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 Altor

The date of this Information Memorandum is 9 November, 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 Altor GmbH (**"Altor"**, the "**Altor Acquisition**", "**Altor Group"**).

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, Altor. For the definition of certain technical terms used throughout this Information Memorandum, see Section 16 "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 Altor 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's or Axactor's affairs or that the information set forth herein is correct as of any date subsequent to the date hereof.

The distribution of this Information Memorandum in certain jurisdictions may be restricted by law. Axactor requires persons in possession of this Information Memorandum to inform themselves about, and to observe, any such restrictions. No securities of the Company are being offered or sold pursuant to this Information Memorandum. This Information Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Company's previously issued Shares or any other securities of the Company.

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.

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, for debt portfolios, for collection platforms, which include all of the collection functions of financial institutions ("**Collection Platforms**"), 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 is 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 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 portfolios. 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. 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 Altor.

If the information and the documentation on which the decision to acquire Altor 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 Altor 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 Altor, this may affect the Company's business, financial condition and results of operation.

The integration of Altor 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 debt portfolios. 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 ("**ALD**"). Historical financial information upon which prospective investors can evaluate the Group's debt collection business does to a limited degree 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.

The Group operates in the Spanish debt collection market, through ALD and Geslico - Gestión de Cobros ("**Geslico**"), the Norwegian market through the IKAS Companies (the previous IKAS Norge AS and 100% of the subsidiaries IKAS Øst AS, IKAS AS, IKAS Nord AS, IKAS Nordvest AS and IKAS Vest AS, "**IKAS**" or the "**IKAS Companies"**)[1], the Italian market through CS Union and the German market through Altor. The Group will thus 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. 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

[1] The IKAS Companies, or IKAS, has at the date of this Information Memorandum been renamed Axactor Norway AS. Axactor Norway AS comprise the previous 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

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.

1.2 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 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 "**Debt Facility**"). The Company entered into final agreement for the Debt Facility with DNB on 16 March 2016. Further, the Debt Facility was enhanced on 5 July 2016, when the Company entered into an agreement with Nordea on an additional EUR 25 million to the Debt Facility. The total amount of the Debt Facility referred to in this Information Memorandum is EUR 50 million. The 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 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 down-payments 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, Italy, Germany 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.

1.3 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.

9 November, 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 ALTOR ACQUISITION

This Section provides an overview of the Altor 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 and business plan", Section 6 "Industry Overview" and Section 9 "Pro Forma Financial Information".

4.1 Background, Reasons and Effect

On September 30, 2016, the Company entered into a share purchase agreement, or SPA, for the acquisition of 100% of the shares in the German debt collection company Altor. Through this acquisition Axactor has established a debt collection and portfolio acquisition platform in the German market.

Altor is one of the largest independent service providers the debt collection industry in Germany. The company has a special expertise in the banking sector, for utility companies and e-commerce, and covers the entire life cycle of customer relationships – from early intervention through to the handling and purchase of non-performing-loans. Altor unites the companies around Heidelberger Inkasso GmbH, which was founded in 1980. Altor currently employs approximately 195 FTEs. Altor has acquired 44 Non-Performing Loan ("**NPL**") portfolios which currently has an outstanding amount of EUR 1.011 million and manages in addition EUR 1.105 million in debt on behalf of banks and financial institutions. The customer base of Altor is distributed throughout Germany.

The acquisition of Altor 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 Altor provides Axactor with a firm operational German foothold as part of its European growth strategy.

4.2 Key Figures

Key figures for Altor are presented in the table below. The financial figures in the table below are only an extract and must be read in conjunction with the entire financial statement of the company.

Key figures[2]
EUR thousand

	Year Ended December 31		
	Audited	**Audited**	**Audited**
	2015	**2014**	**2013**
Revenues	21,562	25.110	24.299
Operating profit	2,850	4,010	3,144
Net result	(828)	77	212
Total assets	15,990	18,742	22,519
Total equity	3,547	4,378	3,796

4.3 Altor board of directors and Management

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

Management:
Doris Pleil – Managing Director
Holger Muller – Chief Financial Officer

Board of Directors
Hiltrud Grebe
Doris Pleil
Holger Muller

[2] German GAAP, consolidated Altor figures

4.4 Agreements Relating to the Altor Acquisition

Axactor acquired 100% of the shares of Altor Group from the selling shareholders Mrs Hiltrud Grebe and Mr Heinrich B. Strack. The acquisition was completed on 30 September 2016. The enterprise value of Altor Group is EUR 34.1 million whereof EUR 17.7 million was paid to the sellers for 100% of the equity. The entire purchase price is settled in cash. The transaction is financed through a drawdown of EUR 17.05 million (50% of enterprise value) under the credit facility that Axactor has with DNB and Nordea, the Debt Facility. Altor Group has a new financial position of approximately EUR 16.5 million whereof EUR 14 million will be refinanced by Axactor within the next 1-3 months. The EUR 14 million refinancing is expected to be settled with cash from Axactor's balance sheet. Please refer to Section 10 in this Information Memorandum for further details on the Company's capital resources and debt.

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

There are no particular agreements or arrangements in connection with the transaction which have been entered into or are expected to be entered into for the benefit of senior employees or members of the board of directors of Altor Group.

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 has no longer 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 10 December 2015. The acquisition marked Axactor's entry into the market for credit management services. ALD had established itself as a debt collection agency in the Spanish market. All of ALD's 2014 revenue was generated from the Spanish market.

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.

On 16 March 2016, Axactor acquired the Norwegian debt collection provider IKAS. The acquisition was closed on 7 April 2016. The IKAS Companies demonstrated strong revenue growth over the year 2013 - 2015, mainly driven by new customer wins and higher volumes of invoices and debt collection cases. IKAS was established in 1988 and expanded to operating in five Norwegian cities before it was acquired by Axactor. 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. The IKAS Companies has been renamed Axactor Norway AS ("**Axactor Norway**") at the date of this Information Memorandum.

On 12 May 2016, Axactor entered into an agreement to acquire Geslico, which is a complete supplier of services within debt collection in Spain. The acquisition was closed on the same day, 12 May, 2016. The company was founded in 1985 and has offices in Madrid, Barcelona, Sevilla, Alicante, Valencia, Córdoba, Zaragoza and Bilbao. The company was originally established and owned by several Spanish saving banks. Geslico has customer relationships with financial institutions, international investment funds, and Spanish utility companies.

On 22 June 2016, Axactor entered into an agreement to acquire 90% of the shares of CS Union, which is an independent debt purchase and collection company with more than 20 years' experience in the Italian market. The acquisition was closed 28 June 2016. The company has operated in the Italian debt collection market for more than 20 years. CS Union is a result of the merger of two companies: St.Ing. and Candia.

On 30 September 2016, Axactor entered into an agreement to acquire Altor Group, which is one of Germany's largest independent service providers in the debt collection industry. The company was founded in 1988 and has specialised expertise in the banking sector, for utility companies and e-commerce, and covers the entire life cycle of customer relationships.

[3] Sum of IKAS Companies unaudited figures

5.2 Strategy and business plan

Through the acquisitions in Spain, Norway, Italy and Germany, Axactor has fulfilled its current strategy for which geographical markets the Company has targeted to operate in. 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.

To active its goals, the Company will continue to consider purchasing of debt portfolios from financial institutions in all the countries it operates. 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.

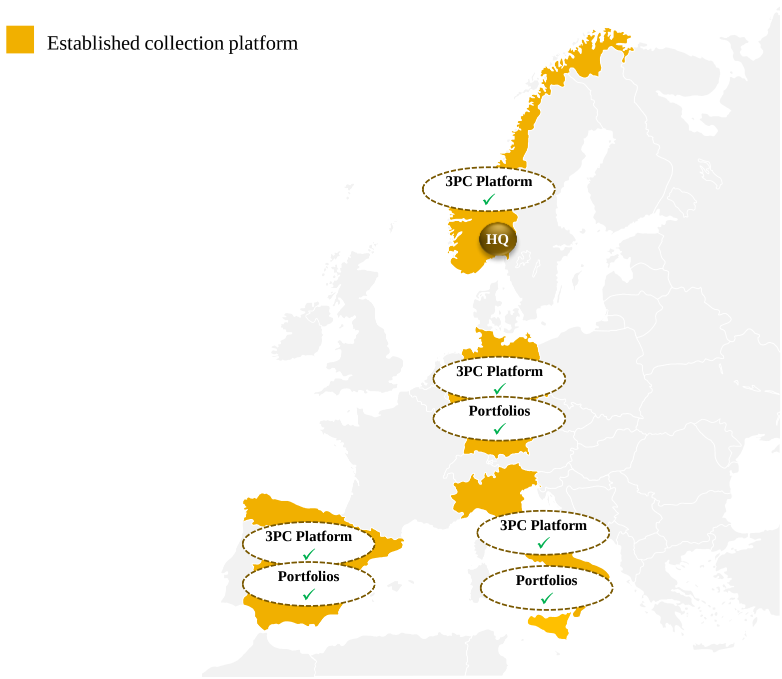
The Group will target to further develop the base of third-party debt collection service contracts for external clients, i.e. third party collection ("**3PC**"). In the medium term, the Group will focus on financial institutions, but will also opportunistically consider opportunities within Telecom, Utilities, Health care, Retail and Tax.

Operational improvement, including standardizing IT platform, implementation of group dial ins for all countries, align KPIs ("**Key Performance Indicator**") across countries and cross-country learning, are focus areas for the Company to realize efficient collections on both owned portfolios and 3PC.

In the medium to long term, the Company also targets to gradually increase the gearing towards a long-term target of 65% - 75% on a corporate level and continue to evaluate co-investment partners for portfolio acquisitions.

The footprint of Axactor's operations are outlined in the below map

Axactor's operational footprint



In the above map, "3PC Platform" refers to collection operations and "Portfolios" refers to NPL portfolios owned by Axactor. In Spain, Italy and Germany, collection is done on both own portfolios and third party owned portfolios, 3PC. In Norway, Axactor only operates 3PC and does not own any NPL portfolios. The Company may acquire own portfolios in Norway in the future.

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[4] Small or Medium Size Enterprise

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 availability of debt portfolios that fits with the strategy of the Group that may be acquired by the Group at reasonable prices. If the Group is not able to acquire new debt portfolios, the growth of the Company will be impacted.
  - The Group may not be able to procure sufficient funding at favourable terms to purchase further debt portfolios.
  - 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.

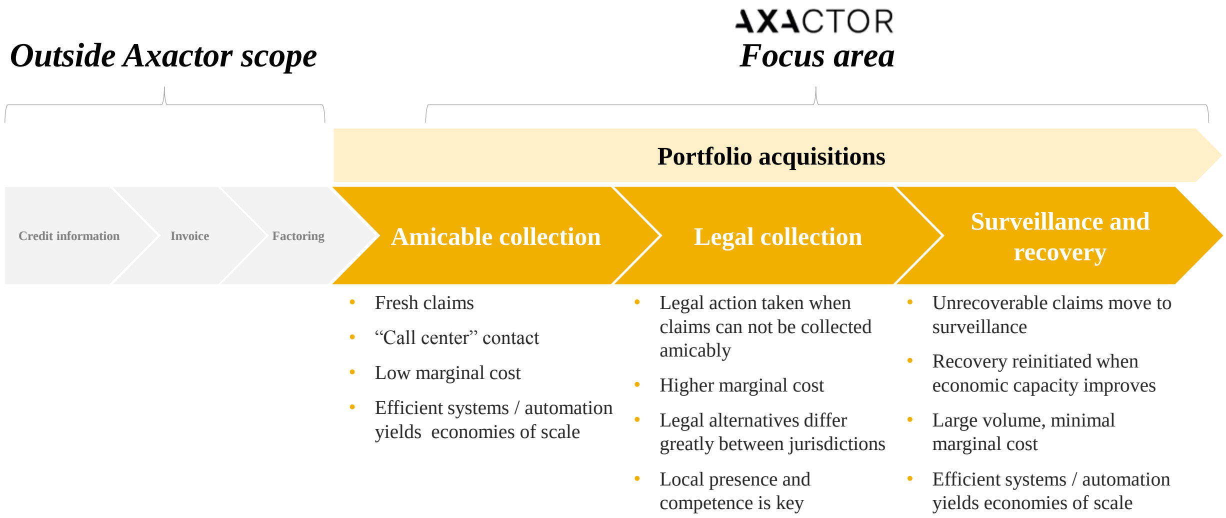
5.4 Group operations

5.4.1 Business Model

The Group's business model 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.

The chart below depicts the various key steps in the Company's business offering in the debt collection value chain. The Group offers these services in relation to claims that are owned by Axactor (owned portfolios of NPL) and for third party owned portfolios, 3PC.

Axactor's position in the debt collection value chain



Amicable collections

Amicable collection is the first step in the collection value chain when a claim is overdue. Amicable collections occur before legal proceedings and the process involves contacting the debtor through letters, phone calls, and e-mails. In the view of the Company, Axactor's efficient IT and dial in systems are important for the Company to be able to operate cost efficiently in this part of the value chain.

Legal Collections

The Company believes that the track record of Axactor in the debt collection market 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.

The process of legal collections varies significantly for different countries and the through the acquisitions completed in Spain, Norway, Italy and Germany, the Group has gained the expertise to conduct this form of collection in all the markets in operates.

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.

Surveillance and recovery

Unrecoverable claims are move to surveillance portfolios. The debtor is monitored and recovery is reinitiated when the economic capacity of the debtor improves.

The marginal cost for operating in this part of the value chain is relatively low compared to other parts of the value chain and volumes are large. An efficient and automated system for monitoring and contacting the correct debtor at the correct time is important for efficient operations.

Other services – payment solutions

Through Axactor Norway, the Group provides payment services through invoice administration. Axactor Norway as tracks outstanding invoices and ensures payment at the right time to help the customer focus on their core business. Integrated solutions have been developed towards the majority of economic systems to be able to serve a wide variety of clients.

Outside Axactor scope

Services relevant earlier in the value chain, including credit information management, invoicing and factoring are outside the focus areas of the Group. Axactor does not target to expand its offering to also include these operations.

5.4.2 Business offering per country

Spain

Through the acquisitions of ALD and Geslico, 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 and payment procedures. The Group is currently serving approximately 80-90 clients, comprising of banks and other financial institutions, national and international large companies, SMEs, international investment firms and other debt collection agencies.

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.

Since entering into Spain, Axactor has expanded its operations by recruiting experienced management teams with solid track records and strong industry relationships. Axactor has build-up of scalable amicable call center in Valladolid which currently has approximately 54 FTEs. Axactor has also acquired several Non-Performing Loan portfolios in Spain to expand the business of the Group, as outlined in Section 5.7.

Collection is done both on owned NPL portfolios and third party owned portfolios in Spain

Norway

Through the acquisition of the IKAS Companies (now named Axactor Norway AS), Axactor established a collection and payment business in Norway. Axactor Norway is today a reputable supplier of debt collection services and invoice administration in the Norwegian market. The company delivers market leading and modern payment solutions for selected small to medium sized businesses across all sectors.

Axactor Norway had revenues of approx. NOK 44 million in 2015[6] within debt collection services. Axactor does not own any NPL portfolios in Norway and only 3PC operations are conducted in Norway at the date of this Information Memorandum.

In addition to debt collection services, Axactor Norway offers payments and invoice administration services. Revenues from these service amounted to approximately NOK 47 million in 2015.

Italy

Through the acquisition of CS Union S.p.A, Axactor has established itself as a debt purchase and collection agency in the Italian market. CS Union is active in two business segments; acquisition of small ticket unsecured NPLs from financials, utilities, telecom companies and commercial companies, and management of secured and unsecured NPLs for third parties (3PC).

Germany

Through the acquisition of Altor Group, Axactor has established itself as one of Germany's largest independent service providers in the field of debt collection and purchasing. Altor has a special expertise in the banking sector, for utility companies and e-commerce. Altor covers the entire life cycle of customer relationships – from early intervention through to the handling and purchase of non-performing loans. Altor had revenues of approximately EUR 21.6 million in 2015.

5.4.3 Software, IT Platform and Process

[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 is among the 5 largest debt collection companies is Spain in terms of 2015 revenues. The estimate includes revenues from the acquired Geslico

[6] Revenues split is provided by management and is unaudited

An important part of the Group's operations is its IT systems, which comprises a main datacentre 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 software, Axactor has employees dedicated to IT and business support in all countries. In addition, the Group relies on external hired assistance with 8-10 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.

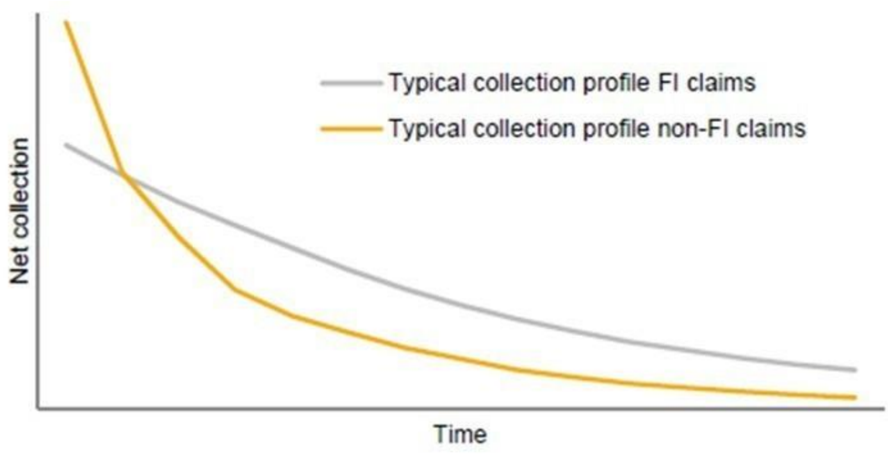
As the Group operates with particularly high volumes of legal documentation, business-critical information needs to be fully controlled through a single platform that allows process automation. In this regard, the Group has contracted ReadSoft to implement an application to enable interpretation, registration and automatic extraction of data from client files, and upload directly to "soluciona" for immediate processing. This application is currently expected to be operational in the second quarter of 2017 and will directly impact manual data entry and labour costs.

5.4.4 Client Overview

Axactor has a wide range of 3PC clients in various sectors, with financial institutions as the most important segment. Other segments of customers primarily comprise of telecom and utilities.

The graph below displays typical collection curves for claims from financial institutions and non-financial institutions. Claims from financial institutions, like banks and insurance companies, is less steep and have a longer collection tail compared to non-FI claims. A larger share of the debt can thus be collected at a later stage compared to non-FI claims. The difference in collection curve is typically due to more precise information about the debtor being available for claims from financial institutions and that the claims often are larger, compared to for instance claims from telecom companies or utility companies.

Illustrative collection curve for financial institution (FI) claims and non-FI claims



Spain

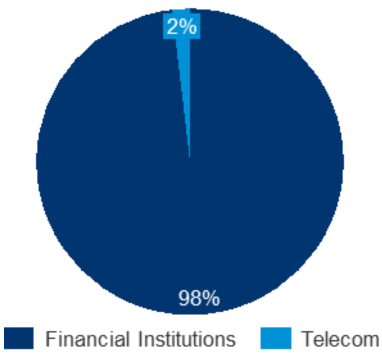
In Spain, Axactor collects on 5 NPL portfolios owned by Axactor, in addition to 3PC. The portfolios acquired by Axactor at the date of this Information Memorandum are outlined in Section 5.7.

The Group's 3PC clients through its business in Spain include financial institutions, international investment firms and other debt collection agencies. As of the date of this Information Memorandum, the Group serves approximately 80-90 3PC clients from its Spanish business.

Currently, the Group's largest 3PC clients in Spain are Bankia S.A. and Grove Capital Management with approximately EUR 250 million and EUR 193 million in debt under management, respectively.

The below graph shows 3PC customers by sector in Spain.

Spain's distribution of clients

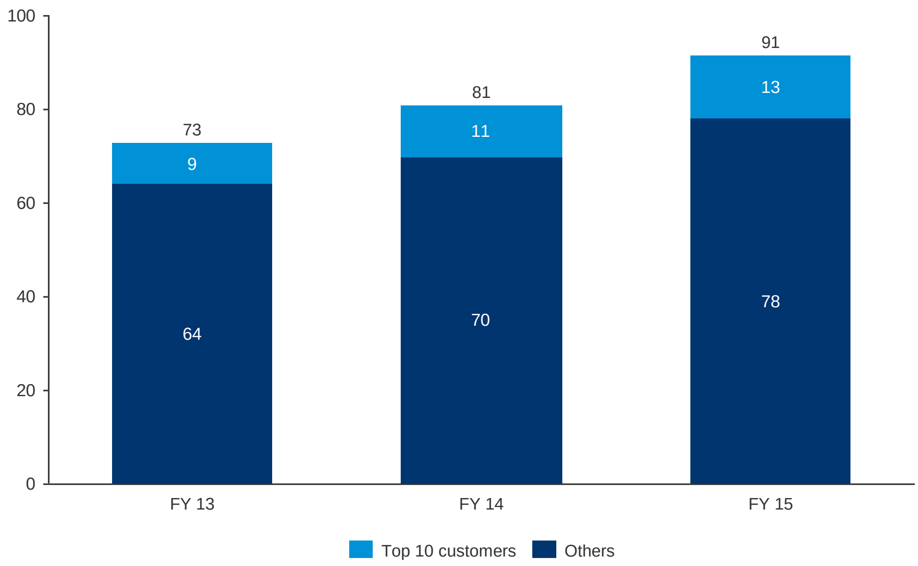


Norway

In Norway, Axactor serves a range of 3PC and payment solutions clients in the debt collection industry. The Group does not own any NPL portfolios in Norway and only focuses on 3PC and payment solutions.

