax rate is 30%. The tax rate is generally reduced through tax treaties for the avoidance of double taxation. For example, under the tax treaty between Sweden and the United States, the withholding tax on dividends paid to shareholders resident in the US, shall not exceed 15%. Under the Treaty, furthermore, the tax rate is reduced to 5% for companies possessing shares representing at least 10% of the total voting rights of the company declaring the dividend if certain other requirements are met. The tax rate for companies and pension funds may be reduced to 0% if certain requirements set out in the Treaty are met. For corporate shareholders resident and domiciled in the European Economic Area (EEA), withholding tax is normally not levied if the shareholder holds more than 10% or more of the capital in the Company if certain other requirements are met. In Sweden, withholding tax deductions are normally carried out by Euroclear Sweden or, in respect of nominee-registered shares, by the nominee. Tax is withheld provided that necessary information is made available to Euroclear Sweden in relation to the person entitled to such dividends. If such information is not made available to Euroclear Sweden, and tax is not levied, the person entitled to such dividends may be taxed retroactively. If a 30% withholding tax is deducted from a payment to a person entitled to be taxed at a lower rate, or in the event that too much tax has otherwise been withheld, a refund can be claimed from the Swedish Tax Agency (Sw. *Skatteverket*) prior to the expiry of the fifth calendar year following the dividend distribution.

17. DEFINITIONS

Capitalized terms used throughout this Information Memorandum shall have the meaning ascribed to such terms as set out below, unless the context require otherwise.

Definitions

ALD	ALD Abogados, S.L.
Anti-Money Laundering Legislation	The Norwegian Money Laundering Act no. 11 of 6 March 2009 and the Norwegian Money Laundering Regulations no. 302 of 13 March 2009 taken together
AQR	Asset Quality Review
CET	Central European Time
Collection Platforms or Carve-Outs	Collection platforms which include all of the collection functions of financial institutions
Company	Axactor AB (publ.)
Consideration Shares	49,033,589 Shares to be issued to the sellers of IKAS
EEA	European Economic Area
EU	European Union
Euroclear or Euroclear Sweden	The Swedish Central Securities Depositary
FTE	Full-Time Equivalent (employees)
Full-Year Financial Statements	The Group’s audited consolidated financial statements as of and for the year ended December 31, 2014
Group	The Company, taken together with its consolidated subsidiaries, including where the context so require or permit, IKAS
IAS	International Accounting Standards
IAS 34	International Accounting Standard 34 "Interim Financial Reporting"
IFRS	International Financial Reporting Standards as adopted by the EU
IKAS and IKAS-companies	IKAS Norge AS and 100% of the subsidiaries IKAS Øst AS, IKAS AS, IKAS Nord AS, IKAS Nordvest AS and IKAS Vest AS
IKAS Acquisition	The Group's acquisition of IKAS, which was completed on 7 April, 2016
New Debt Facility	A new debt facility for which the Board of Directors have entered into an agreement with DNB on, as further described in Section 10.2 "Capital Resources—Borrowings"
NOK	Norwegian kroner, the lawful currency of Norway
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 2007 (Nw. Verdipapirhandelloven)
PD Amending Directive	Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 amending the Information Memorandum Directive
Information Memorandum	This Information Memorandum dated 2 May, 2016
QIBs	Qualified institutional buyers as defined in Rule 144A
Regulation S	Regulation S under the US Securities Act
Relevant Member State	Each Member State of the EEA which has implemented the Information Memorandum Directive
Securities Act or US Securities Act	The United States Securities Act of 1933, as amended
Share(s)	Ordinary shares in the capital of the Company, each with a par value of SEK 0.50, or where references in this Information Memorandum are made to "Shares" in the Company being listed or traded on the Oslo Stock Exchange, and where the context so requires or permits, the depositary book-entry form interests in those Shares as further described in Section 11.7 "Corporate Information; Shares and Share Capital—Certain Rights Attached to the Shares—Voting Rights"
SEK	Swedish kronor, the lawful currency of Sweden
SPA	Share Purchase Agreement
Swedish Companies Act	Aktiebolagslagen (2005:551)
Swedish Companies Registry	Bolagsregisteret
Swedish Securities Trading Act	Lag (1991:980) om handel med finansiella instrument
VPS or Norwegian CSD	The Norwegian Central Securities Depositary, or Verdipapirsentralen
VPS Registrar	DNB Bank ASA, Registrars Department

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APPENDIX A—INDEPENDENT ASSURANCE REPORT ON PRO FORMA FINANCIAL INFORMATION

To the Board of Directors of Axactor Group AB (publ), Corporate Id No 556227-8043

The Auditor's Report on Pro Forma Financial Information

We have examined the pro forma financial information set out on pages 61-71 in the information memorandum of Axactor Group AB dated May, 2 2016.

The pro forma financial information has been prepared for illustrative purposes only to provide information about how Axactor AB:s acquisitions of the "IKAS-companies" and ALD Abogados might have affected the consolidated income statement for Axactor Group AB for the period 1 January 2015– 31 December 2015 and how the acquisition of the "IKAS-companies" might have affected the consolidated balance sheet statement for Axactor Group AB for the period ending 31 December 2015.

The Board of Directors' responsibility

It is the Board of Directors' responsibility to prepare the pro forma financial information in accordance with the requirements of EU Regulation No 809/2004 implementing Directive 2003/71/EC (the Prospectus Directive)".

The auditor's responsibility

It is our responsibility to provide an opinion required by Annex II item 7 of 809/2004/EC. We are not responsible for expressing any other opinion on the pro forma financial information or of any of its constituent elements. In particular, we do not accept any responsibility for any financial information used in the compilation of the pro forma financial information beyond that responsibility we have for auditor´s reports regarding historical financial information issued in the past.

Work performed

We performed our work in accordance with FAR´s Recommendation RevR 5. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the historical information, assessing the evidence supporting the pro forma adjustments and discussing the pro forma financial information with the management of the company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to obtain reasonable assurance that the pro forma financial information has been compiled on the basis stated on pages 61-71, and in accordance with the accounting principles applied by the company.

Opinion

In our opinion the pro forma financial information has been properly compiled on the basis stated on pages 61-71 and in accordance with the accounting principles applied by the company.

Other matter

As described in our auditors report on the consolidated financial statements as of 31 December 2015 for Axactor Group AB dated April 20, 2016, the consolidated balance sheet as of 31 December 2015, includes an accrued cost of SEK 13,542,583 which relates to the company's assessment of the cost that will be invoiced to the company in 2016 for services rendered in 2015. The cost relates to external hired assistance for legal services in the operations in the Spanish subsidiary ALD Abogados SL.

We have not been able to obtain sufficient and appropriate audit evidence relating to the carrying value of the accrued legal fees of SEK 13,542,583 due to the lack of documentation of the liability. Consequently, we have not been able to determine if any adjustments are necessary to the consolidated income statement or balance sheet.

Apart from the possible effects of the relationship as described above, the consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Axactor Group AB as of 31 December 2015 and of its financial performance for the year in accordance with International Financial Reporting Standards as adopted by the EU, and the Annual Accounts Act.

Göteborg 2016-05-02

PricewaterhouseCoopers AB

Johan Palmgren
Authorized public accountant

APPENDIX B—AXACTOR ANNUAL REPORT 2015

Follows on the subsequent pages

AXACTOR

Annual Report 2015

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Letter from the CEO

Axactor aims at becoming a high-growth debt collection/debt purchase company with a Nordic base and an ambitious pan-European strategy.

Axactor´s focus is on Europe's large non-performing loan (NPL) market, which is estimated at around EUR 1.5 trillion in size. The main growth factors, partly driven by regulatory changes, are sales of non-performing loans and increasing outsourcing of debt collection to specialised companies. We also see a consolidation trend in the debt collection/debt purchase industry.

Our main credit management priorities are amicable collection and legal enforcement, debt surveillance and acquisition of NPLs.

The first step under our pan-European growth strategy was the acquisition of ALD Abogados, one of Spain's leading debt collection agencies. The company's robust customer base, and our amicable collection call center in Valladolid, will constitute the platform for future growth in debt collection and NPL portfolio acquisitions in Spain.

In the first quarter of 2016, Axactor acquired portfolios in the Spanish market with a face value of more than EUR 700 million. In addition to the 200 employees in Axactor Spain, we recently acquired a debt collection company in Norway, IKAS, with 75 employees and solid track record in the Norwegian market.

We are currently also exploring growth markets in several other European countries, including potential carve-outs of collection platforms from financial services institutions.

Axactor has specific strengths that will allow us to pursue these market opportunities successfully:

- First, we are recruiting managers with a thorough understanding of credit management services and an unparalleled industry track record. We fully understand the commercial aspects of the industry, its legal framework and the compliance aspects that are critical to our customers.
- Second, as a new entrant, we are not burdened by legacy costs and unprofitable structures. Our platform is designed specifically for a next-generation debt collection service provider focused on rapid growth.
- Third, our funding and investor base are geared towards growth. We have solid bank financing, and our listing on the Oslo Stock Exchange gives us a large shareholder base.

We have embarked on an exciting journey which I look forward to sharing with our customers, investors, employees and business partners.

Endre Rangnes, CEO

Board of Directors

Einar J. Greve
Chairman

Mr. Greve works as a strategic advisor in Cipriano AS. Mr. Greve has previously worked as partner at Wikborg Rein & Co for 15 years and as partner of Arctic Securities ASA. Mr. Greve has held and holds various positions in Norwegian listed and unlisted companies. He holds a degree in law (cand.jur) from the University of Oslo. He is a Norwegian citizen and resides in Oslo, Norway.

Gunnar Hvammen
Board member

Mr. Hvammen works as an active investor – taking active part in some companies with investments and time. Mr. Hvammen owns and operates through Lauvheim Holding AS and its wholly owned companies Solan Capital AS and Thabo Energy AS. He has previously been board member, chairman of the board and president for oil service related companies, a senior partner, president and co-founder of rig brokerage company Normarine (today Pareto Offshore), and partner in a financial house in Norway, Fondsfinans ASA.

Per Dalemo
Board member

Mr. Dalemo is partner and chairman of the board at Wistrand Gøteborg. He has a law degree from the University of Gothenburg. He has previously worked for MAQS Law firm and for New Wave Group. Mr. Dalemo advises public and private firms in a wide variety of M&A transactions, including strategic mergers and consolidations, purchases and sales of public and private companies. He frequently advises boards in connection with their evaluation of potential M&A opportunities and other strategic alternatives. Mr. Dalemo joined Wistrand in 2009.

Management

Endre Rangnes

Chief executive officer

CEO in Lindorff Group AB (2010 – 2014), CEO of EDB Business Partner ASA, now EVRY ASA (2003 – 2010). Prior work experience includes various positions within the IBM Group (including being Country Manager Norway and serving as member of IBM Nordic's executive and top management teams). Other current assignments/positions: Board member of Tieto Ojy.

Siv Farstad

Executive vice president, Human Resources

Ms Siv Farstad has more than 5 years of experience from the industry. Prior to joining Axactor, Ms Farstad held the position as HR executive of Kommunalbanken. She held the position as Senior Vice President HR for Lindorff from January 2011 until May 2015. Earlier she served as HR manager for Microsoft Development Center Norway and EVP HR for NRK.

Geir Johansen

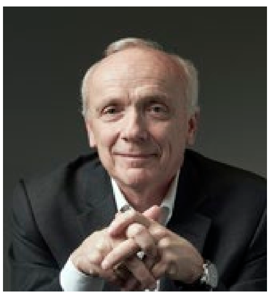
Chief financial officer

Geir Johansen joined Axactor as CFO, Head of IR and Risk & Compliance, in January 2016. Before joining Axactor he held the position as CFO at Fred. Olsen Ocean in Oslo. Over the last 20 years, Mr Johansen has lived and worked in the Americas, Europe as well as North and South East Asia having held CFO positions in DOF Subsea ASA, S.D. Standard Drilling Plc and GSP Offshore. Earlier in his career Mr. Johansen worked 13 years in DNGL where he last held position as Finance Director for DNV Maritime globally.

Johnny Tsolis

Executive vice president, Strategy & Projects

8 years of experience from working with the Lindorff Group. He has his main focus on PMI/cost and productivity improvement. Broad international experience, more than 5 years on projects abroad, primarily in Spain, Germany, the US, the Netherlands, Denmark, Sweden and Finland. Former work experience includes positions as partner at Cardo Partners AS, partner at DHT Corporate Services, Handelsbanken Capital Markets and Arkwright.



Oddgeir Hansen

Chief Operating Officer

COO in Lindorff Group (2010 - 2014). COO of EDB Business Partner (2003 - 2010). Prior work experience includes various positions within IBM Norway, including being Departemental Director with responsibility for monitoring and coordinating IBM Norway overall activities.

Report of the Board of Directors

Highlights 2015

- *October 2015: The company decides to discontinue its nickel operations and become a high-growth debt collection/debt purchase company with a Nordic base and an ambitious pan-European strategy.*
- *17 November: An EGM approves the acquisition of the Spanish legal debt collection company ALD Abogados S.L.*
- *A total of 505.8 million new shares are issued at NOK 1 per share by private placement, an issue in kind and a reparatory rights issue.*
- *19 November: Endre Rangnes is appointed CEO.*
- *23 December: A new Board of Directors is appointed, and the company changed name to Axactor.*
- *31 December: Axactor sells its nickel operations to the Swedish listed mineral company Archelon.*

Key events after the end of 2015

- *12 February 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 500 million.*
- *17 February 2016: Axactor raises NOK 106.1 million in gross proceeds through a private placement of 59,600,000 new shares at a price of NOK 1.78 per share.*
- *3 March 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 18 million.*
- *17 March 2016: Axactor acquires the Norwegian debt collection company IKAS for NOK 291 million.*
- *17 March 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 221 million.*

Key Figures Axactor AB (group)

For remaining operations after sale of mining activities

SEK thousand	2015	2014	2013 [1)]
Total revenues	4,437	75	8
EBITDA [2)]	-30,592	-9,665	-21,437
EBIT	-31,429	-9,665	-41,481
Net result attributable to shareholders of parent company	-166,606	-45,986	-116,994
Investments (MSEK)	188.4	5.9	53.1
Cash at end of period	372,375	61,502	15,288
Interest bearing debt at end of period	5,500	9,000	9,931
Total assets (MSEK)	604.8	175.0	158.9
Solidity (%)	78.9	91.9	78.5

1) Figures from remaining operations as reported in FY 2014 annual report
2) Relates only to remaining operations

Business description and business areas

Axactor AB ("Axactor", "the company", or "the group") aims at becoming a high-growth debt collection/debt purchase company. The company has been focused on building an efficient, high-quality company from day one, by recruiting an experienced management team, securing a solid investor base and acquiring a leading Spanish debt collection company. Axactor is investing in new technology and standardised systems to facilitate the delivery of top-class debt collection services. Further, the company has relevant expertise and sufficient funding to acquire large non-performing loan portfolios. Axactor will focus on amicable collection and legal enforcement, including debt surveillance.

Background

The company is registered in Sweden and listed on the Oslo Stock Exchange (ticker "AXA").

Axactor has some 6,600 shareholders, and the management is based in Oslo. There were at year-end 2015 596,614,369 shares outstanding, as well as warrants carrying subscription rights for an additional 55.5 million shares.

On 31 December 2015, Axactor sold its two former nickel subsidiaries to the Swedish mineral company Archelon. The results of the nickel subsidiaries have been incorporated into Axactor's group accounts for 2015. However, the nickel business's assets and liabilities were de-consolidated on the last day of December.

In Spain, Axactor owns 100% of the subsidiary ALD Abogados SL ("ALD"), which is one of the leaders in the Spanish legal debt collection market covering nearly all regions of this country. The company's full-year 2015 revenues totalled approximately EUR 10 million, and resulted in EBITDA of approximately EUR 3.7 million. However, since ALD was only consolidated with the Axactor group in early December, only the December share of 2015 revenues and costs is included in Axactor's external accounts for 2015.

History prior to new company strategy and ALD acquisition

Axactor was formerly Nickel Mountain Group AB ("NMG"), a Swedish mineral exploration and appraisal company. NMG's key asset was the Rönnbäcken nickel sulphide deposit in Västerbotten county in Northern Sweden.

NMG was also previously involved in mineral exploration activities in a number of African countries. In June 2014, NMG disposed of the African assets by dividing out its subsidiary African Diamond AB to the NMG shareholders in order to concentrate the operations.

Staff, management and environment

Axactor had 105 employees as at 31 December 2015, including five in Norway. In December 2014, the group had three employees.

Prior to the acquisition of ALD, the group employed only one person, on a consultancy basis, to supervise both the Rönnbäcken nickel project and group administration matters. On 19 November 2015, the company appointed a new CEO, Endre Rangnes.

The company practices a policy of equal treatment in connection with assignments and promotions, and regards the promotion of a positive working environment as key to the company's future.

No accidents or injuries were recorded in 2015.

A new Board of Directors was elected at an extraordinary general meeting on 23 December 2015, comprising Einar Greve (chairman), Gunnar Hvammen and Per Dalemo.

Axactor's debt collection business is non-polluting. The company is committed to ensuring that its operations are safe and do not harm neither its staff nor the natural environment. The company also strives to provide all employees with a healthy and safe working environment. Quality, health, safety and the environment are integral aspects of the company's business, and systems are in place to monitor and follow up on any and all accident and incidents.

Corporate governance

The board and management of Axactor are committed to maintaining high ethical standards and promoting good corporate governance. The company believes that good corporate governance builds confidence among shareholders, customers and other stakeholders, and thereby supports maximal value creation over time. The equal treatment of all shareholders lies at the heart of the company's corporate governance policy. The company has only one class of shares, and all shareholders have equal rights.

The company has got two share series, ordinary shares and A-shares. The latter is a temporary share series which was introduced in autumn 2015 in order to enable the various share issues. The share series differ in that ordinary shares carry one vote each while as the A-shares have 0.99 votes each. All shareholders otherwise have equal rights.

Axactor's corporate governance report is based on the Norwegian Code of Practice for Corporate Governance dated 30 October 2014. The report is presented in this annual report and on the company's website.

Corporate social responsibility

The board and management of Axactor have implemented guidelines on values and ethics. The objective is to create a sound corporate culture and preserve Axactor's integrity by helping employees to follow good business standards. Raising awareness of the guidelines has been the company's main action in this area. The company is not aware of any breach of the guidelines.

The company expects to implement more extensive guidelines and corporate social responsibility measures following the acquisition of ALD.

Shareholders and financing

Axactor's shares are listed on the Oslo Stock Exchange under the ticker "AXA". As per the end of 2015, the company had 596,614,360 outstanding shares, held by 6 605 shareholders. The nominal value of the Axcator share is SEK 0.50.

The company's EGM, held on 23 December 2015, authorised the Board of Directors to approve new issues of shares or convertible debt instruments irrespective of whether such an issue entails variation of shareholders' preferential rights. The maximum dilution permitted under this authorisation is 30%, which translates into 280,000,000 new shares based on the number of issued shares at year-end 2015, including warrants. The authorisation is valid until the AGM in the spring of 2016.

Further, an EGM held on 17 November 2015 authorised the issue of up to 55.5 million incentive options to the new management team. Each option entitles the holder to subscribe for one new ordinary share.

The company estimates that it has sufficient working capital for the 12 months following the balance sheet date. Pursuant to section 3(3a) of the Norwegian Accounting Act, the Board of Directors therefore confirms that the going-concern assumption is met and that the annual accounts have been prepared in accordance with this assumption.

The company has given considerable emphasis to providing shareholders and investors with timely, relevant new information on the company and its activities in compliance with applicable laws and regulations. Axactor is committed to increasing awareness of its shares in Norway and abroad. The list of shareholders includes a substantial number of Nordic institutional and private investors.

Income and operating costs

The net post-tax full-year result for 2015 is MSEK -166.6. The net result from remaining operations was MSEK -61.3 (MSEK -9.7), while the result for discontinued operations was MSEK -105.3 (MSEK -36.3). The total comprehensive result for the year as a whole was MSEK -166.7 (MSEK -47.1).

Earnings per share (EPS) for the 12-month period ending 31 December 2015 amounted to SEK -0.46, excluding discontinued operations (SEK -0.32). EPS including discontinued operations totalled SEK -1.25 for 2015 and SEK -1.54 for 2014.

Sale revenues for the year amounted to MSEK 4.4 (MSEK 0). The Spanish subsidiary ALD was consolidated into the group in December 2015, and its revenues therefore made a limited contribution to the group P&L. The nickel operations were at the pre-feasibility stage, and generated no revenues in either 2015 or 2014.

The loss of MSEK -166.6 for the year is mainly attributable to the almost full impairment of the nickel operation in 2015 and the resulting impairment costs and realisation loss of MSEK 113.8.

Transaction costs relating to the acquisition of ALD in Spain amounted to MSEK 15.7. Unrealised foreign exchange losses amounted to MSEK 19.9, as the majority of cash was held in NOK.

As the nickel operations are classified as discontinued operations, essentially all of the group's recorded depreciation and impairment charges relate to the discontinued part of the business. Depreciation and impairment pertaining to discontinued operations amounted to MSEK -104.4 (MSEK -33.9) in 2015.

Net financial items relating to remaining operations amounted to MSEK –29.9 (MSEK 0) in 2015. This figure includes a realisation loss of MSEK -9.5 in respect of the divested nickel subsidiaries and an unrealised foreign exchange loss of MSEK -19.9.

Cash flow

Axactor had cash flow of MSEK 310.8 during the 12-month period January–December 2015 (MSEK 46.2). The positive figure for 2015 is the result of sizable share issues in the last quarter of 2015.

At the end of December 2015, Axactor's assets totalled MSEK 604.8, compared to MSEK 175.0 at the end of 2014. The nickel subsidiaries were deconsolidated by year-end 2015. The Spanish subsidiary ALD has been included in the group balance sheet, as have the net issue proceeds received in November and December 2015, after deduction for various issue and legal costs. Further, in early December 2015, the sellers of ALD received cash consideration of EUR 10 million and EUR 5 million in newly issued Axactor shares.

Investments in 2015 amounted to MSEK 188.4, all related exclusively to the ALD acquisition.

Financial position

At the end of December 2015, cash and cash equivalents amounted to MSEK 372.4 (MSEK 61.5). Most of the liquid assets are held in the Norwegian currency, NOK. At year-end, equity totalled MSEK 477.0 (MSEK 160.8), representing an equity ratio of 79 per cent.

Short-term loans and other short-term liabilities amounted to MSEK 111.0 (MSEK 5.2) at the end of the fourth quarter of 2015. Approximately half of this amount relates to an earn-out agreement linked to the ALD acquisition and a post-closing adjustment for ALD's actual working capital on the takeover date. These two components were estimated to have a joint value of MSEK 51 at the end of December 2015, and form part of the Axactor group's total short-term liabilities.

Based on the strategy and ramp-up plan for Axactor, the board has proposed that no dividend be paid for 2015.

The auditor´s report includes a remark related to an accrued cost of SEK 13,5 million which in the opinion of the auditor has not been sufficiently documented. The accrual relates to the company's assessment of the cost that will be invoiced to the company in 2016 for services rendered in 2015. The cost relates to external hired assistance of legal services pertaining to collection activities in ALD. The board acknowledges the remark as it reflects a conservative approach to cost provisions for external services, and recognizes that the newly acquired ALD for 2016 and going forward will be keeping the accounts in accordance with IFRS principles and the Axactor Group's accounting policy.

Parent company

The parent company's business is management of the group's operations. The post-tax result for the full financial year 2015 amounted to MSEK -204.8 (MSEK -41.1). The loss is primarily due to the abandonment of the nickel operations following adoption of the new business concept. The exit from the nickel segment necessitated a nearly full impairment of the holding values of the shares in the nickel subsidiaries and all receivables owned by these companies.

Cash and cash equivalents held by the parent company amounted to MSEK 142.9 at the end of December 2015 (MSEK 61.4).

Proposed allocation of the company's result (SEK)

SEK	2015
At the disposal of the AGM is the following:	
Share premium reserve	1,468,787,486
Retained earnings	-1,071,213,151
Result for the year	-204,756,757
Total non-restricted equity	192,817,578
The Board of Directors recommends the following allocation:	
Retained earnings brought forward	192,817,578

ALD's operations

In 2015, ALD generated total revenues of approximately EUR 10 million, and achieved EBITDA of EUR 3.7 million. In 2014, ALD's revenues were some EUR 7 million, implying continued local-market growth in the past year. However, only the proportion of ALD's revenues attributable to the post-acquisition period (MSEK 4.4 during December 2015) have been incorporated into the Axactor group's P&L account.

Divestment of the nickel operations

The nickel operations were discontinued on the last day of 2015. The nickel subsidiaries were sold to Archelon, with consideration taking the form of newly issued Archelon shares. Axactor received shares corresponding to 4.6 per cent of the capital and votes of the buyer. The financial effect the divestment was MSEK -114 in 2015. The majority of this amount is accounted for as impairment, although a minor realisation loss was also recorded in Axactor's external accounts in connection with deconsolidation of the operations.

Risk profile and management

Axactor's regular business activities entail exposure to various types of risk. The company manages such risks proactively, and the Board of Directors regularly analyses its operations and potential risk factors and takes steps to reduce risk exposure. Axactor gives strong emphasis to quality assurance, and has quality systems implemented, or under implementation, in line with the requirements applicable to its business operations.

The complete range of risk factors is discussed in detail in Note 2.

Outlook

Axactor aims at becoming a high-growth debt collection/debt purchase company with a Nordic base and an ambitious pan-European strategy.

Through ADL, the company has gained a foothold in the Spanish debt collection/debt purchase market. NPL sale volumes are expected to remain high in Spain and other European countries. In February 2016, the company acquired its first unsecured NPL portfolio, originally generated by a Spanish local savings bank.

The acquisition proves that Axactor is a key contender for the many portfolios expected to enter the market going forward. The company has also secured a third-party collection contract with Santander Consumer Finance, demonstrating the company's debt collection know-how and expertise in dealing with global financial brands.

In March 2016, the company acquired IKAS AS and established a debt collection and portfolio acquisition platform in the Norwegian market.

The acquisition of IKAS AS was in line with the strategy of establishing credit management operations in growth markets.

Axactor has a solid financial position, an experienced management team and the infrastructure needed to generate future growth and value creation.

The company's priorities for 2016 are as follows:

- Top 3 market share in the Spanish debt collection sector.
- Debt collection on acquired non-performing loan portfolios.
- Debt portfolio purchases from financial institutions.
- Expand the third-party collection business and increase workforce size.
- Collect 2.0x–3.0x purchase price on purchased debt portfolios.

The company plans to enter new growth markets in the period 2016–2018 through platform and portfolio acquisitions in Germany and Italy. Axactor will also facilitate cost optimisation and synergies by integrating all platforms into a single debt collecting group. In addition, the company will seek out accretive platform investments.

The Board of Directors considers that the outlook for Axactor is positive, both in 2016 and beyond.