The chart below displays the share of revenues that was generated by the 10 largest 3PC and payment customers in 2015. The total number of customers in 2015 was 60. In 2015, the top customers accounted for approximately 14% of revenues, suggesting a low customer concentration.

Axactor Norway AS, top 10 customers by revenues (NOKm)

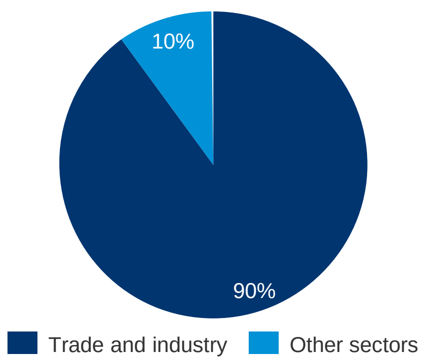


Source: Figures are unaudited revenues figures provided management

The Group's two largest 3PC clients in Norway have approximately EUR 145 million and EUR 95 million in debt under management, respectively. The Group's largest client within payment solutions in Norway have approximately EUR 31 million in outstanding invoices being managed by Axactor Norway, while the second largest has approximately EUR 5 million.

The below graph shows the combined customer base within 3PC and payment solutions in Norway by sector.

Norway's distribution of clients



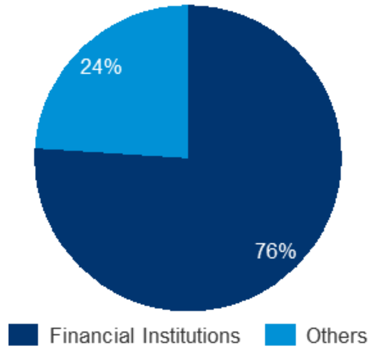
Italy

In Italy, Axactor collects on one NPL portfolio acquired by Axactor, in addition to the NPL portfolios acquired through the acquisition of CS Union. The Group also does 3PC through its Italian operation.

The 5 largest 3PC clients contributed to ~67% of revenues in 2015. Currently, the Group's largest clients in Italy are Unicredit and Compass Banca with approximately EUR 36.5 million and EUR 23.6 million in debt under management, respectively.

The below graph shows 3PC customers by sector in Italy.

Italy's distribution of clients



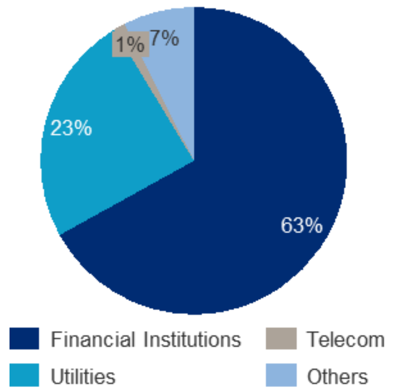
Germany

In Germany, Axactor collects on the 44 NPL portfolios that were acquired through the acquisition of Altor, in addition to 3PC

Currently, the Group's largest clients in Germany are Volkswagen and Santander with approximately EUR 267 million and EUR 107 million in debt under management, respectively.

The below graph shows 3PC customers by sector in Germany.

Germany's distribution of clients



5.4.5 Key Competitors

Spain

The Group's competitors include other debt collection agencies operating in the Spanish market, both local and international. A recent trend has been that international investment firms have 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 industry exposure by targeting both financial institutions and corporates. As the Group has been increasing its revenues over recent years, it believes it has a position among the top 15 companies in Spain. Although the Group competes with most of the players in the market, the Group also provides certain solicitor services to some of its competitors due to its extensive network across Spain.

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

Rank	Company	Home country	Description	Revenue 2015 EURm
1	Lindorff	Norway	International debt collection company, with presence in 13 countries, focusing on debt collection services and debt portfolio acquisition	80.7
2	Aktua	Spain	Spanish company providing debt collection services as well as property and financial management, real estate services and investment advisory. Aktua is part of Lindorff	58.4
3	I.S.G.F	Spain	Spanish company offering debt collection services	33.3
4	Konecta	Spain	Spanish company specializing in the management and outsourcing of business processes, including debt collection services	26.5(1)(2)
5	Geslico(3)	Spain	Spanish debt collection company focusing on debt collection services as integrated services	13.6
6	Transcom	Sweden	Swedish debt collection company, with presence in 23 countries, offering customer care, sales, technical support and credit management services	17.0(1)
7	Savia Asset Management	Spain	Spanish company originating, underwriting, and managing distressed debt portfolios of secured and unsecured non-performing loans	16.1
8	Esco Expansión	Spain	Spanish debt collection company focusing on debt collection services	16.1
9	Intrum Justitia	Sweden	International debt collection company, with presence in 20 European countries, focusing on both debt collection services and debt portfolio acquisition	13.7(2)
10	EOS	Germany	International debt collection company, with presence in 26 countries, focusing on debt collection services and debt portfolio acquisitions	11.9

(1) Based on relevant debt collection revenue share estimated by DBK Informa

(2) 2014 revenue

(3) Acquired by Axactor in May 2016

Source: Company web sites, DBK Informa, Bureau van Dijk

Norway

The Norwegian debt collection market totals 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 76% 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. 1n 2016, Axactor acquired the player previously ranked as number 10, IKAS.

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

Rank	**Company**	**Home country**	**Description**	**Revenue 2015 NOKm**
1	Lindorff	Norway	International debt collection company, with presence in 13 countries, focusing on both debt collection services and debt portfolio acquisition	890.3
2	Kredinor	Norway	Debt collection company focusing on both debt collection services and debt portfolio acquisition	598.9
3	PRA Group	USA	International debt collection company, with presence in 14 countries in Europe, focusing on both debt collection services and debt portfolio acquisition	419.4
4	Visma Collectors	Norway	Debt collection company providing invoicing services and debt collection	226,2
5	Intrum Justitia	Sweden	International debt collection company, with presence in 20 European countries, focusing on both debt collection services and debt portfolio acquisition	189,3
6	Conecto	Norway	Debt collection company focusing on both debt collection services and debt portfolio acquisition	160.6
7	Gothia	Germany	Debt collection company focusing on debt collection services	138.1
8	Svea Finans	Norway	International debt collection company, with presence in 10 countries, focusing on both debt collection services and debt portfolio acquisition	128.0
9	Sergel Norge	Sweden	International debt collection company, with presence in 17 countries, focusing on both debt collection services and debt portfolio acquisition	111.0
10	Axactor Norway	Norway	Debt collection company, with presence in 4 countries, focusing on both debt collection services and debt portfolio acquisition	90,9(1)

(1) Pro forma: Formerly IKAS, including Axactor Norway, IKAS, IKAS Øst, IKAS Nord, IKAS Vest, IKAS Nordvest

Source: Company web sites, Proff Forvalt, PwC

Germany

The German debt collection market includes between 600 and 900 players with the four largest players accounting for ~40% of the market revenue. The largest players are also market leaders within several sectors. The following ~20% of market share is held by approximately 20 players mostly focusing on one or two major sectors. The remaining revenue of the debt collection market is divided between a large number of regional players, who service relatively small customers and typically do not acquire NPLs.

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

Rank	**Company**	**Home country**	**Description**	**Revenue 2015 EURm**
1	Arvato Financial Solutions	Germany	Company engaging in claims management, debt collection and invoicing	4,662(1)
2	EOS	Germany	International debt collection company, with presence in 26 countries, focusing on debt collection services and debt portfolio acquisitions	566.9
3	Creditreform	Germany	One-stop shop for economic information, credit ratings, claims management, debt collection and market analysis and software solutions	485
4	GFKL	Germany	International firm offering claims management and debt collection services for clients in various industries	260.0(2)
5	Lindorff Holding	Norway	International debt collection company, with presence in 13 countries, focusing on both debt collection services and debt portfolio acquisition	129(2)
6	Bad Homburger Inkasso	Germany	Company offering debt collection for clients from various focus sectors, such as banking, energy and real estate.	60.8
7	REAL Solution Inkasso	Germany	Debt collector focusing on companies with substantial outstanding claims against consumers in Germany	54.2(2)
8	Alektum	Sweden	Company performing debt collection of consumer liabilities focusing on mail order business, e-commerce, publishing and banking	45.5(2)
9	HOIST	Sweden	Company specializing in the purchase and management of unsecured consumer loans	34.8
10	BID	Germany	Claims management company offering a wide range of services for several sectors.	30.2(2)

(1) Revenue for entire Arvato Group. No financial report for debt collection, but thought to be amongst top four players
(2) 2014 revenue
Source: Company webpages, PwC

Italy

The Italian debt collection market comprises primarily local players, with all top ten players having headquarters in Italy. The debt collection market for corporate and consumer finance is fragmented, with a large number of regional players. However, debt collection for financial institutions' NPLs is highly concentrated and a few large players hold nearly the entire market. In July 2016 Dobank, a company owned jointly by Eurocastle Investment Ltd and Fortress Investment Group, announced that they were to acquire 100% of Italfodiario. The transaction will lead to the creation of the largest independent Italian credit management servicer specializing in the management of NPLs for financial services.

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

Rank	**Company**	**Home country**	**Description**	**Revenue 2015 EURm**
1	Dobank	Italy	Credit management company managing non-performing loans on behalf of its clients	80.9
2	Italfondiario	Italy	Credit management company managing both performing and non-performing loans on behalf of its clients	45.0
3	Cerved	Italy	Company offering services within credit management, credit information and marketing solutions	56.1
4	Guber	Italy	Debt collection company focusing on both debt collection services and debt portfolio acquisition	19.5
5	CAF	Italy	Debt collection company focusing on debt collection services for banks	17
6	FBS	Italy	Debt collection company focusing on both debt collection services and debt portfolio acquisition	16.5
7	Prelios	Italy	Company specializing in services for the European real estate market, but also offer management of performing and non-performing loans	9
8	Fonspa	Italy	Credit management company managing non-performing loans on behalf of its clients	2
9	Primus Capital	Italy	Firm offering a wide range of integrated loan management services to banks, financial institutions and investors	n.a.
10	Creditech	Italy	Debt collection company focusing on both debt collection services and debt portfolio acquisition	n.a.

Source: Company webpages, PwC

5.5 Employees

At the date of this Information Memorandum, the Group has approximately 850 employees and approximately 800 FTEs.

The average number of employees of the Group amounted to 130 during the first half of 2016. The corresponding figure for 2015 was 68 and during 2014 the average number of employees was 4.

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 Spain

The table below shows the number of FTEs in Spain by function as of October 2016. As of the date of this Information Memorandum, there are approximately 414 FTEs in Norway.

	Number
FTEs:	414
Back Office	74
Business Intelligence	3
Front Office	167
IT	16
Law Office	12
Legal Collection	102
Product Management	0
SG&A	38
Serv Recobro QA	2

Human Resources overview Norway

The table below sets out an overview of Axactor Norway's FTEs by function as of September 2016. As of the date of this Information Memorandum, there are approximately 72 FTEs in Norway.

	Number
FTEs:	72
Team leaders	6
Back office	8
Credit consultants	38
Administration	4
IT	2
Sales	9
Cleaning	5

The above overview includes the management team of Axactor Norway, which comprise of 5 FTEs.

In addition to the employees in Axactor Norway, Axactor Group management is located in Norway. The Group management team comprise of 6 FTEs as of September 2016.

Human Resources overview Italy

The table below sets out an overview of CS Union FTEs by function as of October 2016.

	Number
FTEs:	112
Credit consultants	99
Secretary, cleaning etc.	2
Management (CEO, CFO, CMO etc.)	11

Human Resources overview Germany

The table below sets out an overview of Altor Group FTEs by function as of October 2016

	Number
FTEs:	195
Academics	42
Business education	58
Paralegals	38
IT professionals	10
Other professionals	47

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 acquisition of IKAS. 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.
- On 12 May 2016, the Group entered into Share Purchase Agreement, or SPA, for the Geslico acquisition. The acquisition as closed on the same day, 12 May, 2016.
- On 25 May 2016, the Group completed a private placement. The private placement consisted of 220.4 million shares and raised approximately NOK 375 million in gross proceeds, amounting to approximately 31% of the capital outstanding before the private placement.
- On 15 June 2016, Axactor signed a new contract with the largest electrical company in Spain, Endesa. The three-year contract is expected to generate annual revenue in excess of EUR 1 million.
- On 15 June 2016, Axactor announced that it had resolved the concern of issuance of new Shares to the previous IKAS shareholders. The outstanding Share count was expanded by approximately 49 million Shares, at a par value of SEK 0.50 per Share.
- On 22 June 2016, Axactor acquired CS Union and entered into a strategic partnership with Banca Sistema in Italy. Axactor paid EUR 9.9 million for 90% of the shares in CS Union, where 60% will be settled in cash and 40% in Axactor shares. The acquisition was closed 28 June 2016. The remaining 10% will continue to be held by Banca Sistema. Further, Axactor has an option to acquire the remaining 10% of the company for a pre-defined price dependent on the future performance of CS Union. The partnership with Banca Sistema includes a financing arrangement for CS Union, board representation and joint market development in Italy, based on a 3-years shareholders' agreement.
- On 30 June 2016, Axactor acquired the 4th unsecured NPL portfolio in Spain with an outstanding balance of approximately EUR 144 million.
- On July 6 2016, Axactor increased the current loan agreement with an additional EUR 25 million from Nordea Bank Norge ASA, extending its current EUR 25 million agreement with DNB Bank ASA up to a combined facility of EUR 50 million.
- On 1 August 2016, Axactor acquired the 5th unsecured NPL portfolio in Spain with a total outstanding balance of approximately EUR 565 million.

- On 29 September 2016, Axactor acquired an unsecured NPL portfolio in Italy with a total outstanding balance of approximately EUR 59 million. The investment will be 100% financed by Axactor's existing credit facilities provided by the company's Italian banking partners.
- On 30 September 2016, Axactor acquired Altor Group and entered the German debt collection and purchase market. The transaction was closed the same day.
- On 13 October 2016, the Group completed a private placement. The private placement consisted of 230 million Shares and raised approximately NOK 598 million in gross proceeds, amounting to approximately 24% of the capital outstanding before the private placement. Axactor will conduct a subsequent repair offering of up to 50,000,000 Shares. The subsequent repair offering will be priced at the same price per Share, NOK 2.6 per Share. If all Shares in the subsequent repair offering are subscribed for, the Company expects to raise approximately EUR 77.2 million in total net proceeds from the private placement.

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 and its main characteristics including amongst other the competitive market structure, key market developments to date as well as current and future trends. Estimates in this section are based on data compiled by professional organizations, consultants and analysts.

Section 3 "General Information—Presentation of Industry and Other Information" includes additional market data from other external and publicly available sources as well as the Company's knowledge of the markets.

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 EU 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 risks remain the supervisors' key concerns for banks. Moreover, there are doubts on the sustainability and viability of certain banks' business models and it is unclear 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, continuous 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 slowed ahead of the ECB's comprehensive assessment, but following the exercise's completion banks are now once more reassessing their businesses and geographic footprints. The structural reform agenda is likely to drive asset disposals. ECB Lending Surveys have been signaling a recovery in demand for consumer credit and housing loans since mid–2014, continuing in 2016. 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 by ECB and Bank of Italy intend to improve profitability in the Italian banking sector.

Recent CMS trends

As pointed out by Moody's, a credit rating company, the European debt collection market is maturing through an expansion into new business models and geographies. Some debt purchasing companies are now supplementing income by servicing third-party portfolios, as these activities provide a more stable revenue stream. Other companies are expanding the asset classes in which they invest, for example by buying or increasing their acquisitions of non-performing debt from telecommunication companies, retail or utilities. These developments have led to a wave of consolidation, such as Arrow's acquisition of a small Dutch debt management company announced on 1 April 2016. Moody's expects this trend will last for at least another two years beyond 2016.

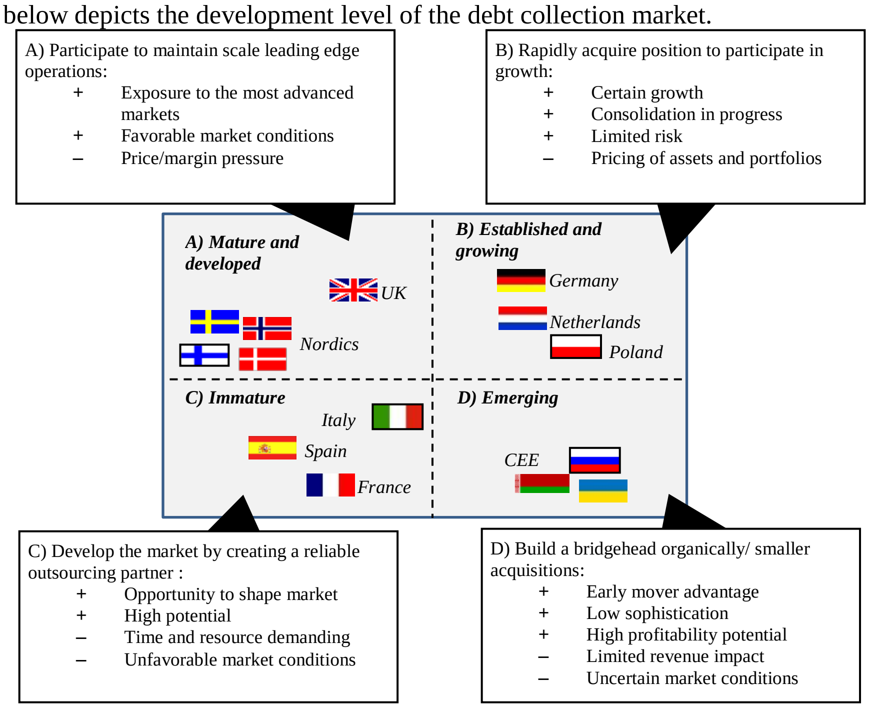
Banks' attitude to debt sale is the most important driver of the market size. In recent years, European banks have increasingly divested their debt portfolios as well as collection and recovery functions. This has largely been driven by regulatory pressure to improve their capitalization levels. However, as banks adapt to the tougher regulatory regime over time, they are likely to prefer to work with only mature CMS operators who can demonstrate the highest levels of customer service and compliance. Recent consolidation within the market supports this.

Loan Portfolio Market

The loan sale activity has increased over the past years. Commercial Real Estate, or CRE, loans are still highly traded across Europe and there has been a strong rise in sales of residential loan portfolios. UK, Ireland and Spain continue to be the most active markets, and sales in Italy, Germany and CEE are accelerating.

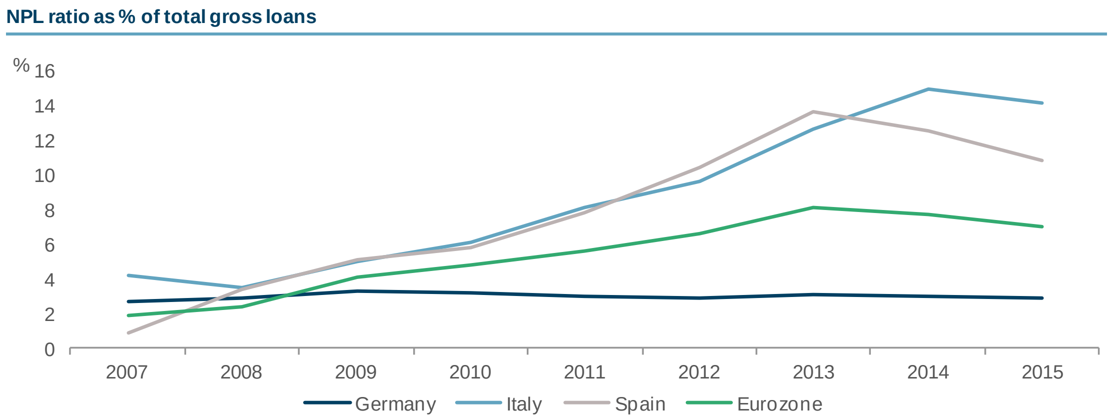
After contracting 1.6% in 2014 (the third consecutive year of contraction), business loans experienced a return to growth in 2015 and the first half of 2016. Mortgage loans bounced back in 2015 as well. However, the growth potential going forward is uncertain as NPL ratios are declining across the Eurozone.

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



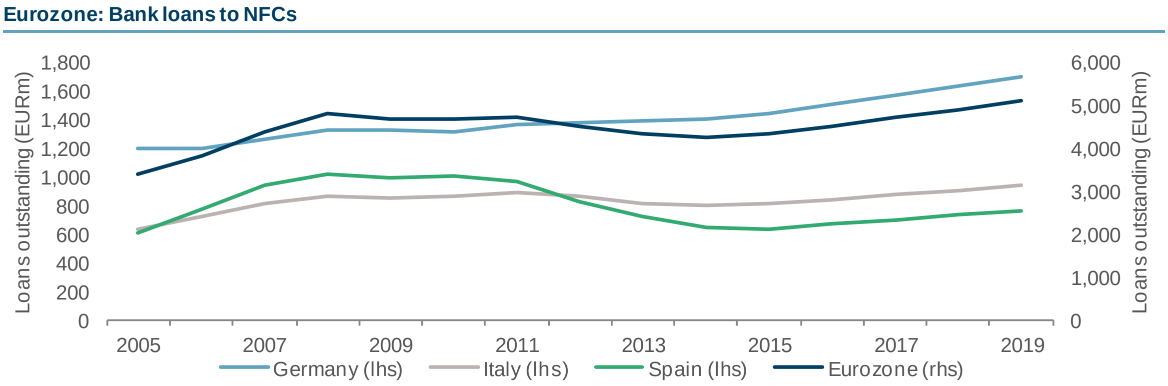
Source: EY Eurozone Forecast June 2015 (illustration and figures presented in text)

The chart below depicts the NPL ratio as a percentage of total gross loans in the relevant Eurozone countries.



Source: ECB, Oxford Economics

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



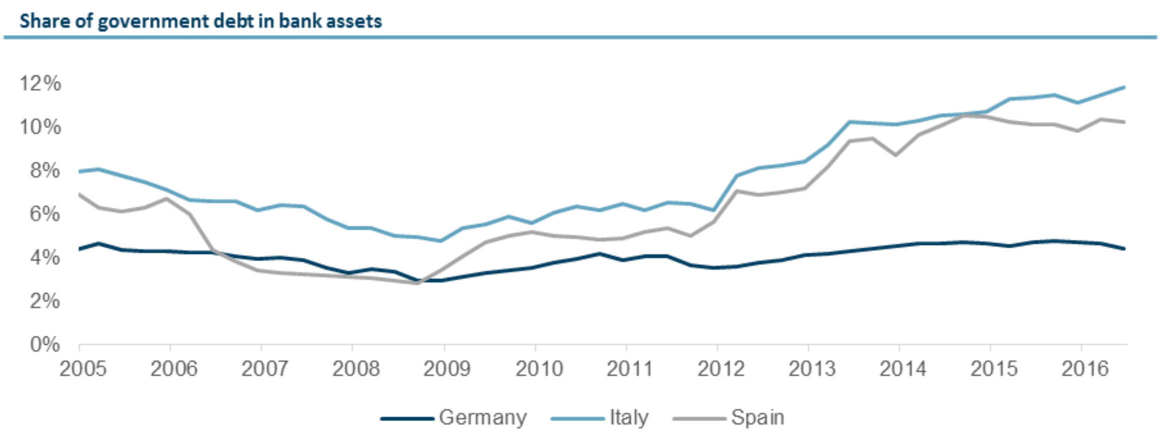
Source: ECB, Oxford Economics, Haver Analytics

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

Banking Overview

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

Source: ECB, Oxford Economics



Source: ECB

Spain

Banking Overview

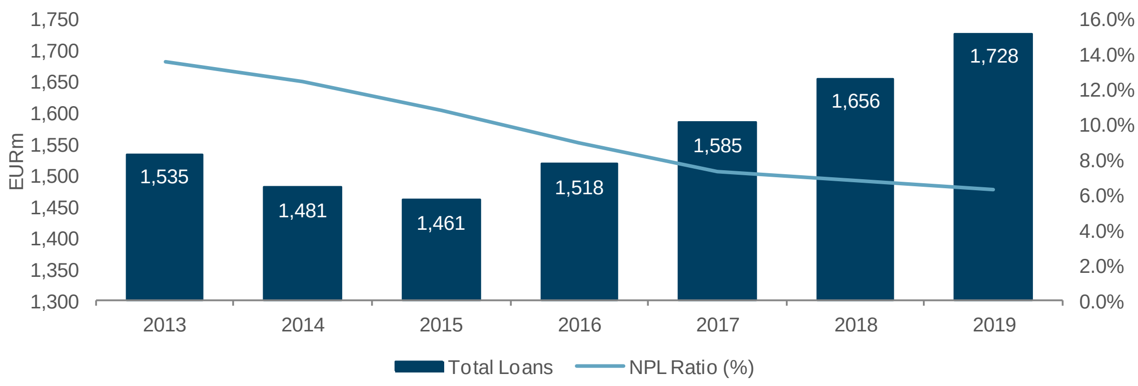
After a strong credit-fueled economic growth during the period 2000-2008, Spain experienced 5 years of negative or zero economic growth as it dealt with the consequences of the financial and housing crises. Since 2013, Spain has recovered strongly, posting annual economic growth above Eurozone-average in 2014 and 2015.

As a result, the ability to access leverage increased in 2014/2015 and it is expected that this will continue in the second half of 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 place in the NPL space coming from bankruptcy proceedings.

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

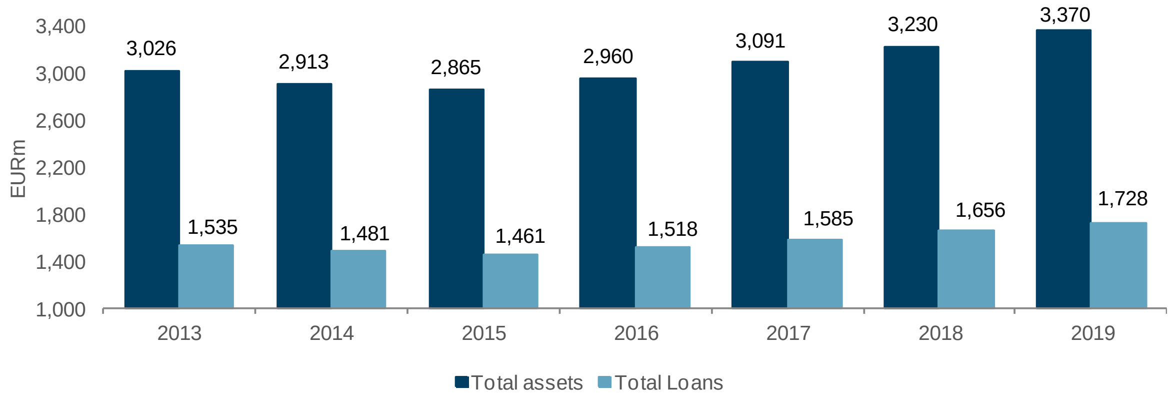
Total loans and NPL ratio of the Spanish banking market



Source: ECB, Oxford Economics

The 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

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

Banking Overview

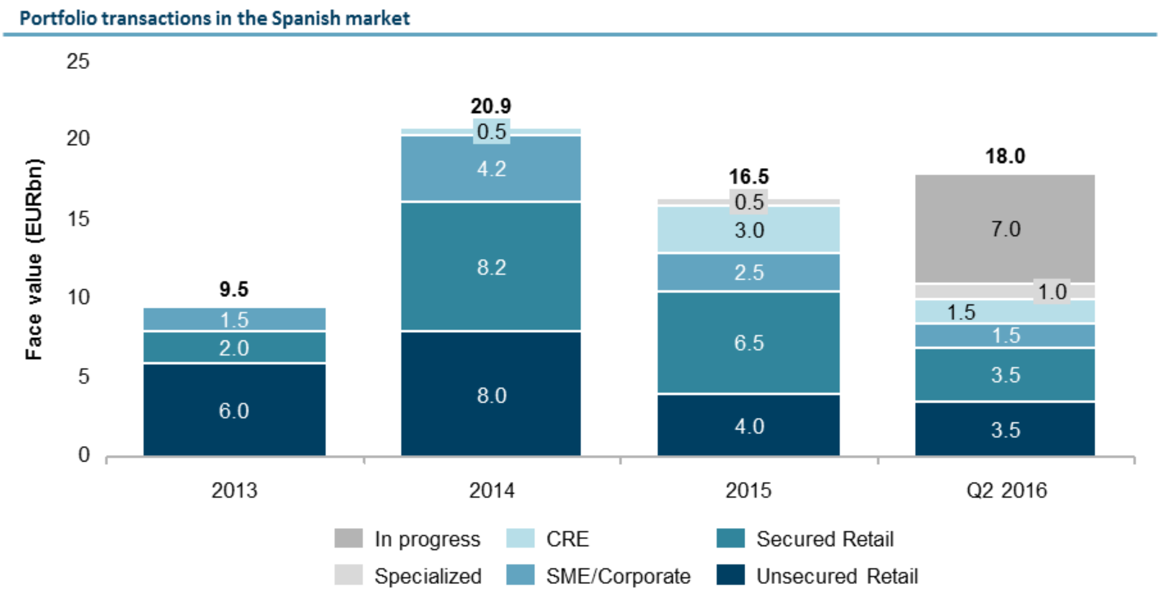
	2011	2012	2013	2014	2015
Total assets (€bn)	3,401	3,423	3,026	2,913	2,865
Total loans (€bn)	1,783	1,718	1,535	1,481	1,461
Business/corporate loans (€bn)	944	880	719	651	637
Consumer credit (€bn)	201	188	171	160	162
Residential mortgage loans (€bn)	627	576	581	553	547
NPLs as % of total gross loans	7.8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

Source: ECB, Oxford Economics

NPL Market

The market for unsecured debt has been the most active in the last years. However, in 2016 there was an increasing 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.

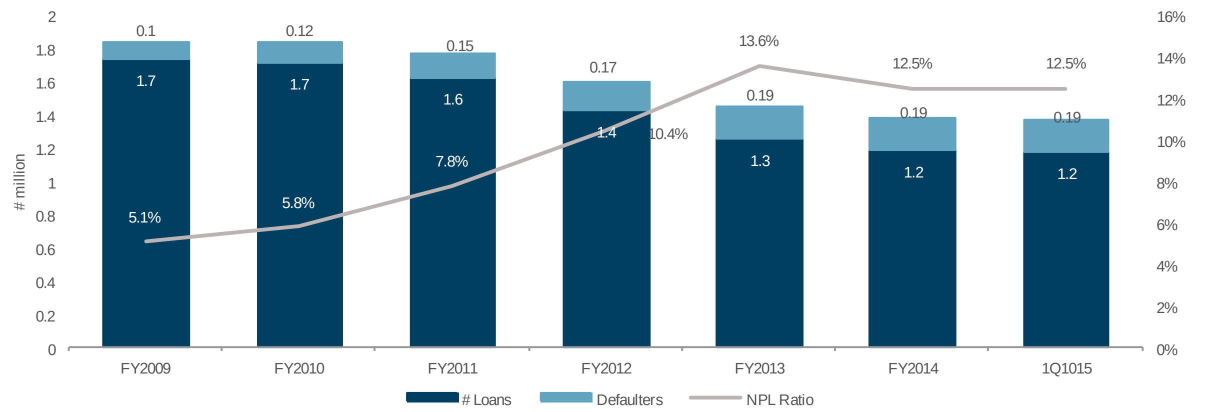
The chart below depicts recent NPL transactions by type of debt in the Spanish market.



Source: PwC Portfolio Advisory Group – Market Update Q2 2016

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, investors of these portfolios make aggressive assumptions, 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.

In line with the broader economic recovery, the Spanish unsecured retail market has shown marked improvement. The NPL ratio for loans at consolidated level of Spanish deposit institutions has declined since 2014, continuing in 2016. Acquirers that purchased unsecured retail portfolios at the height of the crisis are expected to sell these portfolios on a secondary basis and benefit from the recovery period, after holding the portfolios for 4-5 years.

Secured Loans

Compared to the immediate period after the housing crisis, the transacted asset type has evolved from low quality residential retail assets towards well-located promoter assets. This is a result of Spanish banks largely completing sales of low quality assets from their balance sheets and growing investor demand for liquid and well-located assets such as promoter portfolios.

Over the past two years, secured retail loans have accounted for 39% of the market and their strong position is expected to continue in 2016, as more promoter NPLs with higher collateral quality continue to be offered in the market.

Norway

Banking overview

The banking sector in Norway is relatively fragmented with 124 banks, including 13 branches of international banks. The seven largest banks (DNB Bank, Nordea Bank Norge and five regional savings banks) represent 76% of assets under management. 25 medium-sized banks, with more than NOK 10bn assets under management each, represent approximately 18% of the total assets under management. 92 small banks with less than NOK 10bn 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, hold 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.

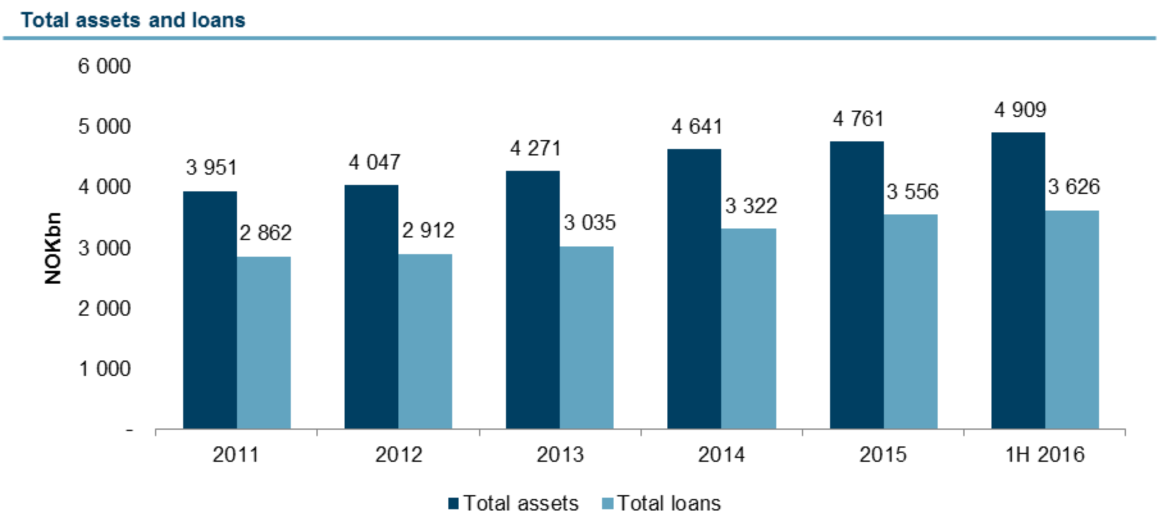
Banking Overview

	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
NPLs as % of total gross loans	1.7	1.5	1.3	1.1	1.3
Deposits (% year)	13	2	7	7	4
Loans/deposits (%)	108	108	105	108	111
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 74% of banks' total assets in H1 2016, an increase from a historical ratio of ~72%.

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



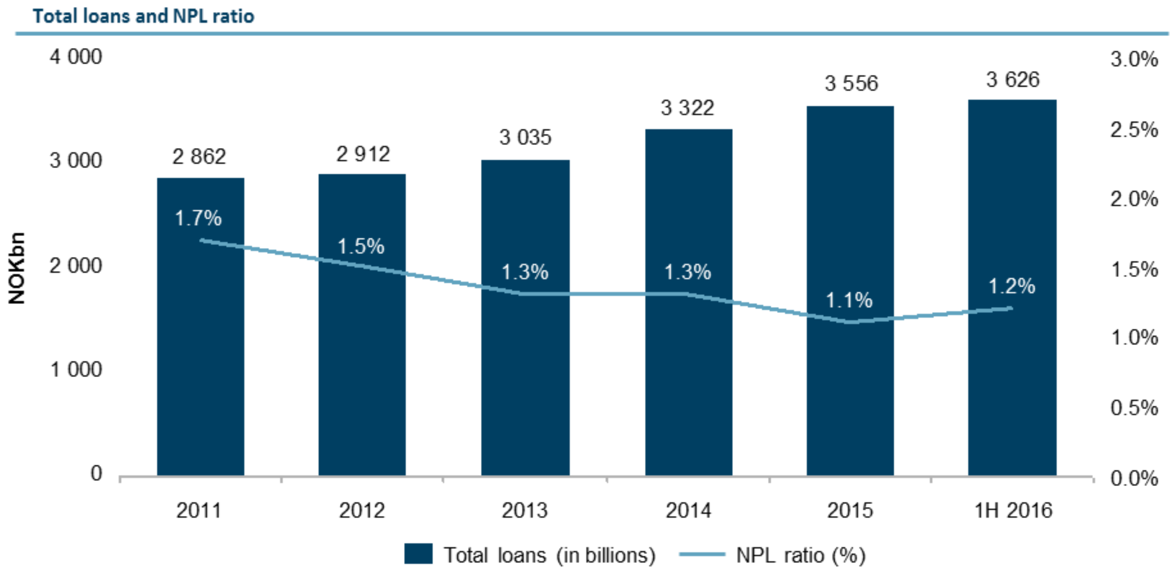
Source: SSB, the Financial Supervisory Authority of Norway

A strong Norwegian economy in recent years has contributed to solid bank earnings. In aggregate, the banking sector in Norway posted 5.5% higher revenues in H1 2016 than the previous year. However, the total earnings have not increased, due to a higher level of loss provisions in 2016.

The large drop in oil prices mid-2014 has affected the Norwegian economy adversely, hitting especially the oil and gas sector and contributing 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.

During H1 2016 the banks' loan loss provisions amounted to 0.34% (annualized) of gross loans. This is a doubling compared to 2015. Especially the larger banks have made significant loss provisions, largely due to exposure to oil and gas. DNB reported in June 2016 that the share of non-performing loans had increased from 0.77% to 1.19% in the last year, primarily driven by expected losses in the oil and shipping segments.

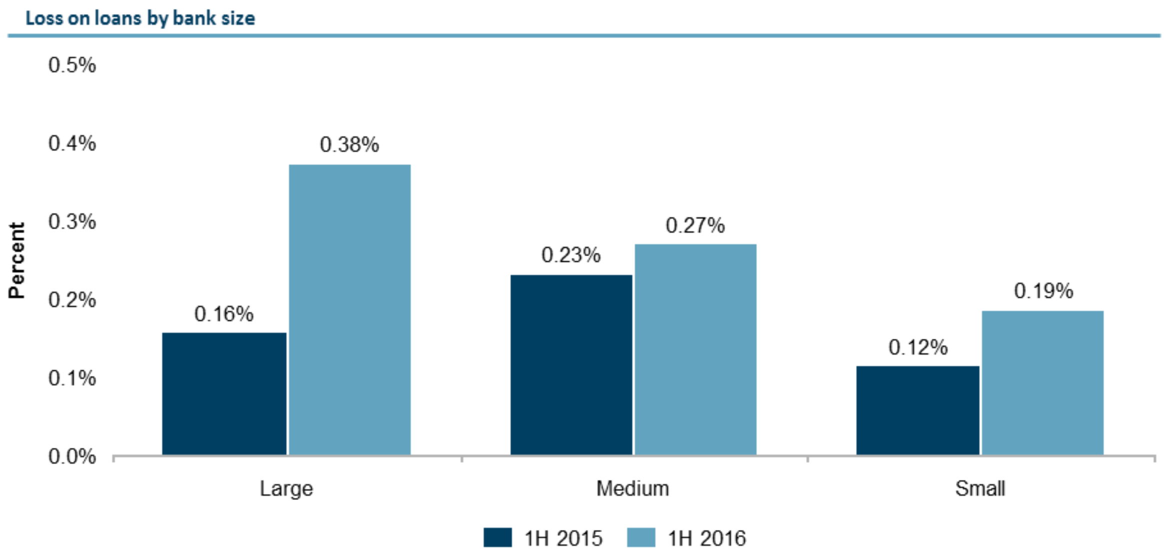
The chart below depicts the total loans and NPL ratio for the Norwegian banking market.