Subsequent events

- 12 February 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 500 million.
- 17 February 2016: The company raises NOK 106.1 million in gross proceeds through a private placement of 59,600,000 new shares at a price of NOK 1.78 per share.
- 3 March 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 18 million.
- 17 March 2016: Axactor acquires the Norwegian debt collection company IKAS for NOK 291 million.
- 17 March 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 221 million

Stockholm, 20 April 2016
The Board of Directors

Einar J. Greve *Chairman*	Gunnar Hvammen *Board member*	Per Dalemo *Board member*

Financial statements

Axactor AB Group & Parent Company

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Consolidated Statement of Loss

SEK thousand	Note	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Continued operations			
Net income	3, 4	**4,437**	-
Other operating income		**-**	75
Total operating income		**4,437**	75
Other external expenses	7, 8	**-29,940**	-9,927
Personnel expenses	5, 6	**-5,089**	187
Operating result before depreciation and impairment losses		**-30,592**	-9,665
Depreciation/amortization and impairment loss on tangible, intangible and financial fixed assets	11	**-837**	-
Operating result after impairment losses		**-31,429**	-9,665
Financial revenue	12	**329**	3,105
Financial expenses	12	**-30,218**	-3,111
Total financial items		**-29,889**	-6
Result before tax		**-61,318**	-9,671
Income tax		**-**	-
Result for the period from remaining operations		**-61,318**	-9,671
Loss from discontinued operations		**-105,288**	-36,336
Result for the period		**-166,606**	-46,007
Result for the period attributable to:			
Equity holders of the Parent Company		**-166,606**	-45,986
Non-controlling interest		**-**	-21
Result for the period		**-166,606**	-46,007
Result per share before and after dilution, including discontinued operations	14	**-1.25**	-1.54
Result per share before and after dilution, excluding discontinued operations	14	**-0.46**	-0.32
Average number of shares (Millions)	14	**133.7**	29.8

Consolidated Statement of Comprehensive Loss

SEK thousand	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Result for the period	**-166,606**	-46,007
Items that could be reclassified to the income statement:		
Foreign currency translation differences - foreign operations	**-96**	-1,081
Total other comprehensive loss	**-166,702**	-47,088
Total comprehensive loss for the period attributable to:		
Equity holders of the Parent Company	**-166,702**	-47,067
Non-controlling interest	**-**	-21

Consolidated Statement of Financial Position

SEK thousand	Note	31.12.2015	31.12.2014
ASSETS			
Fixed Assets			
Intangible fixed assets			
Mineral interests	11	**-**	111,676
Customer relationships	11	**37,125**	-
Database	11	**7,530**	-
Other intangible assets	11	**448**	-
Goodwill	11	**124,467**	-
Tangible fixed assets			
Plant and machinery	11	**549**	551
Long-term financial fixed assets			
Other long-term investments	10, 11, 34	**267**	359
Total fixed assets		**170,386**	112,617
Other receivables	15	**58,284**	696
Prepaid expenses	16	**3,760**	161
Cash and cash equivalents	17	**372,375**	61,502
Total current assets		**434,419**	62,359
TOTAL ASSETS		**604,805**	174,976

Consolidated Statement of Financial Position

SEK thousand	Note	31.12.2015	31.12.2014
EQUITY AND LIABILITIES	18, 19		
Equity attributable to equity holders of the parent company			
Share capital		**298,307**	45,405
Other paid-in capital		**1,468,788**	1,256,648
Reserves		**-96**	-
Retained earnings and profit for the period		**-1,290,007**	-1,141,416
		476,992	160,637
Non-controlling interest		**-**	157
Total equity		**476,992**	160,794
Long-term Liabilities			
Convertible loan	21	**5,000**	5,000
Deferred tax liabilities	20	**11,357**	-
Other long-term liabilities	22	**500**	4,000
Total long-term liabilities		**16,857**	9,000
Current liabilities			
Accounts payable	23	**12,420**	1,560
Tax liabilities		**9,963**	-
Other short-term liabilities	24	**64,088**	1,146
Accrued expenses and prepaid income	25	**24,485**	2,475
Total current liabilities		**110,956**	5,181
TOTAL EQUITY AND LIABILITIES		**604,805**	174,976
Pledged assets	26	**4,000**	31
Contingent liabilities		**-**	-

Consolidated Statement of Changes in Equity

SEK thousand	Share capital	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total	Non controlling interest	Total Equity
	Equity related to the shareholders of the Parent Company						
Balance on 1 January 2014	45,437	1,174,207	1,081	-1,096,021	124,704	80	**124,784**
Net result for the period	-	-	-	-45,987	-45,987	-20	**-46,007**
Comprehensive loss for the period	-	-	-1,081	-	-1,081	-	**-1,081**
Total comprehensive result	-	-	-1,081	-45,987	-47,068	-20	**-47,088**
Set-off and new share issues	36,317	55,174	-	-	91,490	-	**91,490**
Share capital reduction	-36,349	36,349	-	-	-	-	**-**
Cost related to fund raising	-	-7,950	-	-	-7,950	-	**-7,950**
Dividend	-	-	-	-568	-568	-	**-568**
Other transactions	-	-1,132	-	1,161	29	97	**126**
Closing balance on 31 December 2014	45,405	1,256,648	-	-1,141,415	160,637	157	**160,794**
Balance on 1 January 2015	45,405	1,256,648	-	-1,141,415	160,637	157	**160,794**
Net result for the period	-	-	-	-166,606	-166,606	-	**-166,606**
Comprehensive loss for the period	-	-	-96	-	-96	-	**-96**
Total comprehensive result			-96	-166,606	-166,702		**-166,702**
New share issues	252,902	253,503	-	-	506,405	-	**506,405**
Costs related to fund-raising	-	-24,280	-	-	-24,280	-	**-24,280**
Reclassification	-	-17,070	-	17,070	-	-	**-**
Sale of subsidiaries	-	-	-	946	946	-157	**789**
Other transactions	-	-13	-	-	-13	-	**-13**
Closing balance on 31 December 2015	298,307	1,468,788	-96	-1,290,006	476,992	-	**476,992**

The total number of shares outstanding as of the end of December 2015 is 596,614,360

Consolidated Statement of Cash Flow

SEK thousand	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Cash flow from operations		
Result after financial items including discontinued operations [1)]	**-166,606**	-46,007
Adjustments for non-cash items [2)]	**134,586**	31,468
Total cash flow from operations before change in working capital	**-32,020**	-14,539
Change in working capital		
Increase/decrease in receivables	**2,133**	2,041
Increase/decrease in short term liabilities	**5,852**	-4,665
Total cash flow from operations	**-24,036**	-17,163
Cash flow used for investments		
Purchase of intangible fixed assets	**-**	-5,162
Purchase of tangible fixed assets	**-**	-691
Purchase of financial fixed asset	**-82,691**	-
Sale of financial fixed assets	**-**	2,000
Total cash flow used for investments	**-82,691**	-3,853
Financial activities		
New share issues	**460,386**	74,081
Cost related to fund-raising	**-24,281**	-7,950
Raised credits	**-**	1,098
Amortization of debt	**-1,099**	-
Total cash flow from financial activities	**435,006**	67,229
Change in cash and bank	**328,279**	46,213
Exchange difference in liquid funds	**-17,406**	-
Cash and bank on 1 January	**61,502**	15,289
Cash and bank at the end of report period	**372,375**	61,502
1) Financial items		
Financial income	**329**	3,105
Financial costs	**-30,218**	-3,111
	-29,889	-6
2) Adjustments for non-cash items		
Impairment losses on intangible fixed assets	**104,310**	33,685
Depreciation of tangible fixed assets	**973**	180
Exchange loss	**19,771**	-1,081
Loss from sold companies	**9,532**	
Other	**-**	-1,316
Total	**134,586**	31,468

Parent Company Income Statement

SEK thousand	Note	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Other operating income		-	75
Other external expenses	7	**-24,740**	-10,316
Personnel expenses	5, 6	-	187
Depreciation / impairment of financial fixed assets		**-160,799**	-30,000
Operating result		**-185,539**	-40,054
Result from financial items			
Financial revenue	12	**1,665**	2,023
Financial expenses	12	**-20,883**	-3,111
Total financial items		**-19,218**	-1,088
Result before tax		**-204,757**	-41,142
Result for the period		**-204,757**	-41,142

Parent Company Balance Sheet

SEK thousand	Note	31.12.2015	31.12.2014
ASSETS			
Tangible Fixed Assets			
Long-term financial fixed assets			
Shares in subsidiaries	27	**2,185**	97,247
Receivables from subsidiaries	28	**366,360**	70,468
Total fixed assets		**368,545**	167,715
Current Assets			
Other receivables	15	**1,704**	584
Prepaid expenses	16	**97**	65
Cash and cash equivalents	17	**142,948**	61,366
Total current assets		**144,749**	62,015
TOTAL ASSETS		**513,294**	229,730
SHAREHOLDERS' EQUITY	18, 19		
Restricted equity			
Share capital		**298,307**	45,405
Statutory reserve		**2,300**	2,300
Total restricted equity		**300,607**	47,705
Non-restricted equity			
Share premium reserve		**1,468,788**	1,239,565
Retained earnings		**-1,071,212**	-1,030,070
Result for the period		**-204,757**	-41,142
Total non-restricted equity		**192,819**	168,353
TOTAL SHAREHOLDERS' EQUITY		**493,425**	216,057
LIABILITIES			
Long-term liabilities			
Convertible loan	21	**5,000**	5,000
Interest bearing long-term liabilities	22	**-**	4,000
Total long-term liabilities		**5,000**	9,000
Current Liabilities			
Accounts payable	23	**5,972**	1,388
Other liabilities	24	**4,049**	1,099
Accrued expenses	25	**4,848**	2,186
Total current liabilities		**14,869**	4,673
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**513,294**	229,730
Pledget assets	26	**4,000**	-
Contingent liabilities		**-**	-

Parent Company Statement of Changes in Equity

	Restricted Equity		Non restricted Equity			
SEK thousand	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Result for the period	Total Equity
Balance on 1 January 2014	45,437	2,300	1,148,042	-911,164	-110,388	**174,228**
Transfer of prior year's net result	-	-	-	-110,388	110,388	**-**
Costs related to fund-raising	-	-	-	-7,950	-	**-7,950**
Dividend	-	-	-	-568	-	**-568**
Set off- and new share issues	36,317	-	55,174	-	-	**91,490**
Share capital reduction	-36,349	-	36,349	-	-	**-**
Result for the period	-	-	-	-	-41,142	**-41,142**
Closing balance on 31 December 2014	45,405	2,300	1,239,565	-1,030,070	-41,142	**216,057**
Balance on 1 January 2015	45,405	2,300	1,239,565	-1,030,070	-41,142	**216,057**
Transfer of prior year's net result	-	-	-	-41,142	41,142	**-**
Costs related to fund-raising	-	-	-24,280	-	-	**-24,280**
Share issues	252,902	-	253,503	-	-	**506,405**
Result for the period	-	-	-	-	-204,757	**-204,757**
Closing balance on 31 December 2015	298,307	2,300	1,468,788	-1,071,212	-204,757	**493,425**

The total number of shares outstanding as of the end of December 2015 is 596,614,360

Parent Company Statement of Cash Flow

SEK thousand	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Cash flow from operations		
Result after financial items including discontinued operations [1]	**-204,757**	-41,142
Adjustments for non-cash items [2]	**180,937**	29,431
Total cash flow from operations before change in working capital	**-23,820**	-11,711
Change in working capital		
Increase/decrease in receivables	**-1,131**	7,840
Increase/decrease in short term liabilities	**6,197**	-553
Total cash flow from operations	**-18,754**	-4,424
Cash flow used for investments		
Loan Financing to subsidiareis	**-320,551**	-5,377
Purchase of subsidiaries	**-2,185**	-
Total cash flow used for investments	**-322,736**	-5,377
Financial activities		
New share issues	**460,386**	74,081
Cost related to fund-raising	**-24,281**	-7,950
Total cash flow from financial activities	**436,105**	66,131
Change in cash and bank	**94,615**	56,330
Exchange difference in liquid funds	**-13,033**	-
Cash and bank on 1 January	**61,366**	5,036
Cash and bank at the end of report period	**142,948**	61,366
1) Financial items		
Financial income	**1,665**	2,023
Financial costs	**-20,883**	-3,111
	-19,218	-1,088
2) Adjustments for non-cash items		
Dividend	**-**	-569
Impairment of financial fixed assets	**160,799**	30,000
Exchange loss	**10,606**	-
Loss from sold companies	**9,532**	-
Total	**180,937**	29,431

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Notes to the Financial Report

General Information

The Parent Company Axactor AB (publ), until late December 2015 named Nickel Mountain Group AB (publ), Swedish corporate identity number 556227-8043, is a joint stock corporation, domiciled in Stockholm. The registered address is Hovslagargatan 5B, bottom floor, SE-111 48 Stockholm. The company's shares are traded in Norway on the Oslo Stock Exchange. The corporation's activities consist of debt collection ever since the two nickel subsidiaries Nickel Mountain Resources AB and Nickel Mountain Group AB were sold to Swedish mineral company Archelon AB on December 31, 2015. Thereby, the profit- and loss statement of the two nickel subsidiaries form part of the Axactor group profit- and loss account for 2015. The balance sheet of the nickel subsidiaries was, however, deconsolidated at year-end 2015 and is not part of the Axactor group balance sheet. The debt collection business segment arose by acquisition and consolidation of the Spanish debt collection company ALD Abogados SL on December 10, 2015. The Annual Report and Parent Company Report for Axactor AB (publ) were adopted by the Board of Directors on April 20, 2016 and will be submitted for approval to the Annual General Meeting on May 26, 2016.

Note 1 Accounting principles

Statement of conformity with regulations applied

The Consolidated Statements have been compiled in accordance with EU-approved International Financial Reporting Standards (IFRS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC). In addition, the Group applies the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary accounting regulations for corporate conglomerates" specifying the supplements to IFRS required pursuant to the stipulations of the Swedish Annual Accounts Act.

The Parent Company's functional currency is the Swedish krona (SEK) and this is also the reporting currency for both the Group and the Parent Company. All amounts in the financial reports are stated in thousands of Swedish kronor (TSEK), unless otherwise specified.

Items have been valued at their acquisition value in the consolidated accounts, with the exception of certain financial assets and liabilities, which have been valued at their fair value. The Parent Company's accounting principles follow those of the Group with the exception of the mandatory regulations stipulated in the Swedish Financial Reporting Board's recommendation, RFR 2 "Accounting for legal entities".

The most important accounting principles that have been applied are described below. These principles have been applied consistently for all years presented, unless otherwise specified.

New standards and interpretations that come into force in the 2016 calendar year or thereafter

IFRS 9, Financial instruments: The standard comes into force for financial years beginning in 2018, or thereafter, and replaces IAS 39. It is divided into three sections: classification, hedge accounting, and impairment. The standard requires the classification of financial assets in accordance with three valuation categories, namely amortized cost, fair value through other comprehensive income, or fair value through the Income Statement. The classification is determined when the asset is first accounted for on the basis of the characteristics of the financial asset and the company's business model. No major changes apply with regard to financial liabilities. IFRS 9 also includes augmented regulations regarding disclosures in relation to risk management and the effects of hedge accounting. The standard has been complemented with regulations governing the impairment of financial assets, where the model is based on anticipated losses. An overall assessment of the effects on Axactors's accounting will be made at a later date.

IFRS 15, Revenue from Contracts with Customers: The standard comes into force on 1st January 2018 and replaces existing standards and interpretations on revenues. The standard introduces a new revenue recognition model for contracts with customers and shall be applied to all contracts with customers with the exception of insurance contracts, financial instruments and leasing contracts in that separate standards exist in these areas. The new standard also entails new starting points for when revenue shall be recognized and requires new evaluations by the company management that differ from those currently applied. The principal areas in which existing regulations differ from the new ones are:

- Control-based model for determining when revenue shall be recognized (transfer of risks and benefits is only retained to indicate that control may have been transferred).
- The valuation of the revenue shall be based on what the vendor expects to receive, rather than on fair value.
- New rules governing the way in which a contract's goods and services shall be distinguished in the financial reporting.
- Revised criteria governing how revenue shall be recognized over time.
- Expenditure for the acquisition and fulfilment of contracts.
- Significantly augmented disclosure requirements.

At the present time, Axactor cannot estimate the impact of the new accounting standards on the Company´s financial reports.

IFRS 16 Leasing, in January 2016, IASB introduced a new leasing standard that will replace IAS 17, Leasing agreements and the associated interpretations IFRIC 4, SIC-15 and SIC-27. The standard demands that essentially all assets and liabilities related to a leasing agreement get recognized in the balance sheet with a few exceptions. The new standard is based on the view that the lessee has a right to use an asset during a specified time period, and at the same time has an obligation to pay for it. The accounting consequences for the lessor will, in all material respects, be unchanged. The standard is applicable for annual reporting periods beginning on, or after, January 1, 2019. It is voluntary to apply the standard before this date. The EU has not yet endorsed this standard.

The Group has not yet evaluated the effects of IFRS 16.

The standards and interpretations presented are those that may, in the opinion of the Group, have an effect in future. The Group intends to implement these standards when they become applicable.

No other of the standards or interpretations from IASB or pronouncements from IFRIC that have not yet come in to force are expected to have any material impact on the group.

Consolidation principles

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The balance sheets of the subsidiaries located outside Sweden are converted using the current exchange rates of the last day of the reporting period. The currency rate used in the income statements is the average rate for the entire reporting period. All Group transactions and Group unsettled matters, and profit and losses for transactions between group companies that are put into effect, are eliminated at the consolidation.

A subsidiary is included in Group accounts from the date of the acquisition, which is the day when the group obtains control of the company. The company is consolidated until such control ceases to exist. Control is considered to exist when the Group has the right to form the future strategies of a subsidiary, in order to achieve economic advantages.

A non-controlling interest is the part of a subsidiary's result and net assets that is not, directly or indirectly, owned by the Parent Company. The non-controlling interest's part of the result is included in the consolidated result after tax. The non-controlling interest's part of the equity is included in the consolidated equity, but is accounted for separately from the equity that is related to the shareholders of the Parent Company.

Basis for preparation

The consolidated accounts and the Parent Company accounts are based on historical acquisition values except for financial instruments which are valued fair market value.

Business combination and goodwill

Business combinations are accounted for using the acquisition accounting method.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquired entity is re-measured to fair value as at the acquisition date through profit or loss. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquired entity are assigned to those units.

The Group assesses each cash-generating unit annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the actual value, less costs to sell and value in use.

If there is an indication that an asset is impaired, the recoverable amount of the asset is calculated in accordance with IAS 36. For goodwill, other intangible assets with indefinite useful lives and intangible assets not yet ready for use, the recoverable amount is assessed annually.

Intangible assets

The fair value of goodwill is determined annually for each cash-generating unit in relation to the unit's performance and anticipated future cash flow. If deemed necessary, goodwill is written down on the basis of this evaluation.

The Group applies IAS 38 Intangible Assets. Expenditures for software development that can be attributed to identifiable assets under the Group's control and with anticipated future economic benefits are capitalized and recognized as intangible assets. These capitalized expenses include staff expenses for the development team and other direct and indirect expenses.

Customer relationships that are recognized as fixed assets relate to fair value revaluations recognized upon acquisition, in accordance with IFRS 3. They are amortized on a straight-line basis over their estimated period of use (5–10 years).

Other intangible fixed assets relate to other acquired rights are amortized on a straight-line basis over their estimated period of use.

Tangible fixed assets

Tangible fixed assets are reported at cost in the balance sheet, with a deduction for accumulated depreciation and any impairment. Depreciation is made on a straight-line basis over the asset's estimated useful life, which is assessed on an individual basis, ranging from 3 to 10 years.

For all financial instruments measured at amortized cost, and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR).

Revenue from dividends is recognized when the Group's right to receive the payment is established.

The cash flow statement shows cash receipts and cash payments, using the indirect method.

Provisions are recognized when the Group has a current obligation (legal or constructive) as a result of a past event, and a reliable estimate can be made of the amount of the obligation.

Management is required to apply judgement in assessing the probability of the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. This judgement is supported by external advice and precedent case law. Further details of contingent assets are disclosed in note 11.

Current assets and current liabilities are comprised of amounts that are expected to be recovered or paid respectively, within twelve months of the reporting date. Other assets and liabilities are reported as non-current assets or long-term liabilities, respectively.

Financial instruments

Financial instruments reported as assets in the balance sheet include: long-term receivables, other receivables, prepaid expenses and accrued income, liquid funds, accounts receivable, and short-term investments. All financial assets are classified as loans and receivables, and are reported at amortized cost. The liabilities consist of long-term liabilities, convertible loans, other liabilities, accrued expenses and prepaid income and accounts payable. The liabilities are classified as other financial liabilities and are reported as amortized cost. Financial instruments are initially recorded at acquisition value corresponding to the instrument's fair value. A financial asset or liability is reported in the balance sheet as soon as the Company has a contractual commitment regarding such instrument. Axactor does not have any derivatives and does not, for the time being, engage in hedging. Cost of interest is calculated using the effective interest rate method.

A financial asset is considered for exclusion when the contractual rights to the cash flows from the financial asset expire, or the Group has either transferred the contractual right to receive the cash flows from that asset, or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria.

A financial liability is considered for exclusion when the liability is repaid by Axactor.

Financial instruments are reported using the fair value, accumulated value or acquisition value, depending on the initial categorization under IAS 39. On each reporting occasion, the company performs an impairment test to determine whether objective indications exist of the need to write-down a financial asset or group of financial assets.

Pension plans

There are only defined contribution retirement plans within the Group. Defined contribution retirement plans comprise plans in which the company's liability in terms of retirement payments is limited to the fees that already have been undertaken. The retirement of the individual employee is dependent on the fees paid to the retirement plan or an insurance company by the employer, and the return of capital invested in the retirement insurance. Consequently, it is the employee that holds the risk of return (that the return will be lower than expected) and the risk of the investment (the risk that the invested pension provision will not be sufficient to cover expected retirement compensation in the future). The obligations of the Company related to payments of defined contribution retirement plans are expensed in the income statement as they are earned by the employee for services conducted on behalf of the employer during the period.

Leases

All leases are accounted for as operating leases.

Deferred taxes

The parent company's deficit submitted to the tax authorities for financial year 2014 was some 13.1 MSEK. To this should be added the corresponding result for financial year 2015, which is estimated at 54 MSEK.

In January 2016, the tax authorities reviewed the parent company's taxation for financial year 2013, and increased the deficit for that year by 166.7 MSEK.

No current or deferred tax claims were accounted for at year-end 2015. Deferred tax claims were not accounted for as deductions of loss. Deficit deduction can be used without any time limit. A deferred tax liability related to subsidiaries registered outside Sweden was recorded relating to Spanish subsidiary ALD Abogados SL.

Borrowing expenses

The Group applies IAS 23 Borrowing Costs and IAS 39 Financial Instruments: Recognition and Measurements. Expenses to secure bank financing are amortized across the term of the loan as financial expenses in the consolidated income statement. The amount is recognized in the balance sheet as a deduction to the loan liability. The Group capitalizes borrowing expenses in the cost of qualifying assets, that is, fixed assets for substantial amounts with long periods of completion. No such investments were initiated in 2015.

Income recognition

The Group applies IAS 18 Revenue. Income, consisting of commissions and collection fees, is recognized on collection of the debt. Subscription income is recognized proportionately over the term of the underlying service contracts, which is usually one year.

Segment reporting

Within Axactor, segmentation is according to the various countries in which the debt collection business takes place, by year-end 2015 only in Spain. See note 3 for more information.

Taxes

Current tax and deferred tax are reported in the financial statements. Current tax is the tax that will be paid or refunded based on the current year, using the tax rates that were in effect/decided upon on the closing date applied to taxable income. An adjustment is also made for current tax related to prior periods. Deferred tax is calculated using the balance sheet approach. This involves determining the tax base of assets and liabilities in order to calculate temporary differences. Deferred tax assets are reported for deductible temporary differences of unused loss carry forwards/backs to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. No deferred tax asset is currently recorded for loss carried forward, since it is difficult to determine whether utilization will be possible in the future.

Conversion of foreign currency

The financial statements are presented in SEK, which is Axactor's functional currency, as well as being the presentation currency. Transactions in foreign currency are accounted for in the functional currency, at the current rate of exchange of the transaction date. Both monetary and non-monetary assets and liabilities are converted per the balance sheet date, at the day's current exchange rate. Currency differences which arise during conversion are accounted for in profit or loss. Assets and liabilities in foreign subsidiaries are valued at the closing currency rates at the end of the reporting period. Income statements are converted to the average of currency rates for the entire reporting period. Exchange differences that may occur at conversion are reported under other comprehensive income.

Differences between accounting principles of the Group and of the Parent Company

According to the Swedish Financial Reporting Board's standard RFR 2, Accounting for Legal Entities, legal entities with securities listed on a Swedish stock exchange or authorized market on the balance sheet date shall, as a general rule, apply those IFRS standards that are applied in the consolidated financial statements. There are, however, certain exceptions from and additions to this rule depending on legal provisions – principally those in the Annual Accounts Act – and the relationship between accounting and taxation.

For Axactor AB (the Parent Company), this means that IFRS measurement and disclosure rules are applied, but the format differs from the Group's financial reports since the Parent Company's financial reports follow the Annual Accounts Act.

In the Parent Company, shares in subsidiaries, associated companies, and joint ventures are reported at cost (full consolidation and the equity method is used in the Group).

Goodwill related to the ALD Abogados acquisition in December 2015

The peer-group valuation table (for debt collection companies bought up) gave an Enterprise value/EBITDA multiple range of 6.7 – 7.4. Based on ALD's estimated (at the acquisition moment) full-year 2015 EBITDA of 3 million Euro, the motivated implied enterprise value of ALD got to 20.3 – 22.5 million Euro. Subsequently it turned out that ALD's 2015 EBITDA was 3.7 million Euro.

Note 2 Risks and uncertainties

Axactor defines risk as all factors which could have a negative impact on the ability of the Group to achieve its business objectives. All economic activity is associated with risk. In order to manage risk in a balanced way, it must first be identified and assessed. Axactor conducts risk management at both a Group and company level, where risks are evaluated in a systematic manner. The following summary is by no means comprehensive, but offers examples of risk factors which are considered especially important for Axactor's future development.

Reliance on key persons
The Company's development is dependent upon the continued services and performance of its senior management and other key personnel. The loss of the services of any of the senior management or key personnel may have an adverse impact on the Company.

Economic fluctuations
The credit management sector is affected negatively by a weakened economy. However, Axactor's assessment is that, historically, it has been less affected by economic fluctuations than many other sectors. Risks associated with changes in economic conditions are managed through on-going dialogue with each country management team and through regular checks on developments in each country.

Market risk
Axactor's financing and financial risks are managed within the Group in accordance with the treasury policy established by the Board of Directors. The treasury policy contains rules for managing financial activities, delegating responsibility, measuring identifying and reporting financial risks and limiting these risks. Internal and external financial operations are concentrated to the Group's central finance function in Oslo, which ensures economies of scale when pricing financial transactions. Because the finance function can take advantage of temporary surpluses and deficits in the Group's various countries of operation, the Group's total interest expense can be reduced. In each country, investments, revenues and most operating expenses are denominated in local currencies, and thus currency fluctuations have a relatively minor effect on operating earnings. Revenues and expenses in national currency are thereby hedged in a natural way, which limits transaction exposure.

When the balance sheets of foreign subsidiaries are recalculated in SEK, a translation exposure arises that affects consolidated shareholders' equity. This translation exposure is limited by raising loans in foreign currencies.

Regulatory risks
With regard to risks associated with changes in regulations in Europe, Axactor continuously monitors the EU's regulatory efforts to be able to indicate potentially negative effects for European credit management companies and to work for favorable regulatory changes.

Potential dilution of shareholders
The company may issue additional shares in the future. Shareholders of the Company may suffer from dilution in connection with future issuances of shares.

Price volatility of publicly traded securities
In recent years, the securities markets in Europe have experienced a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price, which have not necessarily been related to the operating performance, underlying assets values, or prospects of such companies. There is no assurance that continuous fluctuations in price will not occur. It is likely that the quoted market price for the Axactor shares will be subjected to market trends generally, notwithstanding the financial and operational performance of the Company.

Interest rate risk
Interest rate risk is related to the risk the group is exposed to from changes in the market's interest rate which can affect the net profit. The Board of Directors and the management have made an assessment that Axactor's interest rate risk exposure is small, since the company currently has a limited loan burden.

Currency risk
Currency risk refers to the risk that the value of a financial instrument may shift as a result of changes in currencies conversion rates. The Company's accounts are held in Swedish krona (SEK). However, the Company conducts the majority of its business operations in other countries. This foreign exchange exposure may affect the Company's results and the amount of liquid assets.

Risks inherent in purchased debt
To minimize the risks in this business, caution is exercised in purchase decisions. The focus is on small and medium-sized portfolios with relatively low average amounts, to help spread risks. The acquisitions generally involve unsecured debt, which reduces the capital investment and significantly simplifies administration compared with collateralized receivables. Purchased debt portfolios are usually purchased at prices significantly below the nominal value of the receivables, and Axactor retains the entire amount it collects, including interest and fees. Axactor places high yield requirements on purchased debt portfolios. Before every acquisition, a careful assessment is made based on a projection of future cash flows (collected amount) from the portfolio. In its calculations, Axactor is aided by its management's long experience in collection management and its scoring models. Scoring entails the consumer's payment capacity being assessed with the aid of statistical analysis. Axactor also uses specialized industry consultants for getting a second opinion on each contemplated debt portfolio purchase. Axactor therefore believes that it has the expertise required to evaluate these types of receivables.

Note 3 Segment reporting

For management purposes, the Group was until the last quarter of 2015 organized into business units based on the type of mineral the Group was active with up to that moment in time. As from 2016, the focus of Axactor is debt collection. Therefore, per 31.12.15, the business segments are the various geographic areas where debt collection is conducted. This annual report also includes the profit- and loss statement from the sold nickel subsidiaries, and this business is also reflected as a "business segment", which, however, now is labeled "discontinued operations".