Source: The Financial Supervisory Authority of Norway

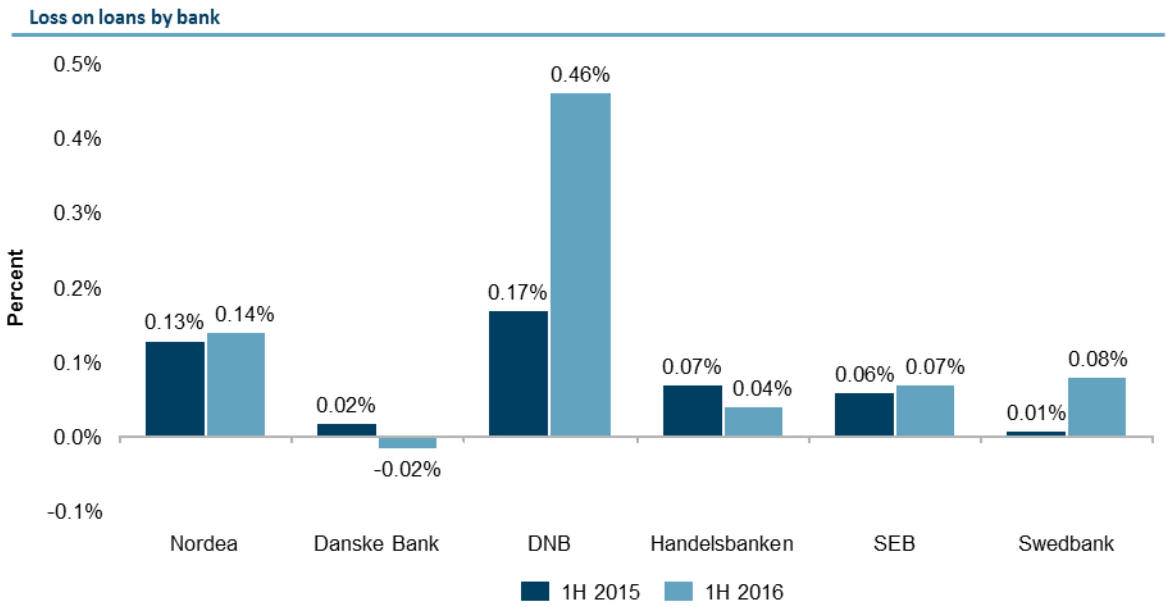
Loan losses

The chart below shows loan loss provisions in percentage of gross loans by bank size, with large banks showing the greatest increase in loss provisions.



Source: The Financial Supervisory Authority of Norway

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



Source: 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. However, it 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.

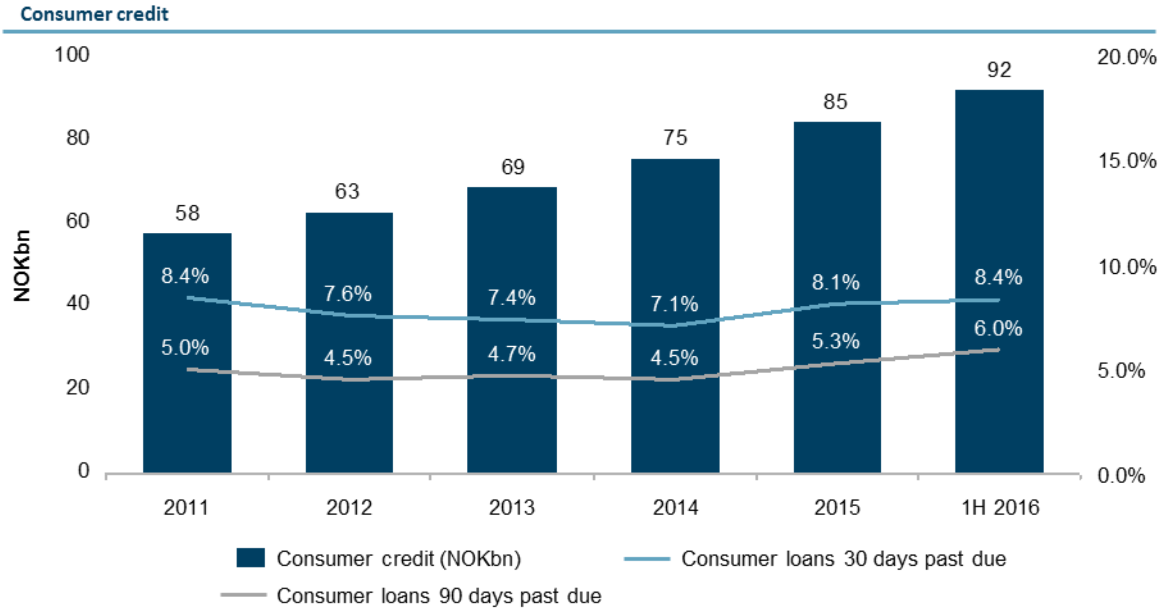
Lindorff, a debt collector, acquired three portfolios of non-performing loans from DNB in 2015. The sale of the portfolios was part of DNB's capital efficiency program, and consisted of unsecured claims from DNB's consumer and equipment financing operations as well as corporate banking operations dating from 1984 to 2015. One of the portfolios also consisted 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 last year.

Unsecured Loans

Consumer credit represents a significant share of total unsecured loans to households. In recent years, consumer credit in Norway has experienced a 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. During H1 2016, consumer credit grew 8.6% relative to 2015 levels.

The non-performing share of unsecured loans is significantly higher than that of secured loans. During 2015, the share of consumer credit loans past due increased markedly and reached its highest level since 2011. The trend has continued in the first half of 2016 according to Lindorff. An increase in consumer credit and in the share of non-performing loans will likely lead to an increased demand for debt collection services and more NPL portfolios being considered for sale.

The chart below shows the consumer credit and percentage of consumer loans 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.

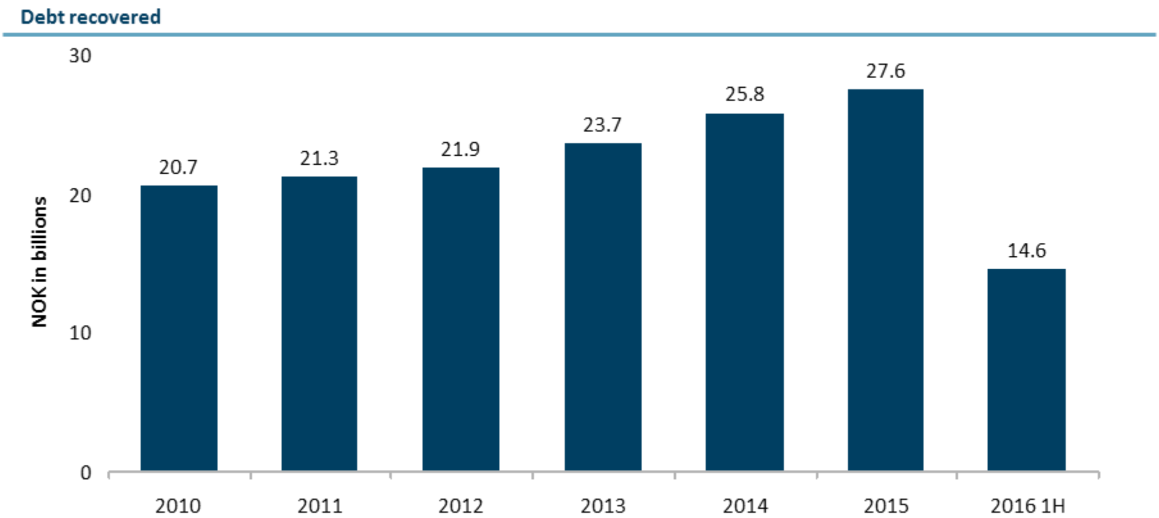


Source: The Financial Supervisory Authority of Norway

Debt collection market

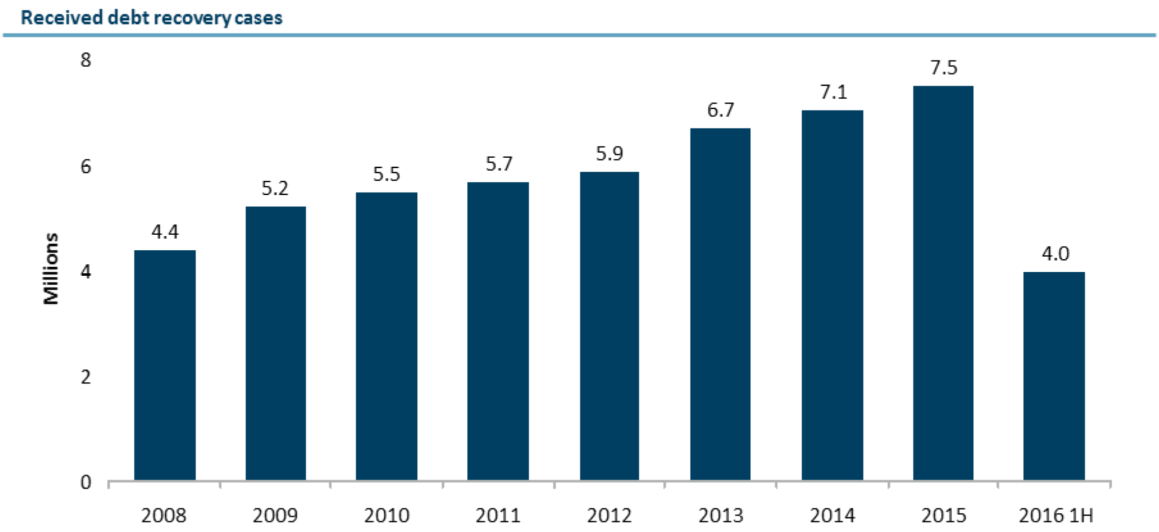
The Norwegian debt collection market grew by 4.5% from NOK 14.0bn in H1 2015 to NOK 14.6bn in H1 2016. During the same period, the number of new cases grew by ~2% (85,600 cases). As of H1 2016, the debt collection market in Norway had 4.6 million cases in process. This represents a volume of non-performing loans of NOK 75.9bn.

The chart below depicts the amount of debt collected in the Norwegian market.



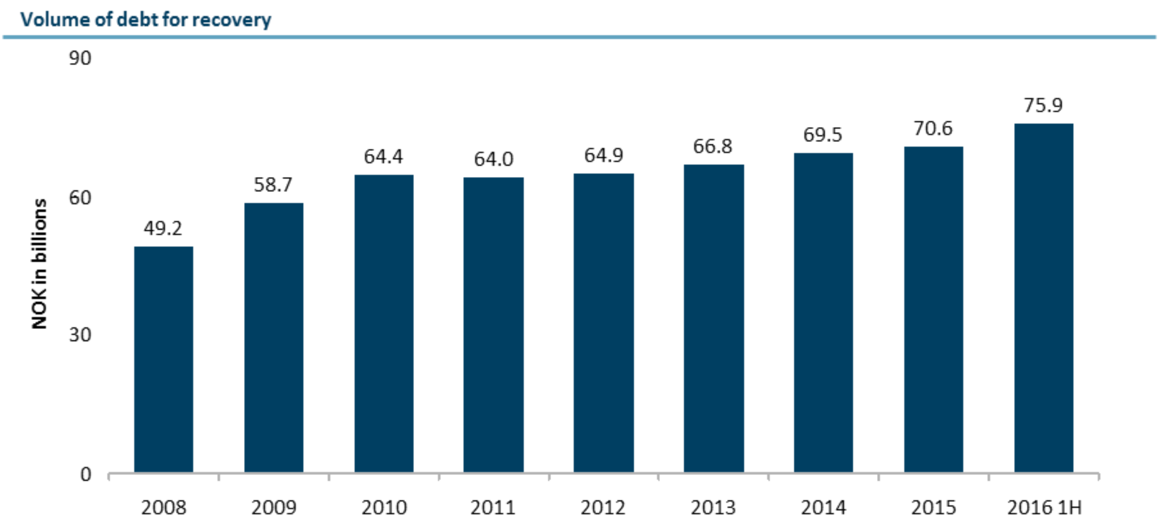
Source: The Financial Supervisory Authority of Norway

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



Source: The Financial Supervisory Authority of Norway

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



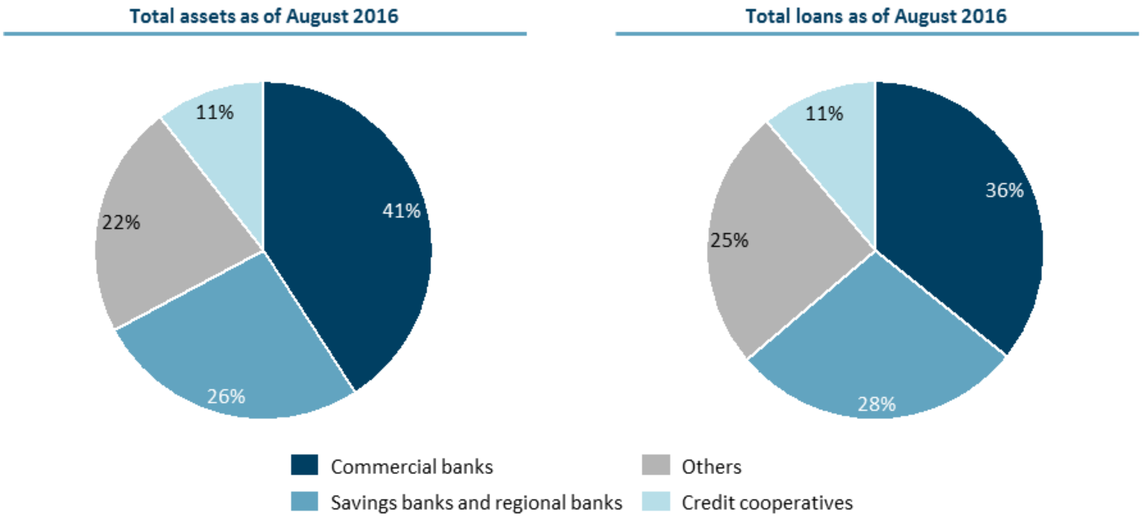
Source: The Financial Supervisory Authority of Norway

Germany

Banking Overview

Germany has one of the most fragmented banking sectors due to its three-pillar system composed of: Private Commercial banks, Public Savings banks (Sparkassen) and Cooperative banks owned by their members/depositors.

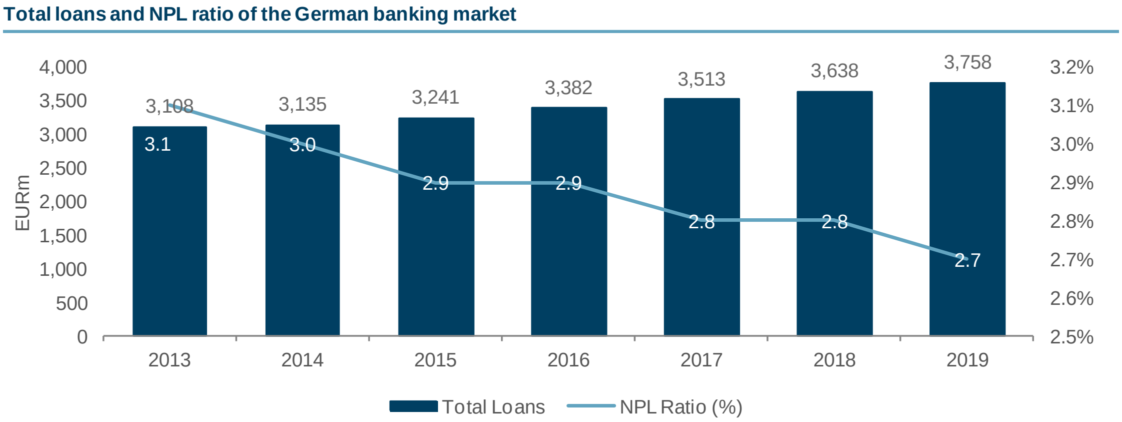
The chart below depicts the total assets and loans in the German banking sector, split by bank type, as of August 2016.



Source: Deutsche 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, the prolonged low interest environment together with a stronger regulatory pressure puts a constraint on bank earnings.

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



Source: ECB, Oxford Economics

Since 2011, the regulatory authorities have emphasized strengthening the banking sector in terms of liquidity and funding, but also in terms of capital held. The Basel III capital requirements in combination with new standards introduced by the European Banking Authority, or the EBA, have helped improve the resilience of German banks considerably. Banks have largely achieved this by improving capital through measures such as retaining earnings, raising new capital or repurchasing hybrid capital instruments. At the same time, they have reduced 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 and commercial real estate, 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.

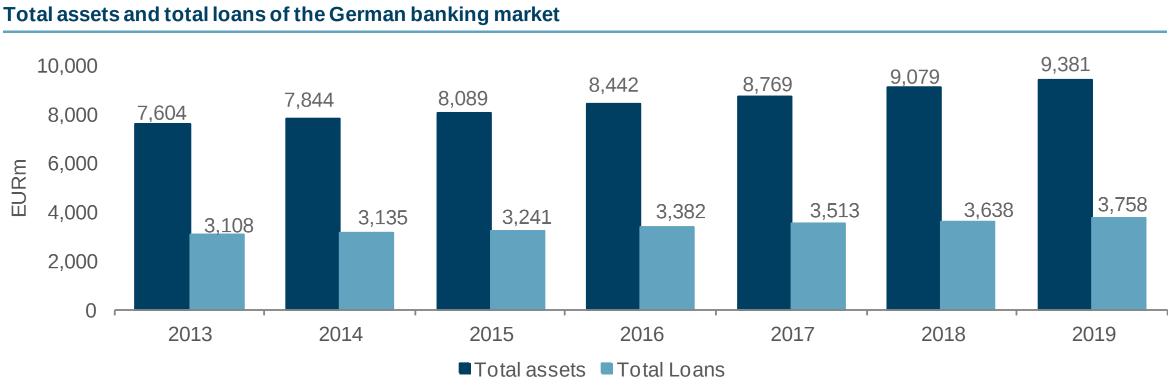
The table below shows certain key figures for the German banking sector.

Banking Overview

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

Source: ECB, Oxford Economics

The chart below depicts the 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 50bn in face value. The demand was mainly from international, primarily Asian, investors.

Following the financial crisis, there was a freeze in the NPL market. Banks held on to their loan portfolios until investor pricing would be more in line with their own expected values. Recent successful transactions – mainly coming from foreign banks selling German loan portfolios – have shown that the gap between sellers' price expectations and investors' bid prices has narrowed.

There is a strong demand for German NPL portfolios from both traditional investors, e.g., hedge funds, private equity firms and investment banks who were active before the crisis, as well as new investors such as insurance companies or private investors who are monitoring the current market development very closely with the view to buy.

In 2015, the market bounced back to 2013 levels, and the market is expected to show similar results in 2016. Transactions in recent years are almost exclusively of CRE loans as collateral values are increasing, thus leading to higher pricing of loans secured by real estate. Specific to 2016, transaction volumes have so far been primarily driven by a reported divestment of shipping loans from HSH Nordbank. Further disposals of real estate, energy, aviation and shipping assets are reportedly coming to market in the upcoming months.

The Unsecured NPL Market

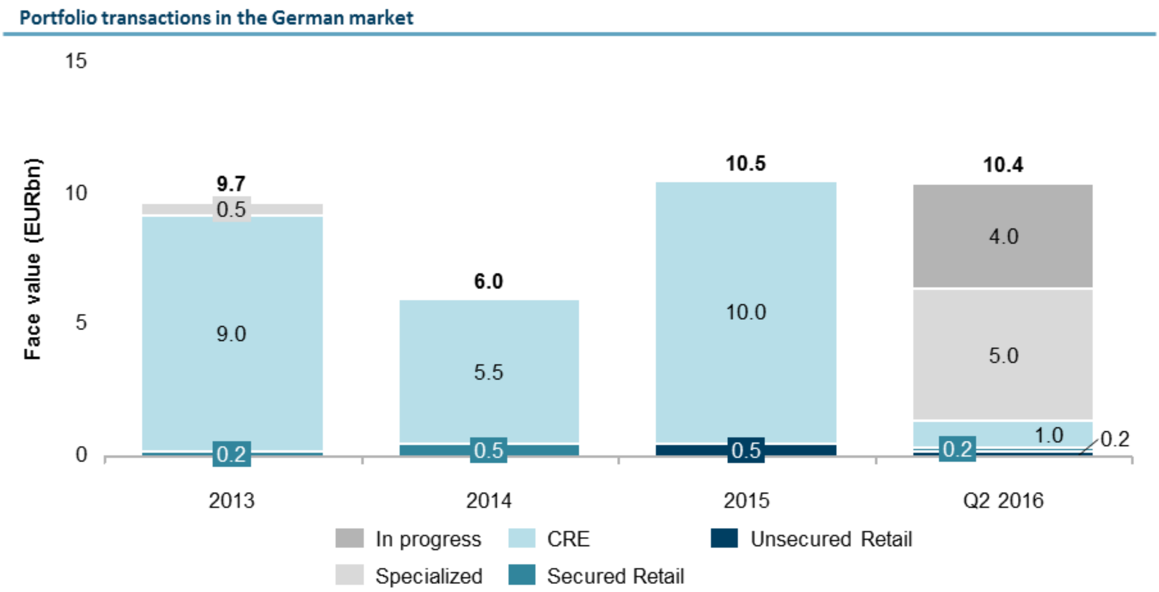
Smaller yet ongoing transactions rather than occasional large transactions characterize the unsecured consumer NPL market. The deal sizes are a result of still relatively limited maturity on the supplier side, yet strong interest from investors ensures the fluidity of the market.