Jan - Dec 2015

SEK thousand	Debt Collection	Other	Total remaining operations	Discontinued operations	Total
Sales revenues	4,337	-	4,337	-	**4,337**
Other operating income	-	-	-	40	**40**
Operating result before depreciation and impairment losses	-5,848	-24,744	-30,592	-885	**-31,477**
Impairment of mineral interests	-	-	-	-104,310	**-104,310**
Depreciation according to plan	-64	-773	-837	-137	**-974**
Financial items	-1	-29,888	-29,889	4	**-29,885**
Result before tax	-5,913	-55,405	-61,318	-105,288	**-166,606**
Fixed assets	168,330	2,056	170,386	-	**170,386**
Current assets	76,230	358,189	434,419	-	**434,419**
Long-term liabilities	11,857	5,000	16,857	-	**16,857**
Short-term liabilities	96,086	14,870	110,956	-	**110,956**
Investments	188,432	-	188,432	-	**188,432**

Jan - Dec 2014

SEK thousand	Debt Collection	Other	Total remaining operations	Discontinued operations	Total
Other operating income	-	75	75	219	**294**
Operating result before depreciation and impairment losses	-	-9,665	-9,665	-2,472	**-12,137**
Impairment of mineral interests	-	-	-	-33,685	**-33,685**
Depreciation according to plan	-	-	-	-180	**-180**
Financial intems	-	-6	-6	1	**-5**
Result before tax	-	-9,671	-9,671	-36,336	**-46,007**
Fixed assets	-	-	-	112,617	**112,617**
Current assets	-	62,015	62,015	344	**62,359**
Long-term liabilities	-	9,000	9,000	-	**9,000**
Short-term liabilities	-	4,673	4,673	508	**5,181**
Investments	-	-	-	5,853	**5,853**

Geographical distribution of revenues, remaining operations

SEK thousand	2015	2014
Sweden	-	108
Spain	4,337	-
Total	4,337	108

Geographical distribution of tangible, intangible and financial fixed assets

SEK thousand	2015	2014
Sweden	32,118	112,617
Spain	138,268	-
Total	170,386	112,617

Note 4 Revenue from sales

Revenues in 2015 are sales revenues generated by the Spanish subsidiary ALD Abogados SL during the month of December. The revenues in 2014 were other income in the Swedish nickel subsidiaries.

Note 5 Employees, salaries and other compensations

	2015		2014	
	Average number of employees	Of which men	Average number of employees	Of which men
Parent Company	-	-	-	-
Subsidiaries	68	42%	4	50%
Group Total	68	42%	4	50%
Of which Sweden	-	-	4	50%
Of which Norway	4	75%	-	-
Of which Spain	64	41%	-	-
Part of women on management level				
Board of Directors	-	-	-	-
Management	-	-	-	-

Average number of employees in Spain is for the whole year 2015, and in Norway for the period November to December 2015.

	2015			2014		
	Salaries and other compensations	Of which pension costs	Of which social contribution costs	Salaries and other compensations	Of which pension costs	Of which social contribution costs
Parent Company						
Sweden	-	-	-	-191	-196	6
Subsidiaries						
Sweden	-	-	-	1,569	86	239
Norway	**1,968**	-	**243**	-	-	-
Spain	**2,977**	-	**374**	-	-	-
Total Group [1) 2)]	**4,945**	-	**617**	1,378	-110	245

1) Part of total remuneration to Board Members has been invoiced and is recognized in the group P&L as "other external costs".

2) Remuneration for the Managing Director appointed during the period January – November 2015 was invoiced from a private company and therefore forms part of "other external costs". As given also by note 6, the invoiced amount in question was 902 TSEK (984 for 12 m 2014).

3) The Managing Director appointed by the end of November had a remuneration up to the end of 2015 including social charges of 804 TSEK.

Salaries and other remuneration broken down for Directors, CEO and other employees

	2015		2014	
SEK thousand	Board of Directors and CEO	Other employees	Board of Directors and CEO	Other employees
Parent Company				
Sweden	-	-	-	-191
Subsidiaries				
Sweden	-	-	216	1,353
Norway	**1,161**	**807**	-	-
Spain	-	**2,977**	-	-
Total Group	**1,161**	**3,784**	216	1,162

Social contribution cost broken down for Directors, CEO and other employees

	2015		2014	
SEK thousand	Board of Directors and CEO	Other employees	Board of Directors and CEO	Other employees
Parent Company				
Sweden	-	-	-	-
Subsidiaries				
Sweden	-	-	52	323
Norway	**143**	**100**	-	-
Spain	-	**374**	-	-
Total Group	**143**	**474**	52	323

There were no pension costs or other similar benefits for Board of Directors and President during 2015 or 2014.

Note 6 Compensations and other benefits: Board, CEO and management officials

SEK thousand	2015 Director fee (according to resolution from general meeting)	2015 Salary including social contribution	2015 Other Benefits	2014 Director fee (according to resolution from general meeting)	2014 Salary	2014 Other Benefits
Board elected at June 2014 AGM						
Rikard Ehnsiö (Resigned in October 2014)	-	-	-	100	-	-
Frank Dinhof Petersen (Resigned in October 2014)	-	-	-	52	-	-
Svein Breivik (Resigned in October 2014)	-	-	-	52	-	-
Björn Rohdin (Resigned in October 2014)	-	-	-	52	-	-
Board elected at October 2014 EGM and at June 2015 AGM						
Martin Nes (Resigned in December 2015)	**244**	-	-	56	-	-
Jan Frode Andersen (Resigned in December 2015)	**146**	-	-	33	-	-
Per Dalemo [1]	**146**	-	-	33	-	-
Board elected at December 2015 EGM						
Einar J Greve	**18**	-	-	-	-	-
Gunnar Hvammen	**9**	-	-	-	-	-
Per Dalemo [1]	**9**	-	-	-	-	-
Management						
Torbjörn Ranta [1]	-	**902**	-	-	984	-
Endre Rangnes (Appointed CEO in November 2015)	-	**804**	-	-	-	-
Johnny Tsolis	-	**357**	-	-	-	-

1) Net amount invoiced from private company.

The number of employees in corporate management amounts to 2 (1).

Board members appointed at the June 2015 AGM receive a fee of SEK 250 thousand per year for the Chairman, and SEK 150 thousand per year for each ordinary Board Member, as established by the AGM. This was unchanged remuneration as compared to the preceding year. A new Board of Directors was appointed at the December 23, 2015 EGM. Given the then enlarged business operations, the EGM decided to increase the remuneration for the new Board to 1.8 MSEK on an annual basis divided on 900 TSEK for the Chairman and 450 TSEK for each of the two other Board members.

Termination compensation and severance salary

Termination compensation and severance salary shall in no case exceed twelve months' salary.

Note 7 Other external expenses

Auditing comprises an audit of the Annual Report and an audit of accounts and the management carried out by the Board and the CEO. It also includes other assignments related to the work carried out by the auditor, as well as any need for advisory or other assistance that occurs as a result of the ordinary work carried out by the auditor. Audit-related fees concern different types of services for assurance. Review of tax forms is considered as tax consultancy. Other assignments, for instance legal consultancy in excess of auditing, are related to issues other than taxes. The part of the Audit fees that is directly related to fundraising is accounted for in 'Equity'.

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Rent	**-504**	-99	**-105**	-
Travel	**-123**	-240	**-104**	-115
Legal counselling	**-1,731**	-3,039	**-1,729**	-3,039
Admininstrative costs related to listing	**-18,431**	-654	**-18,431**	-654
Consultancy fees	**-2,286**	-2,417	**-1,163**	-2,417
Insurance	**-401**	-233	**-233**	-202
Others	**-6,464**	-3,245	**-2,975**	-3,889
Total	**-29,940**	-9,927	**-24,740**	-10,316

Remuneration to Auditors

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Mazars				
Audit fees	-	650	-	400
Audit-related fees	-	19	-	19
Other fees	-	227	-	127
KPMG	-		-	
Audit fees	-	254	-	-
Tax advisory fees	-	215	-	215
PriceWaterhouseCoopers				
Audit fees	**747**	388	**747**	338
Other fees	**663**	210	**663**	210
Total	**1,410**	1,963	**1,410**	1,309

Note 8 Leasing

SEK thousand	Premises
Matures 2016 [1]	2,879
Matures 2017-2018	6,486
Matures 2018 <	-

1) The amount relates to the rental contract in respect to the offices in Sweden, Norway and Spain.

Note 9 Transactions with related parties

SEK thousand	2015	2014
Mr. Ole Weiss, Board Member of NMG AB, in 2013/2014, via his private company, invoiced NMG AB a net amount of 220,000 Danish kronor (DKK) for professional services related primarily to the African assets of the group. The work with African Diamond continued in spring 2014, and for this work NMG was invoiced 72,000 SEK.		72
Mr. Erlend Dunér Henriksen, Deputy Board Member of NMG AB in 2013 - 2014, was the main force behind the successful issue of interest free promissory notes to a circle of Norwegian investors during the Autumn of 2013. For these financial advisory services, and for certain other investor relations work, Mr. Henriksen, via his private company Renud Invest AS, invoiced NMG 740 thousand NOK in that year. In the summer and autumn of 2014, he again provided certain additional administrative services which were invoiced to NMG in an amount of 47,000 SEK.		47
In the third quarter of 2015, NMG paid in total 100,000 NOK to its major shareholder Strata Marine & Offshore AS, in respect to managerial services extended by the Board Director, Jan Frode Anderson, during the first six months of 2015, over and beyond his normal duties as Board Director of the Company.	**94**	
At the EGM on November 17, 2015, the Company approved and ratified a consultancy agreement between the Company and Ferncliff TIH II AS, a company which is a closely related party to the Company's principal shareholder, Strata Marine & Offshore AS, pursuant to which Ferncliff TIH II AS would be entitled to a success fee of 4 million NOK for services rendered in connection with the ALD Acquisition.	**3,757**	
At the same time as the above agreement with Ferncliff TIH II AS was executed, the Company also entered in to three other success fee-related advisory agreements in order to ascertain a successful completion of the ALD acquisition. The counterparties were private companies controlled by Mrssr. Endre Rangnes, Johnny Tsolis and Einar Greve. These subsequently, after the ALD acquisition, were appointed CEO, Head of Strategy and Chairman of the Board. The paid out amounts were 1.85 MNOK, 1.65 MNOK and 3 MNOK, respectively.	**6,105**	
Certain of Axactor's major shareholders, today's management team of the Company, and Mr. Greve (today's Chairman of the Board) were among the underwriting syndicate guaranteeing successful completion of the private placement and reparatory rights issue of 400 million and 60 million shares, respectively in late autumn 2015. In addition, these underwriters were also allocated shares in the private placement.		
Wistrand Law firm in Gothenburg has been one of Axactor's legal advisors in regard to the acquisition of ALD in Spain and the various share issues, including the prospectus filing. In total, Wistrand has in the fourth quarter of 2015 invoiced Axactor some 2.37 million SEK of legal fees. Per Dalemo, Axactor's Board Director, is employed by Wistrand Law firm, but has not been part of the legal team extending services to Axactor.	**2,366**	162
Total	**12,323**	281

Related party balances as per year end 2015		
Loan from Ulrik Jansson (previous Chairman of the Board)	**5,167**	
Accounts payable, invoices from Wistrands Law Firm	**2,366**	

Note 10 Other long-term investments

	Group		Parent	
SEK thousand	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Nordic Iron Ore AB	-	214	-	-
Tasman Metals	-	145	-	-
Other items	**267**	31	-	-
	267	390	-	-

Note 11 Tangible, Intangible and financial fixed assets

Mineral interests

	Group		Parent	
SEK thousand	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Acquisition value at opening of period	**725,306**	720,657	-	-
Acquisition during the report period (year)	-	5,162	-	-
Sales and retirements	**-725,306**	-513	-	-
Acquisition value at year-end	-	725,306	-	-
Depreciations and impairments				
Accumulated depreciations at beginning of year	**-613,630**	-609,945	-	-
Depreciation and impairments during the year	**-103,743**	-3,685	-	-
Sales and retirements	**717,373**	-	-	-
Accumulated write downs at year-end	-	-613,630	-	-
Exchange differences	-	-	-	-
Book-value at year-end	-	111,676	-	-

Customer Relationships

	Group		Parent	
SEK thousand	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Acquisition value at opening of period	-	-	-	-
Acquisition during the report period (year)	**37,791**	-	-	-
Acquisition value at year-end	**37,791**	-	-	-
Depreciations and impairments				
Accumulated depreciations at beginning of year	-	-	-	-
Depreciation and impairments during the year	**-666**	-	-	-
Accumulated depreciation and impairment at year-end	**-666**	-	-	-
Exchange differences	-	-	-	-
Book-value at year-end	**37,125**	-	-	-

Database

SEK thousand	Group 31.12.2015	Group 31.12.2014	Parent 31.12.2015	Parent 31.12.2014
Acquisition value at opening of period	-	-	-	-
Acquisition during the report period (year)	7,637	-	-	-
Acquisition value at year-end	7,637	-	-	-
Depreciations and impairments				
Accumulated depreciations at beginning of year	-	-	-	-
Depreciation and impairments during the year	-107	-	-	-
Accumulated depreciation and impairment at year-end	-107	-	-	-
Exchange differences	-	-	-	-
Book-value at year-end	7,530	-	-	-

Other immaterial assets

SEK thousand	Group 31.12.2015	Group 31.12.2014	Parent 31.12.2015	Parent 31.12.2014
Acquisition value at opening of period	-	-	-	-
Acquisition during the report period (year)	448	-	-	-
Acquisition value at year-end	448	-	-	-
Depreciations and impairments				
Accumulated depreciations at beginning of year	-	-	-	-
Depreciation and impairments during the year	-	-	-	-
Accumulated depreciation and impairment at year-end	-	-	-	-
Exchange differences	-	-	-	-
Book-value at year-end	448	-	-	-

Goodwill

SEK thousand	Group 31.12.2015	Group 31.12.2014	Parent 31.12.2015	Parent 31.12.2014
Acquisition value at opening of period	-	-	-	-
Acquisition during the report period (year)	124,467	-	-	-
Acquisition value at year-end	124,467	-	-	-
Depreciations and impairments				
Accumulated write downs at beginning of year	-	-	-	-
Impairment write down during the year	-	-	-	-
Accumulated write downs at year-end	-	-	-	-
Exchange differences	-	-	-	-
Book-value at year-end	124,467	-	-	-

Tangible assets

SEK thousand	Group 31.12.2015	Group 31.12.2014	Parent 31.12.2015	Parent 31.12.2014
Plant and machinery				
Acquisition value at opening of period	**43,979**	43,519	**-**	-
Acquisition during the report period (year)	**-**	687	**-**	-
Acquisition of operations	**613**	-	**-**	-
Sales and retirements	**-43,979**	-43,219	**-**	-
Acquisition value at year-end of plant and machinery	**613**	987	**-**	-
Depreciations and impairments				
Accumulated depreciation according to plan at beginning of period	**-43,428**	-43,273	**-**	-
Sales and retirements	**43,428**	42,992	**-**	-
Depreciation and impairments during the year	**-64**	-155	**-**	-
Accumulated depreciation at year end according to plan	**-**	-436	**-**	-
Book value at year-end of tangible fixed assets	**549**	551	**-**	-

Financial Fixed Assets

SEK thousand	Group 31.12.2015	Group 31.12.2014	Parent 31.12.2015	Parent 31.12.2014
Long term receivables and securities				
Acquisition value at opening of period	**359**	30,359	**167,715**	192,338
Acquisition during the report period (year)	**-**	-	**368,545**	5,377
Acquisition of operations	**246**	-	**-**	-
Impairment/Value reduction	**-**	-30,000	**-10,100**	-30,000
Sales and retirements	**-338**	**-**	**-157,615**	**-**
Book-value at year-end of financial fixed assets	**267**	**359**	**368,545**	**167,715**

Depreciation and impairment loss on tangible, intangible and financial fixed assets (remaining operations)

SEK thousand	Group 2015	Group 2014	Parent 2015	Parent 2014
Impairment loss on Alluvia Mining Ltd claim	**-**	-	**-**	30,000
Depreciation according to plan of plant & machinery and immateriel assets	**837**	**-**	**-**	**-**
	837	**-**	**-**	**30,000**

Depreciation and impairment of tangible and intangible fixed assets in 2015 are attributable to the Group's nickel mineral interest in Northern Sweden.

SEK thousand	2015
Nickel	**-104,447**
Total	**-104,447**

Impairment of receivable on Alluvia Mining Ltd at year-end 2013 and at year-end 2014, and the treatment of it as a contingent asset according to IAS 37

The by end of 2014, fully impaired receivable from Alluvia Mining Ltd is related to the proposed purchase of Ghana Gold in the spring of 2013.

Details around this case are fully explained in the annual report for year 2014.

The criminal case against former directors is planned to be reviewed by the Stockholm District Court in autumn 2016. The ruling in the civil case is either expected in parallel or somewhat later. Axactor estimates that the legal process will cost some 1–2 million SEK per year. In the case of an appeal to a higher court, the final ruling may take a couple of more years.

Note 12 Financial items

Financial income

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Exchange gains	**162**	28	**85**	-
Interests	**-**	1,077	**1,580**	23
Sale of group company	**167**	2,000	**-**	2,000
Total financial revenue	**329**	3,105	**1,665**	2,023

Financial expenses

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Exchange losses	**-19,939**	-2,273	**-10,606**	-2,273
Sale of group company	**-9,532**	-	**-9,532**	-
Interests	**-747**	-838	**-745**	-838
Total financial expenses	**-30,218**	-3,111	**-20,883**	-3,111

Note 13 Income tax

SEK thousand	Group 2015	Group 2014	Parent 2015	Parent 2014
Actual tax	**-**	-	**-**	-
Deferred tax	**-**	-	**-**	-
Actual tax reported in the income statement	**-**	-	**-**	-
Result before tax for continued operations	**-61,318**	-41,218	**-204,757**	-41,142
Expected tax according to Swedish tax rate (22%)	**13,490**	9,068	**45,047**	9,051
Other non-taxable/non-deductible items	**-2,098**	-6,167	**-37,474**	435
Tax losses for which no deferred tax asset was recognized	**-11,392**	-2,901	**-7,573**	-9,486
Tax related to remaining operations	**-**	-	**-**	-

The parent company's deficit submitted to the tax authorities for financial year 2014, was some 13.1 MSEK. To this should be added the corresponding result for financial year 2015, which is estimated at 54 MSEK.

In January 2016, the country tax authorities reviewed the parent company's taxation for financial year 2013, and increased the deficit for that year by 166.7 MSEK.

No current or deferred tax claims were accounted for at year-end 2015. Deferred tax claims were not accounted for as deductions of loss. Deficit deduction can be used without any time limit. A deferred tax liability related to subsidiaries registered outside Sweden was recorded relating to Spanish subsidiary ALD Abogados SL.

Note 14 Earnings per share

	2015	2014
Result related to Parent company's shareholders (TSEK)	**-166,606**	-45,986
Average number of shares during the reporting period	**133,687,416**	29,804,775
Result per share after dilution including discontinued operations (SEK)	**-1.25**	-1.54
Result per share after dilution excluding discontinued operations (SEK)	**-0.46**	-1.38

Note 15 Other short-term receivables

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Accounts receivables	**51,576**	-	**-**	-
VAT receivables	**890**	505	**890**	399
Deposits	**192**	-	**-**	-
Other interest-free receivables	**5,626**	191	**814**	185
Total	**58,284**	696	**1,704**	584

There is no provision for doubtful receivables.

As of December 31, 2015, the analysis of other short-term receivables that were past due, but not impaired, were as follows:

			Past due but not impaired				
	Total	Neither past due nor impaired	<30 days	30-60 days	60-90 days	90-120 days	>120 days
2014	**696**	-	696	-	-	-	-
2015	**58,284**	38,816	11,839	1,266	3,714	129	2,520

Note 16 Prepaid expenses and accrued income

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Prepaid insurance fees	**73**	56	**73**	16
Prepaid legal fees	**3,617**	-	**-**	-
Prepaid rentals	**39**	62	**23**	48
Others	**31**	43	**1**	1
Year-end balance	**3,760**	161	**97**	65

Note 17 Cash and cash equivalents

As of December 31, 2015, cash and cash equivalents of the Group were 372,375 TSEK (61,502 TSEK). These liquid assets all consisted entirely of bank deposits. The Parent Company's cash and cash equivalents as of December 31, 2015 were142,948 TSEK (61,366 TSEK). 95 % of the cash in the Group is in NOK, 4 % i EUR and 1 % in SEK.

Note 18 Development of the share capital

Date	Transaction	Increase of number of ordinary shares	Change in number of A-shares	Increase of share capital	Total number of shares	Total share capital	Face value (SEK)
01.01.2014	Opening balance	-	-	-	18,174,922	9,087,461	0.50
27.01.2014	Set-off issue	3,052,799	-	1,526,400	21,227,721	10,613,861	0.50
28.05.2014	Set-off issue	1,474,619	-	737,310	22,702,340	11,351,170	0.50
18.11.2014	Rights issue	68,107,020	-	34,053,510	90,809,360	45,404,680	0.50
24.11.2015	Directed issue of A-shares	-	400,000,000	200,000,000	490,809,360	245,404,680	0.50
02.12.2015	Conversion A-shares to ordinary shares	400,000,000	-400,000,000	-	490,809,360	245,404,680	0.50
10.12.2015	Issue in kind	45,805,000	-	22,902,500	536,614,360	268,307,180	0.50
28.12.2015	Rights issue	60,000,000	-	30,000,000	596,614,360	298,307,180	0.50

There were 18,174, 922 shares outstanding as of January 1, 2014. The value per share was SEK 0.50. The share capital was then SEK 9,087,461. During the first half of 2014, two issues in kind were conducted. Thereby, the number of shares increased by 4,527,418 to a total number of 22,702,340. In November 2014, a rights issue was completed. In that context, 68,107,020 new shares were subscribed and issued. The number of shares was then 90,809,360 at year-end 2014.

During the fourth quarter of 2015, firstly a private placement of 400,000,000 new shares was conducted. Thereafter, an issue in kind of 45,805,000 new shares was carried out to the two sellers of the Spanish subsidiary ALD Abogados SL. Lastly, a rights issue amounting to 60,000,000 new shares took place. The issue price in all three issues in the fourth quarter of 2015, was 1 NOK per share. Both these private placement and the rights issues were fully underwritten. As of year-end 2015, the total number of shares outstanding was, therefore, 596,614,360. The share capital at the same point in time, amounted to SEK 298,307,180.

According to the current Articles of Association, there are two share classes: ordinary shares with one vote per share, and A-shares with 0.99 votes per share. The latter is a technical solution invented in autumn 2015 in connection with the private placement of 400,000,000 new shares. As the time period between subscription of- and payment for the private placement shares, and the subsequent listing of these new shares on the Oslo Stock Exchange was relatively long, it was necessary to technically separate the old shares from the new shares for a while. In Norway, it is not possible to have two different so-called ISIN-numbers for one and the same share series. Consequently, the solution was to introduce the mentioned A-shares temporarily. They were subsequently converted to ordinary shares, and today all outstanding shares are, therefore, ordinary shares.

Note 19 Ownership structure as at February 29, 2016

Name	Holdings	Ownership %
DNB NOR MARKETS, AKSJEHAND/ANALYSE	51,840,256	8.7%
ARCTIC FUNDS PLC	40,437,195	6.8%
TVENGE TORSTEIN INGVALD	30,000,000	5.0%
STRATA MARINE & OFFSHORE AS	27,151,999	4.6%
VERDIPAPIRFONDET ALFRED BERG NORGE	19,368,370	3.2%
SWEDBANK GENERATOR	17,803,435	3.0%
VERDIPAPIRFONDET HANDELSBANKEN	16,851,801	2.8%
VERDIPAPIRFONDET ALFRED BERG GAMBA	14,670,426	2.5%
MP PENSJON PK	14,467,702	2.4%
STATOIL PENSJON	11,527,500	1.9%
SOLAN CAPITAL AS	11,000,000	1.8%
STOREBRAND VEKST	10,602,615	1.8%
VERDIPAPIRFONDET DNB SMB	9,521,486	1.6%
LATINO INVEST AS	9,500,000	1.6%
HIGH SEAS AS	9,000,000	1.5%
CIPRIANO AS	8,650,000	1.4%
PORTIA AS	8,500,000	1.4%
DUKAT AS	7,933,612	1.3%
VERDIPAPIRFONDET STOREBRAND OPTIMA	7,913,492	1.3%
CIPI LAMP UCITS SWEDBANK SMB	6,227,914	1.0%
Subtotal 20 biggest owners	332,967,803	55.8%
Total number of shares in the Norwegian VPS system	596,459,746	99.97%
Total number of shares in the Swedish Euroclear system	154,614	0.03%
Grand total	596,614,360	100%

Source: Oslo Market Solutions.

Note 20 Deferred tax liabilities

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Deferred tax at beginning of the year	**-**	-	**-**	-
Accrual for deferred tax in ALD Abogados SL	**11,357**	-	**-**	-
Total	**11,357**	-	**-**	-

Deferred tax liabilities

The recognition of the carrying amount of an asset will be recovered in the form of economic benefits that flow to the entity in future periods. When the carrying amount of the asset exceeds its tax base, the amount of taxable economic benefits will exceed the amount that will be allowed as a deduction for tax purposes. This difference is a temporary difference and the obligation to pay the resulting income taxes in future periods is a deferred tax liability. As the entity recovers the carrying amount of the asset, the taxable temporary difference will reverse and the entity will have taxable profit. This makes it probable that economic benefits will flow from the entity in the form of tax payments.

The deferred tax liabilities were calculated as the local tax rate of each project times the surplus value related to each acquired project. The deferred tax liability that arose in 2015 relates to the immaterial fixed assets related to ALD in Spain, which were aquired in December 2015.

Note 21 Convertible loan

Norrlandsfonden provided a 5 MSEK convertible loan during 2010 to be used unconditionally as working capital for RNP (Rönnbäcken nickel project).

As a consequence of Axactor AB disposing of the nickel project to Archelon AB on December 31, 2015 Norrlandsfonden and Axactor thereafter agreed on a premature repayment of the loan. This happened in early February 2016.

The table shows the future payments on the convertible loan (including interest payment):

	Group		Parent	
SEK thousand	2015	2014	2015	2014
6 months or less	**100**	100	**100**	100
6 - 12 months	**100**	100	**100**	100
1 - 5 years	**4,800**	4,800	**4,800**	4,800
	5,000	5,000	**5,000**	5,000

Note 22 Other long-term liabilities

	Group		Parent	
SEK thousand	2015	2014	2015	2014
6 months or less	**-**	-	**-**	-
6 - 12 months	**-**	-	**-**	-
1 - 5 years	**500**	4,000	**-**	4,000
	500	4,000	**-**	4,000

Other long term-liabilities were in 2014 primarily represented by a long-term loan provided by Mr. Ulrik Jansson (former Chairman of the Board). The loan formally matures in May 2016, so it was in 2015 reclassified to a short-term loan.

The new long-term loan that appeared during 2015 is located in the Spanish subsidiary ALD Abogados SL.

Note 23 Accounts payable

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Accounts payable	**12,420**	1,560	**5,972**	1,388
Total	**12,420**	1,560	**5,972**	1,388

Accounts payable are non-interest bearing amounts and typically fall due within 30 days.

Note 24 Other liabilities

	Group		Parent	
SEK thousand	2015	2014	2015	2014
Personnel related liabilities	**5,131**	-	**44**	-
Other short-term interest bearing loans	**4,000**	1,099	**4,000**	1,099
Remaining part of purchase consideration for ALD	**51,407**	-	**-**	-
Other short-term liabilities	**3,550**	46	**5**	-
Total	**64,088**	1,146	**4,049**	1,099

Note 25 Accrued expenses and prepaid income

SEK thousand	Group 2015	Group 2014	Parent 2015	Parent 2014
Accrued personnel vacations costs	**194**	116	**-**	-
Accrued social security charges	**247**	10	**-**	-26
Special remuneration taxes	**-**	-	**-**	-
Accrued Board remuneration	**215**	156	**215**	156
Accrued consultant fees	**165**	304	**165**	230
Accured interest rate related to loans	**1,261**	781	**1,261**	781
Accrued legal fees	**20,659**	377	**1,463**	377
Accrued audit fees	**511**	575	**511**	550
Other accrued costs	**1,234**	156	**1,233**	118
Year-end balance	**24,486**	2,475	**4,848**	2,186

Note 26 Pledged assets and contingent liabilities

SEK thousand	Group 2015	Group 2014	Parent 2015	Parent 2014
Deposition "Bergsstaten"	**-**	31	**-**	-
Pledged amount related to civil court case	**4,000**	-	**4,000**	-
Total	**4,000**	31	**4,000**	-

Note 27 Shares and participations in subsidiaries and associated companies

Company	Corporate id no	Domicile	No of shares	Share	Currency	Book value (SEK)	Equity (SEK)	Result (SEK)
Axactor AS	916249543	Oslo	50,000	100%	NOK	2,007	-734	-2,635
Axactor Incentive AB	559031-2608	Stockholm	50,000	100%	SEK	50	50	-
NMG Portfolio Holding AB	559031-2954	Stockholm	50,000	100%	SEK	50	-9,290	-9,340
NMG Platform Holding AB	559031-2962	Stockholm	50,000	100%	SEK	50	-976	-1,026
Aguamenti Investments SL	B-87334637	Madrid	3,000	0.6%	EUR	28	64,188	-305
Subsidiaries of NMG Platform Holding AB								
Aguamenti Investments SL	B-87334637	Madrid	500,000	99.4%	EUR	64,493	64,188	-305
Subsidiaries of Aguamenti Investments SL								
ALD Abogados SL	B-86389558	Madrid	3,000	100%	EUR	137,025	27,658	-3,270

Book value of shares in subsidiaries

SEK thousand	2015	2014
Acquisition value at opening of period	**102,635**	102,635
Accumulated write down of shares in subsidiary	**-5,388**	-5,388
Write down of shares i subsidiary during the year	**-87,715**	-
New subsidiaries	**2,185**	-
Sale of subsidiaries	**-9,532**	-
Book value of shares in subsidiaries	**2,185**	97,247

Note 28 Receivables on group companies

	Parent company	
SEK thousand	2015	2014
Opening balance receivables related to subsidiaries	**70,468**	65,091
Impairment of receivables related to subsidiaries	**-70,468**	-
Lending to subsidiaries	**366,360**	5,377
Receivables related to Group companies at year-end	**366,360**	70,468

Note 29 Discontinued operations

In late December 2015, Axactor AB sold the nickel operations on subsidiary level to Swedish mineral company Archelon. This implies that the revenues and costs attributable to the nickel subsidiaries in 2014 - 2015 are treated as discontinued operations. To this should be added that the minor revenues and costs related to the African operations in former subsidiary African Diamon AB disposed of in June 2014 are also treated as discontinued operations as regards the first 6 months of 2014. The table below presents the revenues and costs related to discontinued operations. These amounts have been excluded from the consolidated statement of loss for the group.