Banks only sell terminated loan portfolios to investors, as the legal framework makes a transfer of the claim after termination much easier and data confidentiality 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 of day-to-day business for many banks. In addition, portfolio size, the age of the debt and sales schedule (e.g., forward flow -monthly, quarterly, annually vs spot sale) vary between 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 taking part in a tender. 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 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.

Going forward, 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.

The chart below depicts recent NPL transactions by type of debt in the German market.



Source: PwC Portfolio Advisory Group – Market Update Q2 2016

Italy

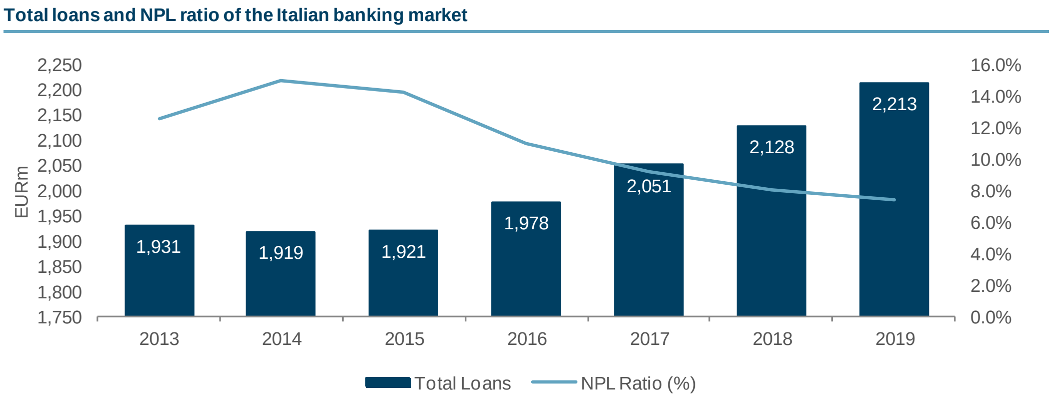
Banking Overview

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

Between the start of 2015 and 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). A target of these reforms has been 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 non-performing 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. In September 2016, The European Central Bank and the Bank of Italy approved the merger of Banco Popolare and Banca Popolare di Milano, creating Italy's third-largest bank by assets.

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.

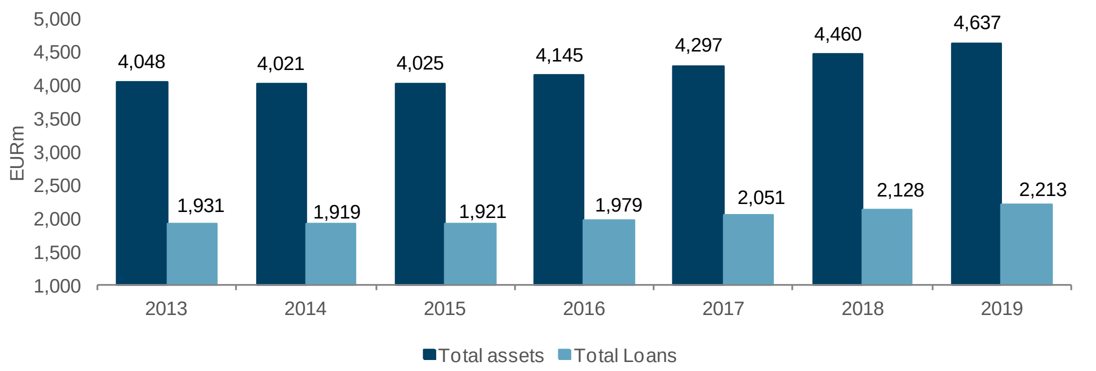
Banking Overview

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

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

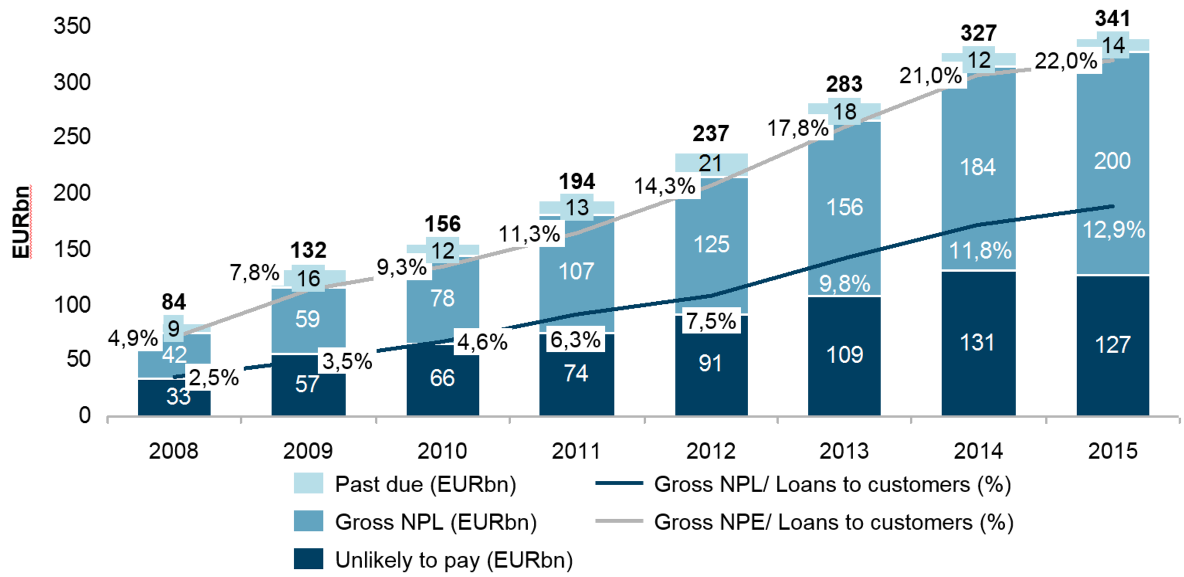
Following several years of economic crisis, the overall asset quality of Italian banks is still suffering. The 2014 asset quality review ("AQR") exercise has identified additional EUR 12bn of adjustments of asset values for the Italian banking sector (the largest impact in Europe representing approximately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

The total gross non-performing exposure (NPE) reached approximately EUR 341 billion in December 2015 (22% of total customer loans). Gross NPLs accounted for EUR 200bn and "unlikely to pay" or "pass due" made the remaining EUR 141bn. Compared to 2008, the ratio of NPE to gross loans has been five times higher (4.9% in 2008, 22.0% in 2015). Similarly, gross NPLs showed a considerable increase in the period 2008 – 2015, going from EUR 42bn to EUR 200bn. Corporate and SME NPLs represented 79% of total gross NPLs in 2015, and approximately half of total gross NPLs had real estate as collateral.

While both the NPE and NPLs continues to increase, the growth rate has been slowing to 1 percentage point between 2014 and 2015 from more than 2 percentage points a year earlier.

The chart below depicts the total gross NPLs, in billions Euro, in the Italian banking market and their growth since 2008.

Gross NPL trend



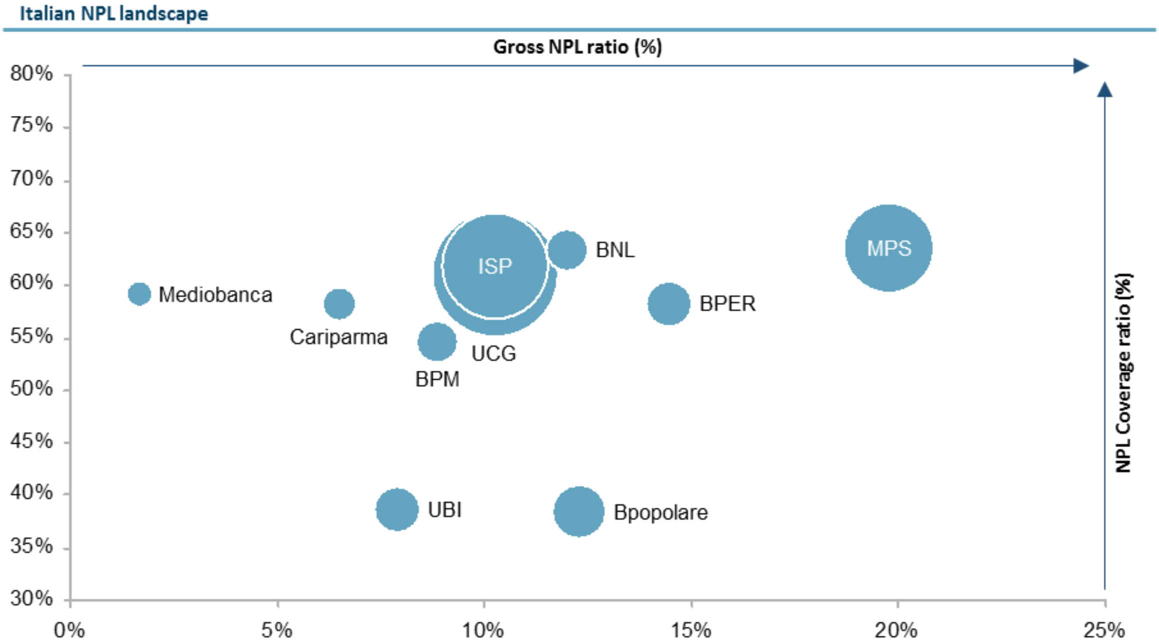
Source: PwC analysis data of Bollettino Statistico di Banca d'Italia and ABI Monthly Outlook

The Unsecured NPL Market

Transactions in consumer NPL portfolios have dominated the Italian unsecured debt market, accounting for a majority of transactions between 2013 and 2015. The trend is likely to continue in 2016 as well. The main banking players such as UniCredit, Banco Popolare and MPS have been active in bringing some of their portfolios into the market. On the other hand, the market with corporate NPLs struggled to take off until 2016 when in the first half of 2016 corporate NPLs doubled in total size relative to the whole of 2015.

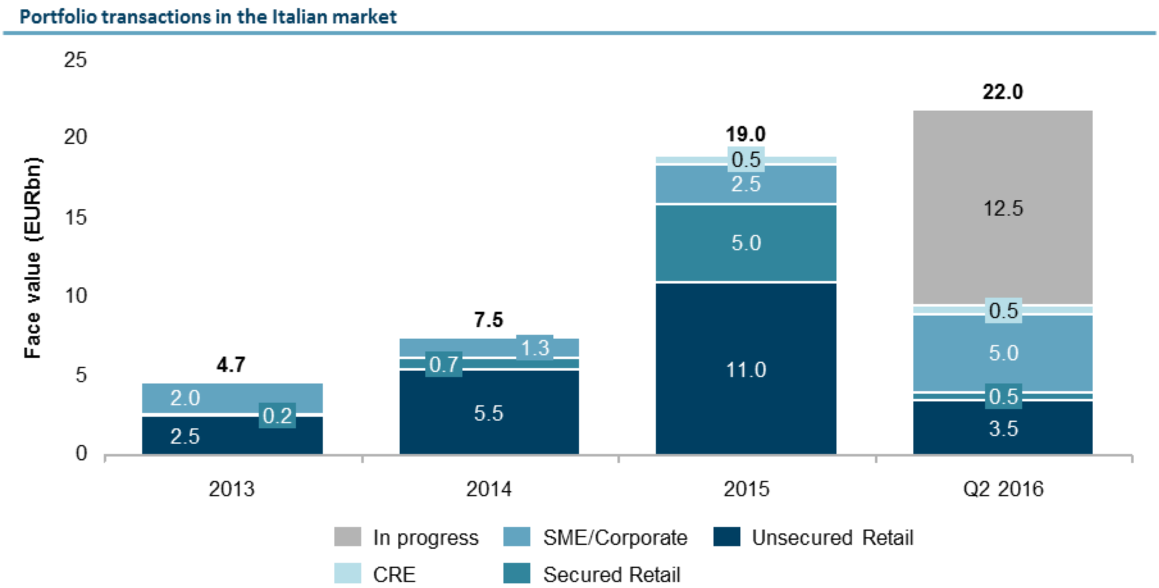
Nevertheless, the size of transactions in the Italian market remains smaller compared to other European ones despite an increasing number of them. Investors are awaiting if Italy will be able to follow the suit of other Eurozone countries and resolve the NPL problems. Going forward, there is a significant amount of liquidity on the sidelines particularly from foreign funds.

The chart below shows the Italian NPLs coverage ratio for main Italian banks, for the full year 2015.



Source: PwC analysis, financial statements as of YE-2015

The chart below depicts recent NPL transactions by type of debt in the Italian market.



Source: PwC Portfolio Advisory Group – Market Update Q2 2016

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	2017

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. All board members were re-elected at the Annual General Meeting held 26 May, 2016.

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) and 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 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: Drammensveien 167, 0277 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: Drammensveien 167, 0277 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), Axactor Norway AS, CS Union S.R.L. (board member), Blitz F16-46, Germany (to be renamed Axactor Holding Germany) (board member)
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: Drammensveien 167, 0277 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), Axactor Italy S.R.L. (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: Drammensveien 167, 0277 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..	Axactor Norway 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: Drammensveien 167, 0277 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 a Siviløkonom Degree in Business Administration from Pacific Lutheran University in 1988.

Current directorships and senior management position...	CS Union S.R.L. (board member)
Previous directorships and senior management positions last five years....................................	Lindorff AS (President HR)

Robin Knowles, Executive Vice President, Portfolio Acquisitions
Business address: Drammensveien 167, 0277 Oslo, Norway

Mr. Robin Knowles has 7 years of experience working as the Investment Director at Lindorff Group. His main focus was to increase the size of the Owned Portfolio, across all territories within the Group. He has broad industry experience across Scandinavia, Continental Europe and the UK covering the last 15 years, including positions in Aktiv Kapital (PRA), Cabot Financial and Morgan Stanley as well as his time in Lindorff. Former work experience includes Investment banking with Barclays Bank for 4 years and Container Shipping with P&O Nedlloyd for 4 years, where he also qualified as a management accountant in 1997.

Current directorships and senior management position...	CS Union S.R.L. (board member)
Previous directorships and senior management positions last five years....................................	Lindorff AS (Investment Director)

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 Annual General Meeting held May 26, 2016 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 levels were unchanged from the previous level.

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 at the time, 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	15,338,244	(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)
Robin Knowles.......................	Executive Vice President, Portfolio Acquisition	1,045,000	(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
Robin Knowles	Executive Vice President, Portfolio Acquisitions	2,200,000	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.

The shares issued to the selling shareholders of IKAS on 15 June 2016 have a 24 month lock-up period from the date of completion of the acquisition of IKAS.

75% of the shares issued to the selling shareholders of CS Union have a 24 month lock-up period from the date of completion, and 25% of the shares issued have a 12-month lock-up period from the date of completion.

7.7 Nomination Committee, Audit Committee and Remuneration Committee

The Nomination 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. The term of the Nomination Committee will be until a new Nomination Committee gets appointed.

At the Annual General Meeting of the Company on 26 May 2016, the following Nomination Committee was appointed:

	Member since
Gunnar Hvammen	2014
Magnus Tvenge	2016

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 representatives of the 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".

It should be noted that the Company has a modest market capitalization. Therefore, the administrative costs of the Company have 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 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 and its unaudited consolidated financial statements as of and for the six month periods ended June 30, 2015 and 2016. The Company's annual financial statements and unaudited consolidated 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 and the unaudited consolidated financial statements as of and for the six month periods ended June 30, 2015 and 2016, which are incorporated by reference to this Information Memorandum, see Section 15.

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 and its unaudited consolidated income statement information for the six-month periods ended June 30, 2015 and 2016.

Income Statement Information
SEK 1,000

	Six Months Ended June 30		Year Ended December 31	
	Unaudited	**Unaudited**	**Audited**	**Audited**
	2016	**2015**	**2015**	**2014**
Continued operations				
Gross revenue	101,674	—	4,437	—
Amortization	(9,325)	—	—	—
Net income	92,349	—	4,437	—
Other operating income	—	—	—	75
Total operating income	92,349	—	4,437	75
Other external expenses	(77,996)	(2,503)	(29,940)	(9,927)
Personnel expenses	(56,370)	—	(5,089)	187
Operating result before depreciations and impairment losses	(42,107)	(2,503)	(30,592)	(9,665)
Depreciation/amortization and impairment loss on tangible, intangible & financial fixed assets	(9,135)	—	(837)	—
Operating results after depreciation and impairment losses	(51,152)	(2,503)	(31,429)	(9,665)
Financial revenue	21,365	92	329	3,105
Financial expenses	(15,248)	(434)	(30,218)	(3,111)
Total financial items	6,117	(342)	(29,889)	(6)
Result before tax	(45,035)	(2,845)	(61,318)	(9,671)
Income tax	4,284	—	—	—
Results for the period from remaining operations	(40,751)	(2,845)	(61,318)	(9,671)
Loss from discontinued operations	—	(82,240)	(105,288)	(36,336)
Result for the period including discontinued operations	(40,751)	(85,115)	(166,606)	(46,007)
Result for the period attributable to:				
Equity holders of the parent company	(40,751)	(85,085)	(166,606)	(45,986)
Non-controlling interest	—	(30)	—	(21)
Result for the period	(40,751)	(85,115)	(166,606)	(46,007)
Result per share before and after dilution including discontinued operations	(0.06)	(0.03)	(1.25)	(1.54)
Result per share before and after dilution excluding discontinued operations	(0.06)	—	(0.46)	(0.32)
Average number of shares (millions)[7]	680.5	90.8	133.7	29.8

[7] The average number of shares during the 12 m period 2013 has been adjusted for the reversed split as from the beginning of the year

Other comprehensive income
SEK 1,000

	Six Months Ended June 30		Year Ended December 31	
	Unaudited	**Unaudited**	**Audited**	**Audited**
	2016	**2015**	**2015**	**2014**
Continued operations				
Net profit/(loss)	(40,751)	(85,115)	(166,606)	(46,007)
Foreign currency translation differences	(2,880)	(96)	(96)	(1,081)
Other comprehensive income/(loss) for the period	(2,880)	(96)	(166,702)	(47,088)
Total comprehensive income for the period attributable to				
Equity holders of parent company	(43,631)	(85,085)	(166,702)	(47,067)
Non-Controlling interests	—	(30)	—	(21)

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 and its unaudited consolidated balance sheet information as of the six-month periods ended June 30, 2015 and 2016.

Statement of Financial Position Information

SEK 1,000	**Six Months Ended June 30**	**Year Ended December 31**	
	Unaudited	**Audited**	**Audited**
	2016	**2015**	**2014**
Assets			
Intangible fixed assets			
Mineral interests	—	—	111,676
Customer relationships	92,018	37,125	—
Database	19,365	7,530	—
Other intangible assets	6,661	448	—
Total intangible assets	118,044	45,103	111,676
Goodwill	408,860	124,467	—
Tangible fixed assets			
Plant and machinery	20,272	549	551
Long-term financial assets			
Purchased debt portfolios	594,298	—	—
Other long-term investments	402	267	359
Long-term receivables	10,689	—	31
Total fixed assets	784,591	170,386	112,617
Other receivables	51,682	58,284	696
Prepaid expenses	54.600	3,760	161
Restricted cash	49,062	4,000	—
Cash and cash equivalents	283,442	368,375	61,502
Total current assets	438,787	434,419	62,359
Total assets	1,591,353	604,805	174,976
Equity and liabilities			
Equity attributable to equity holders of the parent company			
Share capital	473,244	298,307	45,405
Other paid-in capital	1,884,121	1,468,788	1,256,648
Reserves	(2,976)	(96)	—
Retained earnings and profit for the period	(1,330,758)	(1,290,007)	(1,141,416)
	1,023,632	476,992	160,637
Non-controlling interest	2,755	—	157
Total equity	1,026,387	476,992	160,794

SEK 1,000	Six Months Ended June 30 Unaudited	Year Ended December 31 Audited	Audited
	2016	**2015**	**2014**
Liabilities			
Long-term liabilities			
Non-current interest bearing debt	276,300	—	—
Convertible loan	—	5,000	5,000
Deferred tax liabilities	23,862	11,357	—
Other long-term liabilities	13,080	500	4,000
Total-long term liabilities	313,241	16,857	9,000
Short-term liabilities			
Accounts payable	104,426	12,420	1,560
Current portion of non-current borrowings	72,149	—	—
Tax liabilities	15,273	9,963	—
Other short term liabilities	37,133	64,088	1,146
Accrued expenses and prepaid income	22,740	24,485	2,475
Other current liabilities	59,786	88,573	3,621
Total current liabilities	251,725	110,956	5,181
Total equity and liabilities	1,591,353	604,805	174,976
Pledged assets	92,565	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 and its unaudited consolidated cash flow statement for the six-month periods ended June 30, 2015 and 2016.