SEK thousand	12m Jan - Dec 2015	12m Jan - Dec 2014
Other operating income	**40**	219
Other external expenses	**-588**	-2,729
Personnel expenses	**-297**	39
Depreciation/impairment of fixed assets	**-104,447**	-33,865
Operating result	**-105,292**	-36,336
Result from financial items		
Financial revenue	**4**	-
Financial expenses	**-**	-
Total financial items	**4**	-
Result before tax	**-105,288**	-36,336
Income tax	**-**	-
Loss from discontinued operations	**-105,288**	-36,336

The table below presents the cash flow related to discontinued operations. The amounts have not been excluded from the consolidated statement of cash flow.

SEK thousand	12m Jan - Dec 2015	12m Jan - Dec 2014
Cash flow from operations		
Result after financial items	**-105,288**	-34,866
Adjustments for non-cash items*	**101,801**	32,037
Income tax paid	**-**	-
Total cash flow from operations before change in working capital	**-3,487**	-2,829
Total cash flow from change in working capital	**-1,293**	-6,815
Total cash flow used for investments	**-**	-473
Total cash flow from financial activities	**4,772**	-
Change in cash and bank	**-8**	-10,117
Cash and bank on 1 January	**135**	10,252
Cash and bank at the end of reporting period	**127**	135
*** Adjustments for non-cash items**		
Impairment losses on intangible fixed assets	**101,665**	32,037
Depreciation of tangible fixed assets	**136**	-
Other		
Total	**101,801**	32,037

Note 30 Financial risk management

The group is exposed to a number of financial risks. Changes in exchange rates and interest rates affect the group's profits and cash flows. Axactor is also exposed to refinancing and liquidity risks, as well as credit and counterparty risks. Below are the most material financial risks to which the Group is exposed.

Exchange rate risk

Through its debt collection operations, Axactor is exposed to inter alia exchange rate risk, in that changes in exchange rates affect the Group's profits and projections of future cash flow. The Group's exchange rate exposure covers transaction exposure and translation exposure.

Transaction exposure

Axactor's transaction exposure comprises both binding undertakings and forecast cash flows.

Exposure to forecast cash flows

Forecast exposure arises from the fact that a substantial percentage of the Group's future income – primarily that relating to collection of payments from overdue loans – is affected by fluctuations in exchange rates. Axactor continuously calculates the way changes in the currency markets affect the Group's future financial position. Axactor's policy is not to systematically hedge the Group's future income in a normal commercial environment. However, partial credit financing of loan portfolio acquisitions in the same currency, provides a certain currency exchange rate hedge. Axactor may also use financial derivative instruments in order to limit the risks in certain scenarios.

Translation exposure

When net investments in foreign operations are converted into Swedish kronor, a translation difference arises in conjunction with exchange rate fluctuations, and this has an impact on the Group's other comprehensive income.

Interest rate risk

Fluctuations in market interest rates affect the Group's profits and cash flows. The speed with which a change in interest rates impacts the Group's net financial items, depends on the fixed interest term of the loans and on the cash held in banks. By the end of the year 2015, the Group had a limited interest bearing loan burden, such that the exposure to interest rate risk is considered limited. The interest rate level also has an indirect effect on the Group's result. Namely, everything else equal, the repayment ability of the underlying debtors (the non-performing loan holders) is enhanced by low market interest rates and vice versa.

Refinancing and liquidity risk

The term "refinancing and liquidity risk" refers to the risk that Axactor will be unable to extend existing loans or to meet its payment undertakings due to insufficient liquidity. Axactor limits its refinancing risk by aiming for a good spread in terms of financing sources. The refinancing requirement is reviewed regularly by Axactor. The refinancing requirement is dependent, first and foremost, on market trends and investment plans. A deterioration in the global economic climate may entail increased risks, with respect to profit performance and financial position, including the risk of Axactor incurring conflicts with loan terms and conditions.

Credit and counterparty risk

The term 'credit and counterparty risk' refers to the risk that a counterparty in a transaction may fail to fulfill its obligation, thus causing the Group to incur a loss. In order to limit credit and counterparty risk, only highly creditworthy counterparties are accepted, and wherever possible, the commitment per counterparty is limited.

Risk management and insurance

The objective of the Risk Management function at Axactor is to minimize the total cost of the Group's damage and injury risks. This is achieved both by continuously enhancing the damage and injury prevention policies to control work conducted within the operations, and by introducing and developing Group-wide insurance solutions.

Note 31 Financial instruments

Financial assets within the Group mainly consist of short-term investments, other receivables, and cash. All financial assets are classified as loans and receivables, and are reported at amortized cost. Financial liabilities are mainly related to long-term liabilities, accounts payable and other payables. Financial liabilities are valued at amortized cost.

Sensitivity analysis – Financial liabilities

By the end of 2015, the Group had two interest bearing long-term loans amounting to 5 MSEK and the equivalent of 0.5 MSEK, respectively. The 5 MSEK loan formally matures on August 31, 2018 and carries an interest rate equal to STIBOR 90 (Stockholm Interbank Offered Rate) plus 4 percent per annum. Since STIBOR is nearly zero for the time being, a change in STIBOR of +/– 10 percent only affects the result of the Group by +/– SEK 305 on an annual basis. This loan was repaid in full in February 2016, after the end of the report period. The second loan of the equivalent of 0.5 MSEK belongs to the Spanish subsidiary ALD Abogados SL.

Among the short-term loans, Axactor has a loan maturing in May 2016, in a nominal amount of 4 MSEK. It has a fixed interest rate of 12% p.a, and the interest has been accrued since the loan was extended. Accrued interest amounts to some 1.24 MSEK as of year end 2015. Axactor will not repay the loan at maturity but will attempt to set it off against its claim on the creditor. This counterclaim vastly exceeds the loan amount. Axactor is, hence, not concerned with interest-rate sensitivity in respect to this particular loan.

Note 32 Related party disclosure

Company	Domicile	Share (%)
Axactor AS	Oslo	100%
Axactor Incentive AB	Stockholm	100%
NMG Portfolio Holding AB	Stockholm	100%
NMG Platform Holding AB	Stockholm	100%

Board and management of Axactor AB

	Elected	Resigned
Board members elected prior to AGM 2015		
Martin Nes	October 2015	December 2015
Jan Frode Andersen	October 2015	December 2015
Per Dalemo	October 2015	Still serving
Board members elected at AGM in June, 2015		
Martin Nes	June 2015	December 2015
Jan Frode Andersen	June 2015	December 2015
Per Dalemo	June 2015	Still serving
Board members elected at EGM in December, 2015		
Einar Greve	December 2015	Still serving
Gunnar Hvammen	December 2015	Still serving

Group management 2014 - 2015

Torbjörn Ranta (CEO January 2014 - November 2015)
Endre Rangnes (CEO as from November 2015)
Johnny Tsolis (Head of Group Strategy as from November 2015)

Compensation of key management personnel in the Group

Refer to note 5 for information concerning compensation to management personnel and members of the Board.

Balances of the Parent Company, its subsidiaries and associates are shown in the balance sheet and in notes 27 and 28. The Parent Company has provided administrative services free of charge.

Transactions

The Group has not granted loans, issued guarantees or provided sureties to any of the members of the Board or senior executives of the Company. For more information about transactions with related parties see note 5, 6 and 9.

Note 33 Capital management

The primary objective of the Group's capital management is to ensure maintenance of a strong credit rating and healthy capital ratios in order to support business and maximize shareholder value.

The Group manages its capital structure and makes adjustments based on changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended December 31, 2014 and December 31, 2015. The Group monitors capital using a gearing ratio, which is net debt divided by equity plus net debt.

SEK thousand	2015	2014
Interest-bearing loans and borrowings (note 30, 36)	**11,042**	10,099
Trade and other payables (note 28, 30)	**105,414**	5,181
Less: cash and short-term deposits (note 36)	**-372,375**	-61,502
Net debt	**-255,919**	-46,222
Equity	**476,992**	160,794
Capital and net debt	**221,073**	114,572
Gearing ratio	**-115.76 %**	-40.34%

Note 34 Fair value estimation

The table below analyses financial instruments as of December 2015, carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

Assets

SEK thousand	Level 1	Level 2	Level 3	Total
Other long-term investments	-	-	267 (359)	**267 (359)**
Earn-out component relating to purchase of ALD Abogados (other short-term liabilities)	-	-	51,407 (-)	**51,407 (-)**
	-	-	51,674 (359)	**51,674 (359)**

All other financial assets and debts are a reasonable approximation of fair value and not reported according IFRS 7.29. The terms and conditions regarding the long term debts have not changed and are also a reasonable approximation of fair value.

The book value does in all material aspects correspond to fair value. Input for the assets and liabilities is not based on observable market data, but contains the assumptions and estimates of management (level 3 in fair value hierarchy).

The acquisition agreement regarding ALD stipulated a base price of 15 million Euro supplemented by an adjustment clause for the exact working capital of ALD on the take-over date plus an earn-out component of 3 million Euro conditional on ALD reaching an EBITDA result of at least 3 million Euro for full year 2015. This latter criterion was reached. In total the additional purchase consideration payable to the sellers of ALD reached the equivalent in Euro of 51,407 TSEK.

Note 35 Events after the end of the reporting period

- 12 February 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 500 million.
- 17 February 2016: Axactor raises NOK 106.1 million in gross proceeds through a private placement of 59,600,000 new shares at a price of NOK 1.78 per share.
- 3 March 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 18 million.
- 17 March 2016: Axactor acquires the Norwegian debt collection company IKAS for NOK 291 million.
- 17 March 2016: Axactor acquires an unsecured Spanish NPL portfolio with a nominal value of approximately EUR 221 million.

Note 36 Preliminary acquisition analysis ALD Abogados SL

In December 2015, the acquisition of the company ALD Abogados SL ("ALD"), a Spanish debt collection company, was completed. ALD is one of the leading actors in this industry in Spain. It is represented in most of the Spanish regions and it had some 100 employees by year-end 2015. ALD has existed for some five years and has recorded a continuous growth over the years.

The following table shows a preliminary aquisition analysis of ALD Abogadso SL.

SEK thousand	
Date of acquisition	Dec 10, 2015
Acquired part of the company	100%
Purchase prise	188,432
- whereof cash consideration	142,757
- whereof share consideration	45,675
An earn-out component is included in the purchase price amounting to	51,407
Acquired assets	
Other immaterial fixed assets	33
Property, plant and equipment	299
Other long-term assets	63
Current assets	63,381
Cash	10,779
	74,555
Acquired debts	
Interest-bearing loans	498
Current debts	44,163
	44,661
Accounted values in the group consolidation at acquisition	
Goodwill	124,467
Customer relationships	37,791
Database	7,637
Deferred tax debt	11,357
Net sales ALD since acquisition	4,437
Loss ALD since acquisition	-4,008
Net sales ALD whole year 2015	92,876
Profit ALD whole year 2015	22,969

Responsibility Statement

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2015 have been prepared in accordance with International Financial Reporting Standards, IFRS, as adopted by the EU, and generally accepted accounting principles in Sweden, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. We also confirm that the Administration Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Stockholm, 20 April 2016
The Board of Directors

Einar J. Greve
Chairman of the Board

Gunnar Hvammen
Board member

Per Dalemo
Board member

Endre Rangnes
Chief executive officer

Our modified audit report has been submitted on April 20, 2016

PricewaterhouseCoopers AB

Johan Palmgren
Authorized Public Accountant

Auditor's report

pwc

To the Annual General Meeting of shareholders in Axactor AB (publ), Corporate Identity Number 556227-8043

Report on the annual accounts and consolidated accounts

We have conducted an audit of the financial statements and we have been requested to carry out an audit of the consolidated financial statements for Axactor AB (publ) for the 2015 financial year. The Company's annual accounts and consolidated accounts are included in the printed version of this document on pages 6-55.

Responsibilities of the Board of Directors and the CEO for the annual accounts and consolidated accounts

The Board of Directors and the CEO are responsible for the preparation and fair presentation of annual accounts in accordance with the Annual Accounts Act, and for the preparation and fair presentation of consolidated accounts in accordance with International Financial Reporting Standards, IFRS, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the CEO determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

However, due to the situation described in the paragraph below indicating the basis for refraining to provide an opinion, we have not been able to obtain sufficient and appropriate audit evidence as the basis for statements in the audit report concerning the consolidated financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the Board of Directors and the CEO, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate for the parent company to provide a basis for our audit opinion.

Basis for qualified opinion

In the consolidated balance sheet as of 31 December 2015, an accrued cost of SEK 13,542,583 is recognised which relates to the company's assessment of the cost that will be invoiced to the company in 2016 for services rendered in 2015. The cost relates to external hired assistance for legal services in the operations in the Spanish subsidiary ALD Abogados SL.

We have not been able to obtain sufficient and appropriate audit evidence relating to the carrying value of the accrued legal fees of SEK 13,542,583 due to the lack of documentation of the liability. Consequently, we have not been able to determine if any adjustments are necessary to the consolidated income statement or balance sheet.

Qualified opinion

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of 31 December 2015 and of its financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act. Apart from the possible effects of the relationship as described in the paragraph "Basis for qualified opinion", the consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of 31 December 2015 and of its financial performance and cash flows for the year in accordance with International Financial Reporting Standards as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We recommend that the Annual General Meeting adopt the income statement and balance sheet of the Parent Company. We neither recommend nor reject that the Annual General Meeting adopt the income statement and balance sheet of the Group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, and that we have been requested to carry out an audit of the consolidated financial statements, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the CEO of Axactor AB (publ)) for the 2015 financial year.

Responsibilities of the Board of Directors and CEO

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and CEO are responsible for the administration of the company under the Swedish Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriation of the company's profit or loss, we examined whether the proposal is in accordance with the Swedish Insurance Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we have examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the CEO is liable to the company. We also examined whether any member of the Board of Directors or the CEO has, in any other way, acted in contravention of the Swedish Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

We recommend to the Annual General Meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the CEO be discharged from liability for the financial year.

Gothenburg, 20 April 2016

PricewaterhouseCoopers AB

Johan Palmgren
Authorised Public Accountant

Report on Corporate Governance

1. Introduction to the corporate governance policy

The Board of Directors of Axactor AB (the "Company") has prepared this corporate governance policy document (the "Policy"). As the Company is a Swedish private limited liability listed on the Oslo Stock Exchange, the Norwegian Recommendation for Corporate Governance (the "Recommendation") does not apply directly to the Company. However, with due regard to the fact that the Company is listed in Norway and to a substantial degree approaches the Norwegian investor market, and considering that it wishes to place emphasis on sound corporate governance, the Company has prepared this policy document on the basis of the Recommendation, but made certain necessary adjustments given the Company's Swedish domicile.

This Policy addresses the framework of guidelines and principles regulating the interaction between the Company's shareholders, the Board of Directors (the "Board"), the chief executive officer (the "CEO") and the Company's executive management team (the "Executive Management Team").

2. Business activity

The Company's business as set out in the articles of association is: "The Company shall, directly or through subsidiaries or via co-operations with others, conduct debt collection work, extend financial and administrative services, legal and invoicing services, acquire debt, investment operations, as well as therewith associated activities".

3. Objectives and strategies

Engaging in the activities described in section 2 above, the Company's long term objective is to establish itself as a leading European player within the areas of its operations as defined by the articles of association.

The Company will pursue the following main strategies to reach its overall objective:

- Putting emphasis on loyal and satisfied customers;
- Being an innovative player that takes full advantage of available technologies to achieve competitive advantages;
- Identifying and securing access to attractive debt portfolios and other opportunities in the marketplace;
- Being an attractive employer, with a focus on creating an environment for professional and personal growth, with respect and due regard for each employee;
- Being a profitable company with a focus on organic and structural growth; and
- Putting emphasis on becoming and sustaining a position as a leading European player in the Company's market.

4. Ethical guidelines and values

The Company will maintain a high ethical standard in its business concept and relations with customers, suppliers, employees and other stakeholders. The following ethical guidelines shall be practiced in the Company, and shall apply to all employees of the Company:

- ***Personal conduct:*** All employees and representatives of the Company shall behave with respect and integrity towards business relations and partners, customers and colleagues. The Executive Management Team has a particular responsibility to promote openness, loyalty and respect.
- ***Conflict of interests:*** The Company's employees and representatives shall avoid situations wherein a conflict between their own personal and/or financial interests and the Company's interests may occur.
- ***Confidential information:*** Employees and representatives of the Company possessing confidential information related to the Company shall conduct themselves and safeguard such information with great care and loyalty, and comply with any and all signed confidentiality statements.
- ***Influence:*** The Company's employees or representatives shall neither directly nor indirectly offer, promise, request, demand or accept illegal or unjust gifts of money or any other remuneration in order to achieve a commercial benefit.
- ***Competition:*** The Company supports fair and open competition. The Company's employees or representatives shall never take part in any activities that may constitute a breach of competition legislation.
- ***Breach of ethical guidelines:*** Any breach of these ethical guidelines may have severe consequences for the Company, and any breach may have consequences for the person in question.

5. Company capital and dividend

The Board aims to maintain a satisfactory equity ratio in the Company in light of the Company's goals, strategy and risk profile, thereby ensuring that there is an appropriate balance between equity and other sources of financing. The Board shall continuously assess the Company's capital requirements in light of the Company's strategy and risk profile.

The Board's authorities to increase the share capital and to buy own shares shall be granted under Swedish law, and not for periods longer than necessary.

The Company's objective is to generate a return for the shareholders at a level which is at least equal to other investment possibilities with comparable risk. The Company does not distinguish between such a return in the form of dividends and in the form of capital appreciation. The Company is in a phase of growth, and does not foresee declaring dividends during the initial growth phase of the Company.

During 2015, a total of 505.8 million new Axactor shares were issued at NOK 1 per share via a private placement, an issue in kind and a reparatory rights issue.

On 17 February 2016, the Company raised NOK 106.1 million in gross proceeds through a private placement of 59,600,000 new shares at a price of NOK 1.78 per share

6. Share classes

According to the current Articles of Association there are two share series, ordinary shares with one vote per share and A-shares with 0.99 votes per share. The latter is a technical solution from autumn 2015 when the private placement of 400 million new shares took place. As the time period between share subscription and the listing of the subscribed for shares was relatively long, a separation of the newly subscribed shares from the existing shares was required. In Norway, where the shares are listed, it was not possible to have two different so called ISIN-numbers for one and the same series of shares. Therefore, the A-shares had to be introduced. Subsequently, these A-shares were converted to ordinary shares.

7. Transactions with related parties

Any transactions, agreements or arrangements between the Company and its shareholders, members of the Board, members of the Executive Management Team or close associates of any such parties shall only be entered into as part of the ordinary course of business and on arm's length market terms. With respect to any material related party transactions, the Board shall arrange for a valuation to be obtained from an independent third party unless the transaction, agreement or arrangement in question must be considered to be immaterial or the arrangement is subject to approval by the shareholders' meeting.

No person or company mentioned in the above paragraph shall vote or otherwise participate in any decision by the Company regarding a transaction, agreement or arrangement with such person or company as a counterparty.

Board members and members of the Executive Management Team shall forthwith notify the Board if they have any material direct or indirect interest in any transaction entered into by the Company.

An overview of the transactions with related parties are presented in note 9.

8. Transfer of shares

The shares in the Company are not subject to any transfer restrictions.

9. The general meeting

All registered shareholders have the right to participate in the general meetings of the Company, which exercise the highest authority of the Company. The Company shall summon the shareholders to any general meeting with the notice required by law, and otherwise with such advance notice as is practicable. The person chairing a general meeting should be independent of the Company and the Board.

The notices for such meetings shall include documents providing the shareholders with sufficient detail in order for the shareholders to make an assessment of all the matters to be considered as well as all relevant information regarding attendance and voting procedures. Representatives of the Board and the Company's auditor, as well as the nomination committee, shall be present at annual general meetings.

Notices for general meetings shall provide information on the procedures shareholders must observe in order to participate in and vote at the general meeting. The notice should also set out: (i) the procedure for representation at the meeting through a proxy, including a form to appoint a proxy, and (ii) the right for shareholders to propose resolutions in respect of matters to be dealt with by the general meeting.

Any cut-off for confirmation of attendance shall be set as short as practicable, and the Board shall arrange matters so that shareholders who are unable to attend in person are able to vote by proxy. The form of proxy shall be distributed with the notice.

The Company held extraordinary general meetings on 17 November 2015 and 23 December 2015 related to the new company strategy.

10. The Board – composition

In appointing members to the Board, it is emphasised that the Board shall have the requisite expertise to evaluate independently the matters presented by the Executive Management Team, as well as the Company's operation. It is also considered important that the Board can function well as a body of colleagues. Board members shall be elected for periods not exceeding two years at a time, with the possibility of re-election. Board members shall be encouraged to own shares in the Company.

At the annual general meeting on 3 June 2015, the proposed board was elected, consisting of Martin Nes (chairman), Jan Frode Andersen and Per Dalemo (ordinary board members). At the extraordinary general meeting on 23 December 2015, the following Board was elected: Einar Greve (chairman), Gunnar Hvammen (board member) and Per Dalemo (board member).

The board is considered independent from the company's day-to-day management.

11. Sub-committees of the Board

The Company does not currently have a remuneration sub-committee or an audit sub-committee, but shall continuously review the need to establish such sub-committees.

12. Responsibility of the Board

The Board shall prepare an annual plan for its work with special emphasis on goals, strategy and implementation. The Board's primary responsibilities shall be: (i) participating in the development and approval of the Company's strategy, (ii) performing necessary monitoring functions, and (iii) acting as an advisory body for the Executive Management Team. Its duties are not static, and the focus will depend on the Company's ongoing needs. The Board is also responsible for ensuring that the operation of the Company is in compliance with the Company's values and ethical guidelines. The chairman of the Board shall be responsible for ensuring that the Board's work is performed in an effective and correct manner.

The Board shall ensure that the Company has a good management with clear internal distribution of responsibilities and duties. A clear division of work between the Board and the Executive Management Team shall be maintained. The CEO is responsible for the executive management of the Company.

All members of the Board shall regularly receive information about the Company's operational and financial development. The Company's strategies shall regularly be subject to review and evaluation by the Board.

The Board shall prepare an annual evaluation of its work.

In 2015, the Board of Directors conducted 24 board meetings.

13. Risk management and internal control

The Board shall ensure that the Company has sound internal controls and systems for risk management that are appropriate in relation to the extent and nature of the Company's activities. The objective of the risk management and internal controls shall be to manage exposure to risks in order to ensure successful conduct of the Company's business and to support the quality of its financial reporting.

The Board shall carry out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements.

The Board shall provide an account in the annual report of the main features of the Company's internal control and risk management systems as they relate to the Company's financial reporting.

14. Board compensation

The general meeting shall determine the Board's remuneration annually. Remuneration of board members shall be reasonable and based on the Board's responsibilities, work, time invested and the complexity of the enterprise. The compensation shall be a fixed annual amount.

The chairman of the Board may receive a higher compensation than the other board members. The Board shall be informed if individual board members perform other tasks for the Company than exercising their role as board members. Work in sub-committees may be compensated in addition to the remuneration received for board membership.

The Company's financial statements shall provide further information about the Board's compensation.

Board members appointed at the June 2015 AGM receive a fee of SEK 250 thousand per year for the Chairman, and SEK 150 thousand per year for each ordinary Board Member, as established by the AGM. This was unchanged remuneration as compared to the preceding year. A new Board of Directors was appointed at the December 23, 2015 EGM. Given the then enlarged business operations the EGM decided to increase the remuneration for the new Board to 1.8 MSEK on an annual basis divided on 900 TSEK for the Chairman and 450 TSEK each for the two other Board members.

15. Compensation to employed management

The Board shall decide the salary and other compensation paid to the CEO. The CEO's salary and bonus shall be determined on the basis of an evaluation with emphasis on specific factors determined by the Board. The Board shall annually carry out an assessment of the salary and other remuneration to the CEO.

The Company's financial statements shall provide further information about salary and other compensation paid to the CEO and the Executive Management Team.

The CEO shall determine the remuneration of executive employees. The Board shall issue guidelines for the remuneration of the Executive Management Team. The guidelines shall lay down the main principles for the Company's management remuneration policy. The salary level should not be of a size that could harm the Company's reputation, or above the norm in comparable companies. The salary level should, however, ensure that the Company can attract and retain executive employees with the desired expertise and experience.

The compensation to employed management is presented in note 6.

16. Information and communication

The Board and the Executive Management Team shall assign considerable importance to giving the shareholders quick, relevant and current information about the Company and its activity areas. Emphasis shall be placed on ensuring that the shareholders receive identical and simultaneous information.

Sensitive information shall be handled internally in a manner that minimises the risk of leaks. All material contracts to which the Company becomes a party shall, where appropriate, contain confidentiality clauses.

The Company shall have clear routines for who is allowed to speak on behalf of the Company on different subjects, and who shall be responsible for submitting information to the market and investor community. The CEO and the CFO shall be the main contact persons of the Company in such respects.

The Board shall keep itself updated on matters of special importance to the shareholders. The Board shall therefore ensure that the shareholders are given the opportunity to make known their points of view at and outside the general meeting.

17. Nomination committee

The Company shall have a nomination committee whose members are elected by the general meeting. The general meeting shall elect the leader of the committee and its members, and determine their remuneration based on the nature of the duties performed and the time invested.

The duties and responsibilities of the nomination committee shall be set out in the instructions to the nomination committee. The nomination committee's responsibilities are to propose candidates for election to the Board and to recommend remuneration for board members. Reasonable rationales should be provided for the nomination committee's recommendations, and relevant information should be provided about the candidates and their independence. The recommendations of the nomination committee shall generally be made available to the shareholders at the time of the notice of the annual general meeting. Efforts shall be made to ensure that the composition of the nomination committee is broadly representative of shareholder interests and necessary expertise. Further, no more than one member should be a board member, and no member shall be put forward for election more than once. No member of the Executive Management Team should serve on the nomination committee. An overview of nomination committee members shall be available on the Company's website.

18. Auditor

Each year the auditor shall present to the Board a plan for the implementation of the audit work and a written confirmation that the auditor satisfies established requirements as to independence and objectivity.

The auditor shall be present at Board meetings where the annual accounts are on the agenda. Whenever necessary, the Board shall meet with the auditor to review the auditor's view on the Company's accounting principles, risk areas, internal control routines, etc.

The auditor may only be used as a financial advisor to the Company if such use of the auditor cannot influence or call into question the auditor's independence and objectiveness in his capacity as auditor for the Company. Only the Company's CEO and/or CFO shall have the authority to enter into agreements in respect of such advisory assignments.

At the annual general meeting, the Board shall present a review of the compensation paid to the auditor for audit work required by law and remuneration for other concrete assignments.

In connection with the auditor's presentation to the Board of the annual work plan, the Board should specifically consider whether the auditor is performing his control function satisfactorily.

The Board shall arrange for the auditor to attend all general meetings.

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Financial year 2016

Quarterly Report - Q1	*27.05.2016*
Quarterly Report - Q2	*25.08.2016*
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