Cash Flow Statement Information ***SEK 1,000***	**Six Months Ended June 30**		**Year Ended December 31**	
	Unaudited	**Unaudited**	**Audited**	**Audited**
	2016	**2015**	**2015**	**2014**
Cash flow from operations				
Results after financial items	(60,335)	(85,115)	(166,606)	(46,007)
Adjustments for non-cash items	16,142	82,068	134,586	31,468
Total cash flow from operations before change in working capital	(44,193)	(3,047)	(32,020)	(14,539)
Change in working capital				
Increase/decrease in receivables	(6,381)	196	2,133	2,041
Increase/decrease in short-term liabilities	11,184	(1,600)	5,852	(4,665)
Total cash flow from operations	(39,390)	(4,451)	(24,036)	(17,163)
Cash flow use for investments				
Purchase of debt portfolios	(313,884)	—	—	—
Investment in subsidiary (Geslico)	(18,548)	—	—	
Investment in subsidiary (IKAS)	(198,471)	—	—	—
Investment in subsidiary (CS Union)	(55,181)	—	—	—
Interest received	101	—	—	—
Purchase of intangible fixed assets	—	—	—	(5,162)
Purchase of tangible fixed assets	(1,628)	—	—	(691)
Purchase of financial fixed assets	—	(2,090)	(82,691)	—
Sale of financial fixed assets	—	—	—	2,000
Total cash flow used for investments	(587,611)	(2,090)	(82,691)	(3,853)
Financial activities				
New share issue	478,305	—	460,386	74,081
Costs related to fundraising	(18,671)	—	(24,281)	(7,950)
Raised credits	—	—	—	1,098
Repayment of debt	(5,000)	—	(1,099)	—
Proceeds from borrowings	136,098	—	—	—
Interest paid	(1,810)	—	—	—
Loan fees paid	(1,792)	—	—	—
Total cash flow from financial activities	587,130	—	435,006	67,229
Net change in cash and cash equivalents	(39,871)	(6,541)	328,279	46,213
Exchange difference in liquid funds	n.a.[8]	—	(17,406)	—
Cash and bank of beginning of period	372,375	61,502	61,502	15,289
Cash and bank at the end of the reporting period	332,504	54,961	372,375	61,502
Adjustment for non-cash items				
Impairment losses on intangible fixed assets	—	82,000	104,310	33,685
Depreciation of tangible fixed assets	9,135	68	973	180
Exchange loss	(8,856)[9]	—	19,771	(1,081)
Loss from sold companies	—	—	9,532	
Calculated cost of employee share options	6,538	—	—	—

[8] The split between cash flow from exchange difference in liquid funds and exchange loss is not provided for the cash flow for the six months ended June 30 2016

Cash Flow Statement Information
SEK 1,000

	Six Months Ended June 30		Year Ended December 31	
	Unaudited	**Unaudited**	**Audited**	**Audited**
	2016	**2015**	**2015**	**2014**
Amortization of debt portfolios	9,325	—	—	—
Other	—	—	—	(1,316)
Total	16,142	82,068	134,586	31,468

8.4 Selected Key Performance Indicators

The table below sets out a summary of the Company's key performance indicators for the years ended 31 December 2014 and 2015 and for the six-month periods ended 30 June 2015 and 2016.

Key Performance Indicators	Six Months Ended June 30		Year Ended December 31	
	Unaudited	**Unaudited**	**Audited**	**Audited**
	2016	**2015**	**2015**	**2014**
Shareholders equity per share before dilution (SEK)	1.08	0.83	0.80	1.77
Operating result per share (SEK)	(0.08)	(0.03)	(0.23)	(1.38)
Result after financial items per share (SEK)	(0.07)	(0.94)	(0.46)	(1.38)
Result per share after tax (SEK)	(0.06)	(0.94)	(1.25)	(1.54)
Dividend (TSEK)	—	—	—	—
Price per share at the end of reporting period (NOK)	1.73	0.88	2.00	1.42
Solidity (%)	n.a.	n.a.	78.9	91.9

8.5 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.

There was no effect on Axactor’s income statement, cash flow or balance sheet from discontinued operations in the first six months of 2016.

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	—

Income Statement Information
SEK 1,000

	Year Ended December 31	
	Audited	**Audited**
	2015	**2014**
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	(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 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

8.6 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*). PWC was re-elected as auditor at the Annual General Meeting 26 May, 2016.

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.

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.

8.7 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.

8.7.1 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 totaled 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 Income Statement. 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.

8.7.2 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 totaled 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.

8.7.3 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 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 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.

8.7.4 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 Axactor Income Statement.

8.7.5 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 15.3 in this Information Memorandum. The segment reporting for Q1 and Q2 2016 combined is given in the quarterly report for the second quarter of 2016, page 19.

8.8 Management discussion and analysis of financial performance for the six-month periods ended June 30, 2016 and 2015 (unaudited numbers)

In the following, numbers for corresponding period in 2015 are in brackets.

8.8.1 Income statement

For the first two quarters, the Group’s gross revenues came in at SEK 101.7 million (SEK 0.0 million), divided between 21% from collections on own portfolios and 79% from third party collection, 3PC. Amortization on portfolios is calculated using the effective interest method in accordance with IFRS 39 for each of the portfolios and amounts to SEK -9.3 million.

Operating earnings (EBITDA) are negative by SEK 42.0 million (SEK -2.6 million) for the same period. The negative result can to a large extent be attributed to organizational build up cost in anticipation of future business volumes of NPL portfolios and 3PC activities as well as less than full quarter effect of all three portfolios that has been purchased during the two first quarters. Normalized Cash EBITDA for the first quarter of 2016 is negative by MSEK 2.2. Normalized Cash EBITDA is calculated as EBITDA adjusted for non-cash items (portfolio amortizations and calculated cost according to IFRS for the share option program) and adjusted for non-recurring items which for Q2 consist of advisory and legal cost related to platform company acquisitions.

Depreciation and Amortization (excl. portfolio amortization) amounts to MSEK -9.2 (SEK 0.0 million) and is primarily related to depreciation of intangible fixed assets pertaining to the acquisitions of ALD and IKAS.

Earnings per share for the first two quarters is negative SEK 0.06. This is down from negative SEK 0.03 for same period last year.

Net financial items for the first two quarters amounted to SEK 6.1 million (SEK -0.3 million). Net financial items for the first quarter amounted to MSEK -2.7. The net item in the first quarter consists of currency exchange gains on NOK bank deposits in the amount of MSEK 3.6 while there was an unrealized exchange loss on the EUR denominated NPL portfolios of MSEK 6.2. With no bank debts as per end of first quarter the interest expense for the period was MSEK - 0.1. For the second quarter, net financial items amounted to MSEK 8.8. Net unrealized gain amounted to MSEK 7.4, relating to bank deposits, receivables and reversal of unrealized exchange loss on NPL portfolios denominated in EUR. Interest expenses for the second quarter was MSEK 2.3.

8.8.2 Cash flow

Net cash flows from operating activities after change in working capital amounted to SEK -39.4 million (SEK -4.5 million) in the first two quarters. The decrease compared with the two first quarters in 2015 is attributable to higher operating cost in the build-up phase of the credit management capabilities of the organization. A positive development in the working capital of SEK 4.8 million improves the net cash flow from operation.

The Company invested SEK 587.7 million in 4 NPL portfolios purchased in the Spanish market, as well as 3 platform companies during the first two quarters. CS Union (Italy) was acquired for SEK 55.2 million, Geslico (Spain) for SEK 18.8 million and IKAS (Norway) for SEK 198.5 million. SEK 313,9 million was invested in NPL portfolios. Additional SEK 1.6 million (SEK 0.0 million) was invested in other fixed assets during the two quarters. These other fixed assets comprise of IT systems and new office space.

Total cash from financing activities amounted to SEK 587.1 million (SEK -0.0 million) consisting mainly of net proceeds from the February share issue of SEK 100.6 million and the May share issue of SEK 361.7 million, as well as the first draw down under the bank credit facility of SEK 136.1million to part finance the cash settlement for the acquisition of IKAS. The repayment of a loan from Norrlandsfonden reduced cash from financing with SEK 5.0 million. The credit facility was extended from EUR 25.0 million to EUR 50.0 million in July 2016, and at the end of Q2 only EUR 14.1 million out of the enlarged facility was utilized.

At the end of the quarter cash and cash equivalents for Axactor is SEK 332.5 million (SEK 55.0 million). This is SEK 146.7 million higher than the cash balance at the start of the year.

8.8.3 Financial Position

At the end of second quarter 2016 total equity for the Group is SEK 1 026.4 million (SEK 75.7 million) giving an equity ratio at the end of the reporting period of 64.5%.

8.9 Significant Changes in the Group's Financial and Trading Position Since June 30, 2016

Since June 30, 2016, which is the date of the Group's last reported balance sheet, the following significant changes in respect of the Group have occurred:

- On 5 July, the Company increased the existing loan facility with EUR 25 million and brought Nordea in as a second banking partner. The loan facility is now EUR 50 million, with an additional EUR 50 million accordion option.
- On 1 August, the Company acquired a 5th unsecured NPL portfolio in Spain. The portfolio has an open balance of approximately EUR 565 million.
- On 29 September 2016, the Company acquired an unsecured NPL portfolio in Italy. The portfolio has an open balance of approximately EUR 59 million.
- On 30 September, the Company acquired Altor Group with net financial position of approximately EUR 16.5 million. The transaction was fully funded by the existing loan facility, as well as use of available cash.
- On 13 October 2016, the Group completed a private placement. The private placement consisted of 230 million Shares and raised approximately NOK 598 million in gross proceeds, amounting to approximately

24% of the capital outstanding before the private placement. Axactor will conduct a subsequent repair offering of up to 50,000,000 Shares. The subsequent repair offering will be priced at the same price per Share, NOK 2.6 per Share. If all Shares in the subsequent repair offering are subscribed for, the Company expects to raise approximately EUR 77.2 million in total net proceeds from the private placement.

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

The Company has acquired Altor, an independent debt purchase/debt collection company in Germany, with approximately EUR 2 billion under management. Altor has a strong position in the financial sector for both debt portfolio acquisitions and 3rd party collection. The transaction was closed 30 September 2016. The company will pay EUR 17.6 million (SEK 169.3 million) for 100% of the shares in Altor, and the purchase will be settled in cash. The purchase price of the acquisition is 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 30 September 2016, which will be prepared by the company within 90 days after the completion date of transaction.

In June 2016, the Company acquired 90 % of the shares of CS Union., an independent debt purchase/debt collection company in Italy, with EUR 1 billion under management. The acquisition was completed on 28 June 2016. The purchase price of the acquisition was Euro 9.9 million (SEK 93.1 million), whereas 60% of the purchase price was paid in cash, and 40% in 20,840,820 Shares in Axactor issued at price of EUR 0.184 per Share. The cash consideration to the sellers of CS Union was approximately EUR 5.9 million (SEK 55.9 million) and the shares consideration was EUR 3.8 million (SEK 36.0 million). For the remaining 10% of the shares currently held by Banca Sistema, a shareholders' agreement was entered into between the Company and Banca Sistema, which includes, among other things, a put/call clause. The put/call clause gives Banca Sistema the right to sell the shares to the Company, and the Company the right to buy the shares from Banca Sistema at certain dates in the future or if certain events occur. The strike prices for the put and call are identical. These options can be exercised in the period between 1st January and 15th January each year of validity of the shareholders' agreement starting from 2018. The shareholders' agreement has a duration of 5 years, unless certain events occur. The terms related to the put/call gives the Company a present ownership interest as the terms are identical for both put and call, and it's likely just a question of time before either the put or the call is exercised. Hence, it is concluded not to account for a non-controlling interest but to account for the acquisition on a 100% basis. The increased purchase price (from 90% to 100%) is estimated as the present value of the redemption amount. Further, this put/call option generates a liability equal to the present value of the redemption amount. However, this liability is not presented explicitly, as it will be accounted for in the acquiring entity and not as an adjustment in the consolidated financial information.

The Company has acquired 100% of the shares of IKAS in March 2016 and the acquisition was consolidated by Axactor from June 2016. On 12 May 2016, the Company signed an agreement to acquire 100% of the shares in Geslico, a Spanish debt collection company, which has been consolidated by Axactor in their interim consolidated statement of financial position as of June 2016.

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 2016 as if the acquisitions described above occurred on 1 January 2016 and the unaudited consolidated condensed statement of financial position as of 30 June 2016 as if the acquisitions of Altor Group and CS Union occurred on 30 June 2016.

The acquisitions of IKAS, Geslico and CS Union are reflected in the 30 June 2016 statement of financial position of the Company but not fully reflected in the first half year of 2016 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 purchase price allocations ("**PPA**" or "**PPAs**") in which the identifiable assets, liabilities and contingent liabilities of Altor and CS Union have been identified. The acquisition of IKAS and Geslico and the PPAs have been reflected in the 30

June 2016 interim consolidated statement of financial position of Axactor AB. The acquisition of CS Union is also reflected in the 30 June 2016 interim consolidated statement of financial position of Axactor AB, but only with a preliminary high level PPA. A more detailed PPA for CS Union is accounted for in the unaudited consolidated condensed statement of financial position as of 30 June 2016.

The PPAs have formed the basis for the amortization charges in the pro forma condensed statements of income and the Altor PPA have 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 relationships and databases of the acquired companies.

The purchase price allocation and details on the consideration for the shares of the CS Union and Altor 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

- Unaudited interim financial information of Axactor AB for the six months ended 30 June 2016 prepared in accordance with IAS 34.

CS Union

The interim consolidated statement of financial position as of 30 June 2016 of Axactor AB contains CS Union, while the interim statement of income for the first half year of 2016 of Axactor AB does not contain profit and loss statement of CS Union. Based on this information, the pro forma financial information is compiled based on the following historical information:

- Unaudited profit and loss statement of CS Union for the six months ended 30 June 2016 prepared in accordance with Italian GAAP.
- Historical financial information of CS Union is prepared in EUR and translated to SEK for the purpose of the pro forma financial information. Please refer to note 4A for the unadjusted historical financial information in EUR.
- Historical financial information is converted to IFRS. Reference is made to note 1A.

Altor Group

- Unaudited financial information of Altor Group for the six months ended 30 June 2016 prepared in accordance with German GAAP.
- Historical financial information of Altor Group is prepared in EUR and translated to SEK for the purpose of the pro forma financial information. Please refer to note 5A for the unadjusted historical financial information in EUR.
- Historical financial information is converted to IFRS. Reference is made to note 1A.
-

IKAS

The interim consolidated statement of financial position as of 30 June 2016 of Axactor AB contains IKAS, while the interim statement of income for the first half year of 2016 of Axactor AB does not contain profit and loss statement of IKAS concerning the period January to March 2016. Based on this information, the pro forma financial information is compiled based on the following historical information:

- Unaudited profit and loss statement for the three months ended 31 march 2016 for IKAS. Separate financial statements are received for Ikas Norge AS, Ikas AS, Ikas Øst AS, Ikas Nord AS, Ikas Vest AS and Ikas Nordvest AS prepared in accordance with Norwegian GAAP.
- 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 intra-group transactions 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 6A for the figures in NOK and note 3A for the figures in SEK.
- Historical financial information is converted to IFRS. Reference is made to note 1A.
-

Geslico
The interim consolidated statement of financial position as of 30 June 2016 of Axactor AB contains Geslico, while the interim statement of income for the first half year of 2016 of Axactor AB does contain the profit and loss statement of Geslico from early May. Based on this information, the pro forma financial information is compiled based on the following historical information:

- Unaudited profit and loss statement of Geslico for the four months ended 30 April 2016 prepared in accordance with Spanish GAAP.
- Historical financial information of Geslico is prepared in EUR and translated to SEK for the purpose of the pro forma financial information. Please refer to note 7A for the unadjusted historical financial information in EUR.
- Historical financial information is converted to IFRS. Reference is made to note 1A.

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 initial book value for each acquired portfolio is recognized as net present value, equivalent to the purchase price and transaction costs. Subsequently, each portfolio is recognized at amortized cost based on a 180-month business case forecast, using the effective interest method. Any over or under performance is recognized each month dependent on the level of collections against the business case. The performance adjustment criteria are dependent on the overall performance of the aggregate portfolio. If a portfolio, over a 6-month period, achieves the impairment/uplifting performance criteria, there will be a formal review of those portfolios on a quarterly basis. In the event of an impairment or an uplift, the adjusted forecast will be re-entered into a revised IFRS template with the rolling 180-month forecast. The assumptions from the original business case is retained and a new present value and book value is generated. Any losses or gains are booked at quarter end, affecting portfolio revenues for that period.

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 CS Union have been translated from the functional currency (EUR) to SEK based on the average exchange rate for the period. For this purpose, the following exchange rates have been used:

- Average for Q2 2016 (Jan-Jun) SEK/EUR of 9.2948

For purposes of the unaudited pro forma financial information, the statements of income of Altor Group have been translated from the functional currency (EUR) 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. In addition, for the purpose of the pro forma financial information, the consideration for Altor is translated using the SEK/EUR exchange rate as of 30 September 2016. For this purpose, the following exchange rates have been used:

- Average for Q2 2016 (Jan-Jun) SEK/EUR of 9.2948
- 30 June 2016 SEK/EUR of 9.4085
- 30 September 2016 SEK/EUR of 9.6221

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. For this purpose, the following exchange rates have been used:

- Average for Q1 2016 (Jan-Mar) NOK/SEK of 1,0214

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

Average for Jan-Apr 2016	SEK/EUR of 9.2908

9.3 Unaudited pro forma financial information

9.3.1 Unaudited pro forma condensed statements of income 2016

	Historical financial information														
	Axactor AB	IKAS Group	Geslico	CS Union	Altor Group	IKAS-companies		Geslico		CS Union		Altor Group			PRO FORMA
All numbers in SEK thousands	IFRS	Norwegian GAAP	Spanish GAAP	Italian GAAP	German GAAP	IFRS-adjustments	Pro forma adjustments	IFRS-adjustments	Pro forma adjustments	IFRS-adjustments	Pro forma adjustments	IFRS-adjustments	Pro forma adjustments	Notes	
	Jan. 1 - Jun. 30, 2016 (unaudited)	Jan. 1 - Mar. 31, 2016 (unaudited)	Jan. 1 - Apr. 30, 2016 (unaudited)	Jan. 1 - Jun. 30, 2016 (unaudited)	Jan. 1 - Jun. 30, 2016 (unaudited)	Jan. 1 - Mar. 31, 2016 (unaudited)	Jan. 1 - Mar. 31, 2016 (unaudited)	Jan. 1 - Apr. 30, 2016 (unaudited)	Jan. 1 - Apr. 30, 2016 (unaudited)	Jan. 1 - Jun. 30, 2016 (unaudited)	Jan. 1 - Jun. 30, 2016 (unaudited)	Jan. 1 - Jun. 30, 2016 (unaudited)	Jan. 1 - Jun. 30, 2016 (unaudited)		Jan. 1 - Jun. 30, 2016 (unaudited)
Income	101 674.0	23 759.0	34 256.0	38 296.2	110 295.7	-	-	-	-	-	-	5 463	-	1A	313 744.1
Amortization of debt portfolios	-9 325.0	-	-	-1 222.7	-	-	-		-	-	-	-	-		-10 547.7
Net revenue	**92 349.0**	**23 759.0**	**34 256.0**	**37 073.5**	**110 295.7**	-	-	-	-	-	-	**5 463.1**	-		**303 196.4**
Operating expenses	-77 996.0	-4 474.4	-13 896.4	-15 948.4	-38 155.0	-	-2 002.0	-	-12 852.8	-	-3 108.4	-	-3 848.8	2B, 1A	-172 282.3
Personnel expenses	-56 370.0	-11 851.0	-23 348.0	-19 172.4	-42 960.7	-	-			-	-	-	-		-153 702.1
EBITDA	**-42 017.0**	**7 433.6**	**-2 988.4**	**1 952.7**	**29 180.0**	-	**-2 002.0**	-	**-12 852.8**	-	**-3 108.4**	**5 463.1**	**-3 848.8**		**-22 788.0**
Amortization and depreciation	-9 135.0	-263.4	-1 183.5	-726.2	-2 017.5	-	-6 991.7	-	-		-2 609.6	-	-2 403.2	2A, 2E	-25 330.0
EBIT	**-51 152.0**	**7 170.3**	**-4 171.9**	**1 226.4**	**27 162.5**	-	**-8 993.6**	-	**-12 852.8**	-	**-5 717.9**	**5 463.1**	**-6 252.0**		**-48 118.0**
Financial revenue	21 365.0	82.7			34.9	-	-0.1	-	-	-	-	-	-	2F	21 482.4
Financial expenses	-15 248.0	-10.8	-182.8	-2 130.4	-19 556.8	-	-1 711.7	-	-	-	-	16 212.1	-	2F, 1A	-22 628.4
Net financial items	**6 117.0**	**71.8**	**-182.8**	**-2 130.4**	**-19 521.9**	-	**-1 711.8**	-	-	-	-	**16 212.1**	-		**-1 145.9**
Extraordinary result	-	-	**203.5**	-	-	-	-	-	-	-		-	-		203.5
Profit/(loss) before tax	**-45 035.0**	**7 242.1**	**-4 151.2**	**-904.0**	**7 640.6**	-	**-10 705.4**	-	**-12 852.8**	-	**-5 717.9**	**21 675.2**	**-6 252.0**		**-49 060.4**
Tax expense	4 284.0	-	1 162.3	36.0	2 279.9	-	1 747.9	-1 162.3	-	-	717.6	-	721.0	2E	9 786.4
Net profit/(loss) from continued operations	**-40 751.0**	**7 242.1**	**-2 988.8**	**-868.0**	**9 920.5**	-	**-8 957.5**	**-1 162.3**	**-12 852.8**	-	**-5 000.3**	**21 675.2**	**-5 531.1**		**-39 274.1**
Foreign currency translation	-2 880	-	-	-	-	-	-	-	-	-		-	-		-2 880
Total comprehensive income	**-43 631.0**	**7 242.1**	**-2 988.8**	**-868.0**	**9 920.5**	-	**-8 957.5**	**-1 162.3**	**-12 852.8**	-	**-5 000.3**	**21 675.2**	**-5 531.1**		**-42 154.1**

9.3.1 Unaudited condensed pro forma statement of financial position as of 30 June 2016

	Historical financial information		CS Union		Altor Group			PRO FORMA
All numbers in SEK thousands	**Axactor AB**	**Altor Group**	**IFRS-adjustments**	**Pro forma adjustments**	**IFRS-adjustments**	**Pro forma adjustments**		
	30 June 2016 (unaudited)	**30 June 2016** (unaudited)	**30 June 2016** (unaudited)	**30 June 2016** (unaudited)	**30 June 2016** (unaudited)	**30 June 2016** (unaudited)	**Notes**	**30 June 2016** (unaudited)
ASSETS								
Intangible non-current assets								
Intangible assets	118 044.0	1 875.6	-	11 982.9	-	19 101.0	2A	151 003.5
Deferred assets		2 043.5	-	-	-	-		2 043.5
Mineral interests	-	-	-	-	-	-		-
Goodwill	408 860.0	4 987.7	-	-2 632.4	-	59 885.7	2A	471 101.0
Tangible non-current assets								
Property, Plant and Equipment	20 272.0	4 599.2	-	-	-	-		24 871.2
				-	-	-		-
Financial non-current assets								
Purchased debt portfolios	594 298.0	189 355.5	-	8 467.7	-	-	2A	792 121.2
Other long term receivables	10 689.0	269.3	-	-	-	-		10 958.3
Other long term investments	402.0	-	-	-	-	-		402.0
Total non-current assets	**1 152 565.0**	**203 130.8**	-	**17 818.2**	-	**78 986.7**		**1 452 500.7**
								-
Current assets								-
Current receivables	51 682.0	7 168.1	-	-	-	-		58 850.1
Other current assets	54 600.0	24 023.9	-	-	-	-		78 623.9
Restricted cash	49 062.0	-	-	-	-	-		49 062.0
Cash and cash equivalents	283 442.0	21 420.6	-	-3 108.4	-	-173 197.8	2C	128 556.4
Investments in associates (held for sale)		7 101.7	-	-	-	-		7 101.7
Total current assets	**438 786.0**	**59 714.3**	-	**-3 108.4**	-	**-173 197.8**		**322 194.1**
TOTAL ASSETS	**1 591 351.0**	**262 845.1**	-	**14 709.8**	-	**-94 211.1**		**1 774 694.8**
								-
EQUITY								-
Equity attributable to equity holders of the Parent Company								-
Share capital	473 244.0	7 053.1	-	-	-	-7 053.1	2D	473 244.0
Other paid in capital	1 884 121.0	26 314.8	-	-	-	-26 314.8	2D	1 884 121.0
Retained earnings and profit for the period	-1 330 758.0	9 938.3	-	9 085.9	-	-68 052.8	2D	-1 379 786.6
Agio	-2 976.0	-	-	-	-	-		-2 976.0
Non-controlling interests	2 756.0	-	-	-	-	-		2 756.0
Total equity	**1 026 387.0**	**43 306.2**	-	**9 085.9**	-	**-101 420.7**		**977 358.4**
Non-current liabilities								
Non-current interest bearing debt	276 300.0	132 266.4	-	-	-	-		408 566.4
Convertible loan	-	-	-	-	-	-		-
Deferred tax liabilities	23 862.0	-	-	5 623.9	-	7 209.6	2E	36 695.5
Other non-current liablilities	13 080.0	21 002.8	-	-	-	-		34 082.8
Deferred liabilities	-	134.3	-	-	-	-		134.3
Total long term liabilities	**313 242.0**	**153 403.5**	-	**5 623.9**	-	**7 209.6**		**479 479.0**
CURRENT LIABILITIES								
Account payables	104 426.0	1 154.1	-	-	-	-		105 580.1
Current portion of non-current borrowings	72 149.0	-	-	-	-	-		72 149.0
Taxes Payable	15 273.0	-	-	-	-	-		15 273.0
Other current liabilities	59 874.0	64 981.3	-	-	-	-		124 855.3
Total current liabilities	**251 722.0**	**66 135.4**	-	-	-	-		**317 857.4**
TOTAL EQUITY AND LIABILITIES	**1 591 351.0**	**262 845.1**	-	**14 709.8**	-	**-94 211.1**		**1 774 694.8**

9.4 Notes to the unaudited pro forma financial information

Note 1A IFRS adjustments

Geslico
Geslico has material unused tax losses due to history of recent losses. Hence, it is considered that there is currently not sufficient convincing evidence that sufficient taxable profit will be available against which the unused tax losses can be utilized by the entity. Based on this a valuation allowance is made for the entire deferred tax asset recognized under Spanish GAAP (SEK 1.2 million).

Altor
Concerning Altor, we have reversed goodwill amortization recorded in the income statement of Altor according to German GAAP, which is against IFRS. The amount of amortized goodwill for the period January to June 2016 was EUR 0.04 million (SEK 0.3 million).

IFRS adjustments have been made with respect to the accounting of income from Non-Performing Loans, NPLs, in the income statement of Altor. Under German GAAP collections from NPL are recognized as revenue while amortization of NPL has been presented as financial expense. Under IFRS the initial book value for each acquired portfolio is recognized as net present value, equivalent to the purchase price and transaction costs. Subsequently, each portfolio is recognized at amortized cost based on a 180-month business case forecast, using the effective interest method. Yield based on the effective interest is presented as operating income.

In the period from January – June 2016, Altor has recognized collections from NPL of EUR 4.2 million (German GAAP), while the amortized yield based on the effective interest method amounts to EUR 4.8 million (IFRS). The difference of EUR 587 thousands (SEK 5.5 million) has been adjusted in the pro forma profit and loss statement as an increase in income.

Amortizations of NPL amounts to EUR 1.7 million for the period January to June 2016. The portfolios have been amortized over a period of 5 to 7 years. These amortizations are presented as financial expenses in Altor's profit and loss statement. Under IFRS amortizations of NPL is reflected through the effective interest method as the recognized yield represent expected collections after amortization. EUR 1.7 million (SEK 15.9 million) is therefore extracted from the financial expenses as an IFRS adjustment. The amortizations related to NPL are reflected in operating income through the income adjustment described above.

Regarding IKAS and CS Union no IFRS adjustments have been identified.

Note 2A Purchase Price Allocation and amortization of excess values IKAS, CS Union and Altor

IKAS
Amortization of excess values

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 semiannual amortization of the fair value of these intangible assets (1 January to 30 June 2016).

Amortizations IKAS-companies			
	Useful Life (years)	**Fair Value (SEK '000)**	**Amortizations from 1 January to 30 June 2016**
Customer relationship	5	59 403	5 940
Database	6	12 616	1 051
			6 992

CS Union

The total consideration for the shares in CS Union is estimated to be EUR 9.9 million (SEK 91.9 million), 0% of the purchase price was to be paid in cash, and 40% in 20,840,820 shares in Axactor AB at a subscription price of EUR 0.184 (SEK 1.73). Consequently, the cash consideration to the sellers of CS Union will be approximately EUR 5.9 million (SEK 55.9 million) and the share consideration EUR 3.8 million (SEK 36.0 million)

The terms related to the put/call gives the Company a present ownership interest as the terms are identical for both the put and the call. Hence, it is concluded not to account for a non-controlling interest, but to account for the acquisition on a 100% basis. The increased purchase price (from 90% to 100%) is estimated as the present value of the redemption amount, (SEK 12.8 million) which is based on the actual terms for the put/call and discussions with the management related to the most likely exercise date.

For the purpose of the pro forma financial information, the consideration is translated using the SEK/EUR exchange rate as of 30 June 2016.

In connection with preparation of the consolidated balance sheet as of June 30 2016, the Company prepared a high level PPA for CS Union. The Company accounted for the cash consideration and share issuance in their figures for the second quarter of 2016. In addition, the Company accounted for a goodwill value of SEK 67.6 million.

The Company has in October 2016 prepared an updated PPA for CS Union acquisition as presented below:

All numbers in SEK thousands	
Cash consideration	55 886.6
Share consideration	36 026.0
Present value of redemption amount	12 757.0
Total purchase price	**104 669.6**

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

All numbers in SEK thousands	
Fair value adjustments	20 450.6
Deferred tax liability	-5 623.9
Book value of equity	25 146.8
Fair value of assets and liabilities	**39 973.4**
Total purchase price	104 669.6
Less fair value of assets and liabilities	39 973.4
Goodwill	**64 696.2**

The table below sets out the book value and fair value of identifiable assets and liabilities of CS Union, as well as the fair value adjustments:

All numbers in SEK thousands	**Book Value 30 June 2016**	**Fair Value incl. deferred tax 30 June 2016**	**Fair Value adjustments incl. deferred tax**
Existing goodwill	2 632,4	-	(2 632,4)
Customer relationship	-	8 383,0	8 383,0
Database	-	3 599,9	3 599,9
Goodwill	-	64 696,2	64 696,2
Deferred tax assets	1 516,4	1 516,4	-
Other intangible assets	3 348,0	3 348,0	-
Non-performing loans	287 853,8	287 853,8	-
Off-market contracts	-	8 467,7	8 467,7
Other fixed assets	3 126,9	3 126,9	-
Long term receivables	7 835,8	7 835,8	-
Current receivables	14 598,2	14 598,2	-

Bank deposits	4 543,5	4 543,5	-
Total assets	**325 454,8**	**407 969,2**	**82 514,4**
Total equity attributable to equity holders of the parent	27 779,1	104 669,6	76 890,5
Deferred tax liability	-	5 623,9	5 623,9
Pension liabilities	10 537,9	10 537,9	-
Long term interest bearing debt	212 155,8	212 155,8	-
Trade creditors - NWC	7 674,6	7 674,6	-
Trade creditors - ND	44 996,0	44 996,0	-
Taxes payable	5 673,5	5 673,5	-
Other public duties	2 099,9	2 099,9	-
Other short term liabilities	14 538,0	14 538,0	-
Total shareholders' equity and liabilities	**325 454,8**	**407 969,2**	**82 514,4**

Amortization of excess values

When it comes to the acquisition of CS Union, the fair value of customer relationships, database and off-market contracts are amortized linearly over the remaining useful life, estimated to be 5 years for the database and customer relationships and 3 years for off-market contracts The table below shows the calculation of semiannual amortization of the fair value of these intangible assets (1 January to 30 June 2016).

Amortizations CS Union	**Useful Life (years)**	**Fair Value (SEK '000)**	**Amortizations from 1 January to 30 June 2016**
Customer relationships	5	8 383	838
Database	5	3 600	360
Off-market contracts	3	8 468	1 411
			2 609

These pro forma adjustments will have continuing impact.

Altor

The total consideration for the shares in Altor is estimated to be EUR 17.6 million (SEK 169.4 million), subject to adjustments for changes in cash, debt and working capital at the date of completion of the transaction. The transaction will be settled in cash.

For the purpose of the pro forma financial information, the consideration is translated using the SEK/EUR exchange rate as of 30 September 2016 (.

All numbers in SEK thousands	
Cash consideration	169,349.0
Share consideration	0.0
Total purchase price	**169,349.0**

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

All numbers in SEK thousands	
Fair value adjustments	24 031.9
Deferred tax liability	-7 209.6
Book value of equity	92 640.96
Fair value of assets and liabilities	**109 463.3**
Total purchase price	169 349.0
Less fair value of assets and liabilities	109 463.3
Goodwill	**59 885.7**

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

All numbers in SEK thousands	Book Value 30 June 2016	Fair Value incl. deferred tax 30 June 2016	Fair Value adjustments incl. deferred tax
Other intangible assets	1,815.4	1,815.4	0.0
Existing goodwill	4,930.9	0.0	-4,930.9
Customer relationship	0.0	13,105.3	13,105.3
Database	0.0	10,926.6	10,926.6
Other goodwill	0.0	52,676.1	59,885.7
Prepayments	0.0	0.0	0.0
Property, plant and equipment	4,304.7	4,304.7	0.0
Other facilities, furniture and office equipment	0.0	0.0	0.0
Investments in associates	0.0	0.0	0.0
Own portfolio investments	249,125.2	249,125.2	0.0
Other receivables (from life insurance contracts)	275.5	275.5	0.0
Prepayments	11,065.4	11,065.4	0.0
Other loans	0.0	0.0	0.0
Receivables from occurred external costs	6,285.0	6,285.0	0.0
Receivables from associated companies	1,456.8	1,456.8	0.0
IC loan to KAAM	230.9	230.9	0.0
Other assets (NWC)	4,133.5	4,133.5	0.0
Other assets (net debt)	5,646.8	5,646.8	0.0
Cash and balances at central banks	9,188.3	9,188.3	0.0
Investments in associates (held for sale)	7,263.0	7,263.0	0.0
Deferred assets	1,884.6	1,884.6	0.0
Deferred taxes	0.0	0.0	0.0
Total assets	**307,605.8**	**379,382.9**	**78,986.7**
Equity	97,571.9	169,349.0	71,777.1
Pension liabilities	11,191.6	11,191.6	-
Tax provisions	-	-	-
Other provisions	7,657.4	7,657.4	-
Liabilities to financial institutions	127,183.2	127,183.2	-
Accounts payable	3,355.7	3,355.7	-
Amounts owed to associated companies	4,406.9	4,406.9	-
Silent partnership	14,433.2	14,433.2	-
Other liabilities (NWC)	7,054.9	7,054.9	-
Other liabilities (net debt)	9,649.4	9,649.4	-
Deferred liabilities	94.3	94.3	
Deferred taxes	25,007.3	25,007.3	7,209.6
Total shareholders' equity and liabilities	**307,605.8**	**379,382.9**	**78,986.7**

Amortization of excess values

When it comes to the acquisition of Altor, the fair value of customer relationships and database are amortized linearly over the remaining useful life, estimated to be 5 years. The table below shows the calculation of semiannual amortization of the fair value of these intangible assets (1 January to 30 June 2016).

Amortizations Altor	Useful Life (years)	Fair Value (SEK '000)	Amortizations from 1 January to 30 June 2016
Customer relationship	5	13 105	1 311
Database	5	10 927	1 093
			2 403

These pro forma adjustments will have continuing impact.

Note 2B Transaction costs and provision for bad debt

The Company estimates the transaction costs related to the acquisition of the IKAS-companies to be SEK 2.0 million.

Concerning the acquisition of Geslico, the Company estimates the transaction costs to be SEK 12.9 million. In addition an assessment has been made regarding the expected recoverability and ageing of the accounts receivables of Geslico including also alignment of the Groups accounting policies regarding provisions for bad losses. The conclusion is that the provision for bad debt should be increased by SEK 7.2 million.

The transactions costs for the acquisitions of CS Union and Altor Group will be SEK 3.3 million and SEK 3.8 million respectively.

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 *-3.1* million in the unaudited condensed pro forma statement of financial position as of 30 June 2016 concerning CS Union.

All numbers in SEK thousands	
Transaction costs related to the acquisition of CS Union	-3,108
Pro forma cash adjustment	**-3,108**

As described in section 2A above initial cash consideration for the acquisition of CS Union is reflected in the consolidated balance sheet of the Company as of 30 June 2016. Hence, there is no pro forma adjustment with respect to cash consideration,

The table below presents the pro-forma effect on cash and cash equivalents of SEK -173.2 *million in the unaudited condensed pro forma statement of financial position as of 30 June 2016 concerning Altor Group.*

All numbers in SEK thousands	
Initial cash consideration for acquisition of Altor Group	-169,349
Transaction costs related to the acquisition of Altor Group	-3,849
Pro forma cash adjustment	**-173,198**

These pro forma adjustments will not have continuing impact.

Note 2D Pro forma adjustments on the total equity

a) Share capital and other paid in capital

The pro forma adjustments on share capital and other paid in capital are;

- The elimination of share capital of the Altor Group of SEK 7.1
- The elimination of paid in capital of the Altor Group of SEK 26.3 million

b) Other retained earnings and profit for the period

The pro forma adjustments to other retained earnings and profit for the period are due to fair value adjustments at acquisition date of CS Union and Altor Group adjusted for the consideration for the shares and transaction costs for Altor, transaction costs for costs for CS Union and elimination of share capital and other paid in capital for Altor.

These pro forma adjustments will not have continuing impact.

Note 2E Tax effect of pro forma

Tax effects

The tax effects of the pro forma amortization of customer relationships, database and off-market contracts are calculated using the nominal tax rates in Italy (27.5%) for CS union, Germany (30%) for Altor and Norway (25%) for IKAS-companies. For CS Union, the pro forma amortization of SEK 2.6 million in the unaudited pro forma condensed statement of income for January-June 2016 has pro forma tax effects of SEK 0.7 million. Concerning Altor, the pro forma amortization of SEK 2.4 million in the unaudited pro forma condensed statement of income for Q2 2016 has pro forma tax effects of SEK 0.7 million. When it comes to the IKAS, the pro forma amortization of SEK *6.9* million in the *unaudited pro forma condensed statement of income for Q2 2016* has pro forma tax effects of SEK 1.7 million.

The pro forma adjustments will have continuing impact.

Note 2F Funding of the acquisitions

The acquisition of CS Union has been settled with 60% cash on hand (SEK 55.9 millions) and 40% Axactor Shares (SEK 36.0 million). The purchase price of the shares of Altor Group is fully funded by cash (SEK 169.5 million).

Concerning IKAS-companies, the pro forma adjustment of SEK 0.1 million in the unaudited pro forma condensed consolidated income statement 2016 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 funding of IKAS acquisition was partly covered by New Debt Facility with DNB. Calculated interested expense embedded in the unaudited consolidated condensed statements of income for 2016 for the mentioned loan is SEK 1.7 million. This amount is for the period January to March 2016, the period IKAS is not included in the Company's figures.

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

Income statement January 1 – March 31 2016

All numbers in SEK thousands	**IKAS Norge AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Øst AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Vest AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Nord AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Nordvest AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Eliminations Jan-Mar 2016 Unaudited**	**IKAS Group Norwegian GAAP Jan-Mar 2016 Unaudited**
Rendering of services	11,171.6	5,659.1	2,291.4	1,797.0	1,841.4	744.1	-139.1	23,365.5
Other operating Income	324.7	34.8	20.8	-	-	13.2	-	393.5
Revenues	**11,496.3**	**5,693.9**	**2,312.1**	**1,797.0**	**1,841.4**	**757.3**	**-**	**23,759.0**
Personnel expenses	-5,071.3	-3,014.1	-1,376.0	-912.6	-1,051.4	-425.6	-	-11,851.0
Other operating expenses	-1,603.2	-1,383.1	-555.7	-385.8	-394.9	-290.9	139.1	-4,474.4
EBITDA	**4,821.8**	**1,296.7**	**380.4**	**498.7**	**395.1**	**40.8**	**-**	**7,433.6**
Depreciation	-123.4	-82.2	-38.7	-	-	-19.1	-	-263.4
EBIT	**4,698.5**	**1,214.5**	**341.7**	**498.7**	**395.1**	**21.8**	**-**	**7,170.3**
Financial income	61.3	14.6	2.5	2.0	0.6	1.6	-	82.7
Financial costs	0.6	-3.0	-1.5	-0.1	-2.1	-4.8	-	-10.8
EBT	**4,760.5**	**1,226.1**	**342.8**	**500.6**	**393.6**	**18.6**	**-**	**7,242.1**
Taxes	-	-	-	-	-	-	-	-
Net result	**4,760.5**	**1,226.1**	**342.8**	**500.6**	**393.6**	**18.6**	**-**	**7,242.1**

Note 4A Unadjusted historical financial information for CS Union in their functional currency (EUR)

<u>Income statement January 1 – June 30 2016</u>

All numbers in EUR thousands	**Jan - Jun 2016 Italian GAAP**
Revenue Own Portfolios	2,406
Revenue 3rd party collection	1,704
Other Revenue	10
Gross Collection	4,120
Amortization of debt portfolios	-132
Net revenue	**3,989**
Other dopex - Other	-1,034
Salary and wages SG&A	-2,063
Other opex	-682
Other Costs	-3,779
EBITDA	**210**
Write-down tangible fixed assets and intangible assets	-78
Total Depreciation cost	**-78**
Other financial expenses	-229
Net finance result	**-229**
EBT - Earnings before Tax	**-97**
Tax expense	4
Result	**-93**

Statement of financial position as of 30 June 2016

All numbers in EUR thousands	Book value as of June 30 2016 Italian GAAP
Goodwill, acquired	280
Other intangibles	356
Total intangible assets	**636**
Other fixed assets	802
Other fixed assets - accumulated depreciation	- 470
Non-performing loans	30,595
Total tangible assets	**30,927**
Other long term receivables	833
Total fixed financial assets	**833**
TOTAL FIXED ASSETS	**32,396**
Trade debtors	973
Other current assets	578
Total receivables	**1,552**
Bank deposits	483
Total Cash	**483**
TOTAL CURRENT ASSETS	**2,035**
TOTAL ASSETS	**34,430**
Subscribed share capital	2,923
Total paid-up equity (Locked)	**2,923**
Premiums not locked	-368
Other equity	491
Profit/(loss) current year	-93
Total retained earning	**30**
TOTAL SHAREHOLDERS EQUITY	**2,953**
Pension liabilities	1,120
Liabilities to financial institutions	22,549
Total Long term debt	**23,669**
Trade creditors	5,598
Taxes payable	603
Other public duties payable	223
Other current liabilities	1,545
Total short-term debt	**7,970**
TOTAL LIABILITIES	**31,639**
TOTAL EQUITY AND LIABILITIES	**34,591**

Note 5A Unadjusted historical financial information for Altor in their functional currency (EUR)

Income statement January 1 – June 30 2016

All numbers in EUR thousands	**Jan - Jun 2016 German GAAP**
Sales	11,442
Production for own fixed assets capitalized	0
Other operating income	425
Net sales	**11,866**
Expenses for received services	1,688
Salaries and wages	3,949
Social securities and expenses for retirement benefits	673
Depreciation	217
Other operating expenses	2,416
Total operating expenses	**8,944**
Income from investments	0
Other interest and similar income	4
Expenses from investments	1,861
Interests and similar expenses	243
Net financial expenses	**-2,100**
Operating income	**822**
Income taxes	-246
Other taxes	1
Total taxes	**-245**
Minorities	-11
Net income after minorities	**1,056**

Statement of financial position as of 30 June 2016

All numbers in EUR thousands	Book value as of June 30 2016 German GAAP
ASSETS	
Fixed assets	
Intangible assets	
Software and Trademark	190
Goodwill	530
Prepayments	10
Total intangible assets	**729**
Property, plant and equipment	
Property, plant and equipment	334
Other facilities, furniture and office equipment	155
Total property, plant and equipment	**489**
Financial assets	
Own portfolio investments	20,126
Other receivables (from life insurance contracts)	29
Total financial assets	**20,155**
Total fixed assets	**21,373**
Current assets	
Trade receivables and other assets	
Receivables from occurred external costs	587
Receivables associated companies	175
Other assets	2,553
Total trade receivables and other assets	**3,315**
Cash and balances at central banks	2,277
Investments in associates (held for sale)	755
Total current assets	**6,347**
Deferred assets	217
Total assets	**27,937**
EQUITY & LIABILITIES	
Shareholders' equity	
Limited capital	26
Capital reserve	724
Other retained earnings	388
Profit carryforward	2,409
Net income	1,056
Total equity	**4,603**
Provisions	
Pension provisions and similar liabilities	1,171
Tax provisions	328
Other provisions	733
Total provisions	**2,232**
Liabilities	
Bank debts	14,058
Accounts payables	123
Amounts owed to associated companies	161
Silent partnership	1,500
Other liabilities	5,246
Total liabilities	**21,087**
Deferred liabilities	14
Total equity and liabilities	**27,937**

Note 6A Unadjusted historical financial information for IKAS companies in their functional currency (NOK)

Income statement January 1 – March 31 2016

All numbers in NOK thousands	**IKAS Norge AS** **Norwegian GAAP Jan-Mar 2016** **Unaudited**	**IKAS AS** **Norwegian GAAP Jan-Mar 2016** **Unaudited**	**IKAS Øst AS** **Norwegian GAAP Jan-Mar 2016** **Unaudited**	**IKAS Vest AS** **Norwegian GAAP Jan-Mar 2016** **Unaudited**	**IKAS Nord AS** **Norwegian GAAP Jan-Mar 2016** **Unaudited**	**IKAS Nordvest AS** **Norwegian GAAP Jan-Mar 2016** **Unaudited**
Rendering of services	11,411.1	5,780.4	2,340.5	1,835.6	1,880.9	760.0
Other operating Income	331.6	35.5	21.2	0.0	0.0	13.5
Revenues	**11,742.7**	**5,816.0**	**2,361.7**	**1,835.6**	**1,880.9**	**773.5**
Personnel expenses	-5,180.0	-3,078.7	-1,405.5	-932.1	-1,073.9	-434.7
Other operating expenses	-1,637.5	-1,412.8	-567.6	-394.1	-403.4	-297.1
EBITDA	**4,925.2**	**1,324.5**	**388.6**	**509.3**	**403.6**	**41.7**
Depreciation	-126.0	-84.0	-39.5	0.0	0.0	-19.5
EBIT	**4,799.2**	**1,240.5**	**349.1**	**509.3**	**403.6**	**22.2**
Financial income	62.7	14.9	2.6	2.0	0.6	1.7
Financial costs	0.6	-3.1	-1.5	-0.1	-2.2	-4.9
EBT	**4,862.5**	**1,252.3**	**350.1**	**511.3**	**402.0**	**19.0**
Taxes	-	-	-	-	-	-
Net result	**4,862.5**	**1,252.3**	**350.1**	**511.3**	**402.0**	**19.0**

Note 7A Unadjusted historical financial information for Geslico in their functional currency (EUR)

Income statement January 1 - April 30 2016

All numbers in EUR thousands	**Jan - Apr 2016 Spanish GAAP**
Revenues	3,687.1
External Debt Collection	-402.9
Printing & Postage	-58.3
Permanent Staff	-2,513.0
SG&A & IT	-452.4
Premises	-242.8
Other Dopex	-20.1
Phone	-319.3
EBITDA	**-321.7**
Fixed assets amortizations	-127.4
Financial results	-19.7
Extraordinary results	21.9
Profit/loss before tax	**-446.8**
CIT	125.1
Profit/loss after tax	**-321.7**

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

Income statement January 1 – March 31 2016

All numbers in SEK thousands	**IKAS Norge AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Øst AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Vest AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Nord AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Nordvest AS Norwegian GAAP Jan-Mar 2016 Unaudited**	**IKAS Eliminations Jan-Mar 2016 Unaudited**	**IKAS Group Norwegian GAAP Jan-Mar 2016 Unaudited**
Rendering of services	11,171.6	5,659.1	2,291.4	1,797.0	1,841.4	744.1	-139.1	23,365.5
Other operating Income	324.7	34.8	20.8	-	-	13.2	-	393.5
Revenues	**11,496.3**	**5,693.9**	**2,312.1**	**1,797.0**	**1,841.4**	**757.3**	**-**	**23,759.0**
Personnel expenses	-5,071.3	-3,014.1	-1,376.0	-912.6	-1,051.4	-425.6	-	-11,851.0
Other operating expenses	-1,603.2	-1,383.1	-555.7	-385.8	-394.9	-290.9	139.1	-4,474.4
EBITDA	**4,821.8**	**1,296.7**	**380.4**	**498.7**	**395.1**	**40.8**	**-**	**7,433.6**
Depreciation	-123.4	-82.2	-38.7	-	-	-19.1	-	-263.4
EBIT	**4,698.5**	**1,214.5**	**341.7**	**498.7**	**395.1**	**21.8**	**-**	**7,170.3**
Financial income	61.3	14.6	2.5	2.0	0.6	1.6	-	82.7
Financial costs	0.6	-3.0	-1.5	-0.1	-2.1	-4.8	-	-10.8
EBT	**4,760.5**	**1,226.1**	**342.8**	**500.6**	**393.6**	**18.6**	**-**	**7,242.1**
Taxes	-	-	-	-	-	-	-	-
Net result	**4,760.5**	**1,226.1**	**342.8**	**500.6**	**393.6**	**18.6**	**-**	**7,242.1**

Note 4A Unadjusted historical financial information for CS Union in their functional currency (EUR)

Income statement January 1 – June 30 2016

All numbers in EUR thousands	**Jan - Jun 2016 Italian GAAP**
Revenue Own Portfolios	2,406
Revenue 3rd party collection	1,704
Other Revenue	10
Gross Collection	4,120
Amortization of debt portfolios	-132
Net revenue	**3,989**
Other dopex - Other	-1,034
Salary and wages SG&A	-2,063
Other opex	-682
Other Costs	-3,779
EBITDA	**210**
Write-down tangible fixed assets and intangible assets	-78
Total Depreciation cost	**-78**
Other financial expenses	-229
Net finance result	**-229**
EBT - Earnings before Tax	**-97**
Tax expense	4
Result	**-93**

Statement of financial position as of 30 June 2016

All numbers in EUR thousands	**Book value as of June 30 2016 Italian GAAP**
Goodwill, acquired	280
Other intangibles	356
Total intangible assets	**636**
Other fixed assets	802
Other fixed assets - accumulated depreciation	- 470
Non-performing loans	30,595
Total tangible assets	**30,927**
Other long term receivables	833
Total fixed financial assets	**833**
TOTAL FIXED ASSETS	**32,396**
Trade debtors	973
Other current assets	578
Total receivables	**1,552**
Bank deposits	483
Total Cash	**483**
TOTAL CURRENT ASSETS	**2,035**
TOTAL ASSETS	**34,430**

Subscribed share capital	2,923
Total paid-up equity (Locked)	**2,923**
Premiums not locked	-368
Other equity	491
Profit/(loss) current year	-93
Total retained earning	**30**
TOTAL SHAREHOLDERS EQUITY	**2,953**
Pension liabilities	1,120
Liabilities to financial institutions	22,549
Total Long term debt	**23,669**
Trade creditors	5,598
Taxes payable	603
Other public duties payable	223
Other current liabilities	1,545
Total short-term debt	**7,970**
TOTAL LIABILITIES	**31,639**
TOTAL EQUITY AND LIABILITIES	**34,591**

Note 5A Unadjusted historical financial information for Altor in their functional currency (EUR)

Income statement January 1 – June 30 2016

All numbers in EUR thousands	**Jan- Jun 2016 German GAAP**
Sales	11,442
Production for own fixed assets capitalized	-
Other operating income	425
Net sales	**11,866**
Expenses for received services	1,688
Salaries and wages	3,949
Social securities and expenses for retirement benefits	673
Depreciation	217
Other operating expenses	2,416
Total operating expenses	**8,944**
Income from investments	-
Other interest and similar income	4
Expenses from investments	1,861
Interests and similar expenses	243
Net financial expenses	**-2,100**
Operating income	**822**
Income taxes	-246
Other taxes	1
Total taxes	**-245**
Minorities	-11
Net income after minorities	**1,056**

Statement of financial position as of 30 June 2016

All numbers in EUR thousands	**Book value as of June 30 2016 German GAAP**
ASSETS	
Fixed assets	
Intangible assets	
Software and Trademark	190
Goodwill	530
Prepayments	10
Total intangible assets	**729**
Property, plant and equipment	
Property, plant and equipment	334
Other facilities, furniture and office equipment	155
Total property, plant and equipment	**489**
Financial assets	
Own portfolio investments	20,126
Other receivables (from life insurance contracts)	29
Total financial assets	**20,155**
Total fixed assets	**21,373**
Current assets	
Trade receivables and other assets	
Receivables from occurred external costs	587
Receivables associated companies	175
Other assets	2,553
Total trade receivables and other assets	**3,315**
Cash and balances at central banks	2,277
Investments in associates (held for sale)	755
Total current assets	**6,347**
Deferred assets	217
Total assets	**27,937**
EQUITY & LIABILITIES	
Shareholders' equity	
Limited capital	26
Capital reserve	724
Other retained earnings	388
Profit carryforward	2,409
Net income	1,056
Total equity	**4,603**
Provisions	
Pension provisions and similar liabilities	1,171
Tax provisions	328
Other provisions	733
Total provisions	**2,232**
Liabilities	
Bank debts	14,058
Accounts payables	123
Amounts owed to associated companies	161
Silent partnership	1,500
Other liabilities	5,246
Total liabilities	**21,087**
Deferred liabilities	14
Total equity and liabilities	**27,937**

Note 6A Unadjusted historical financial information for IKAS companies in their functional currency (NOK)

Income statement January 1 – March 31 2016

All numbers in NOK thousands	IKAS Norge AS Norwegian GAAP Jan-Mar 2016 Unaudited	IKAS AS Norwegian GAAP Jan-Mar 2016 Unaudited	IKAS Øst AS Norwegian GAAP Jan-Mar 2016 Unaudited	IKAS Vest AS Norwegian GAAP Jan-Mar 2016 Unaudited	IKAS Nord AS Norwegian GAAP Jan-Mar 2016 Unaudited	IKAS Nordvest AS Norwegian GAAP Jan-Mar 2016 Unaudited
Rendering of services	11,411.1	5,780.4	2,340.5	1,835.6	1,880.9	760.0
Other operating Income	331.6	35.5	21.2	0.0	0.0	13.5
Revenues	**11,742.7**	**5,816.0**	**2,361.7**	**1,835.6**	**1,880.9**	**773.5**
Personnel expenses	-5,180.0	-3,078.7	-1,405.5	-932.1	-1,073.9	-434.7
Other operating expenses	-1,637.5	-1,412.8	-567.6	-394.1	-403.4	-297.1
EBITDA	**4,925.2**	**1,324.5**	**388.6**	**509.3**	**403.6**	**41.7**
Depreciation	-126.0	-84.0	-39.5	0.0	0.0	-19.5
EBIT	**4,799.2**	**1,240.5**	**349.1**	**509.3**	**403.6**	**22.2**
Financial income	62.7	14.9	2.6	2.0	0.6	1.7
Financial costs	0.6	-3.1	-1.5	-0.1	-2.2	-4.9
EBT	**4,862.5**	**1,252.3**	**350.1**	**511.3**	**402.0**	**19.0**
Taxes	-	-	-	-	-	-
Net result	**4,862.5**	**1,252.3**	**350.1**	**511.3**	**402.0**	**19.0**

Note 7A Unadjusted historical financial information for Geslico in their functional currency (EUR)

Income statement January 1 - April 30 2016

All numbers in EUR thousands	**Jan - Apr 2016 Spanish GAAP**
Revenues	3,687.1
External Debt Collection	-402.9
Printing & Postage	-58.3
Permanent Staff	-2,513.0
SG&A & IT	-452.4
Premises	-242.8
Other Dopex	-20.1
Phone	-319.3
EBITDA	**-321.7**
Fixed assets amortizations	-127.4
Financial results	-19.7
Extraordinary results	21.9
Profit/loss before tax	**-446.8**
CIT	125.1
Profit/loss after tax	**-321.7**

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. Further, through a private placement in May 2016 the Company raised gross proceeds of NOK 375 million. After several acquisitions of NPL portfolios in 2016 and acquisition of IKAS, CS Union and Altor, the Company’s net cash balance was approximately EUR 20 million at the end of September 2016.

On 12 October 2016, the Group completed a private placement. The private placement consisted of 230 million Shares and was priced at NOK 2.60 per Share. Axactor will conduct a subsequent repair offering of up to 50,000,000 Shares. The subsequent repair offering will be priced at the same price per Share, NOK 2.6 million. If all Shares in the subsequent repair offering are subscribed for, the Company expects to raise approximately EUR 77.2 million in total net proceeds from the private placement.

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 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 the term sheet offer from DNB for a new debt facility of EUR 25 million. The Company entered into final agreement for the Debt Facility with DNB on March 16, 2016.

On July 6 2016, the Company extended its debt facility by EUR 25 million from Nordea, who was brought in as Axactor’s second banking partner.

Of the Debt Facility of EUR 50 million, approximately EUR 42.8 million has been drawn at the date of this Information Memorandum. Drawn debt is related to the cash considerations paid to the sellers of IKAS and Altor, and debt drawn related to leveraging acquired NPL portfolios. The loan from DNB and Nordea has a margin of 400 bps + Nibor.

The 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.

On June 22 Axactor acquired 90% of CS Union from Banca Sistema. Axactor also entered into a strategic partnership with Banca Sistema in Italy. The partnership includes a financing arrangement between Axactor and Banca Sistema for CS union. Axactor has debt of approximately SEK 210 million from this agreement related to financing of CS Union.

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

In the medium to long term, the Company targets to gradually increase the gearing towards a long-term target of 65% - 75% on a corporate level and continue to evaluate co-investment partners for portfolio acquisitions.

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 to 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 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, 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 16 March, 2016, the Group entered into a Share Purchase Agreement, or SPA, for the acquisition of IKAS. 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.
- On 12 May 2016, the Group acquired Geslico.
- On 22 June 2016, the Group entered into a SPA for CS Union. The acquisition was closed on 28 June 2016.
- On 30 June 2016, Axactor acquired a Prime unsecured NPL portfolio originated by a large Spanish consumer finance institution BMN (Banco Mare Nostrum). The portfolio includes unsecured and secured loans with a total outstanding balance of approximately EUR 144 million, with more than six thousand open accounts of individuals and a solid paying book.
- On 1 August 2016, Axactor acquired an unsecured 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 565 million, with close to thirty thousand open accounts of individuals and SMEs.
- On 29 September 2016, Axactor has acquired an unsecured NPL portfolio originally generated by a large Italian Bank. The portfolio includes unsecured claims with a total outstanding balance of approximately EUR 59 million, with close to twenty thousand open accounts of individuals and SMEs.
- On 30 September 2016, Axactor acquired Altor Group. The acquisition was successfully completed the same day.

In the 6 months period 1 January–30 June 2016, total capital expenditure amounted to approximately SEK 711.7 million related to the purchase of loan portfolios, the acquisitions of IKAS, Geslico, CS Union and a new IT system and office space in Madrid. The total capital expenditure financed with cash amounted to SEK 587.6 million, as the acquisitions of IKAS and CS Union was financed in part with Shares in Axactor. The acquisition of IKAS was financed with a cash consideration of SEK 198.5 million and a share consideration of SEK 86.9 million. The acquisition of CS Union was financed with a cash consideration of SEK 55.2 million and a share consideration of SEK 37.2 million. The acquisition of Geslico was financed only with cash.

Capital expenditure from 30 June 2016 to the date of this Information Memorandum comprise of approximately EUR 24.6 million, or SEK 238 million, based on a SEK to EUR exchange rate of 9.7. This is split between EUR 4.6 million related to the NPL portfolio acquired in Spain 1 August 2016, EUR 3.0 million related to the Italian NPL portfolio acquired 29 September 2016 and EUR 17 million related to the equity value of Altor.

YTD 2016 capital expenditure thus amounts to approximately SEK 950 million, of which approximately SEK 826 million has been financed with cash.

As of the date of this Information Memorandum the Group does not have any investments that are in progress, and there exist no future investments for 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.

The Group has a partnership agreement with Banca Sistema. The agreement is only related to the Italian operations of the Group and includes financing for CS Union, board representation and joint market development in Italy, based on a 3-years shareholders' agreement.

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. For the six months period ending 30 June 2016, the Company had a negative result from remaining operations of SEK 40.8 million. The Company had a cash balance of approximately EUR 20 million on 30 September 2016. Subscription price in the private placement completed 12 October 2016 was NOK 2.60 per Share. The gross proceeds in the private placement amounts to NOK 598,000,000. The gross proceeds from the subsequent repair offering will amount to up to NOK 130,000,000. Gross proceeds from the private placement and the subsequent repair offering constitutes the main reason why the Group 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 in this Section sets out the Company's capitalization and net financial indebtedness as of 30 June 2016, both on an actual basis and on an adjusted basis to show the estimated effects outlined in Section 9, "Pro Forma Financial Information". 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 sets out the Company's unaudited capitalization and net financial indebtedness, respectively, as of 30 June 2016 and have been based on the Company's unaudited consolidated financial statements as of 30 June 2016, whereas the "as adjusted" columns sets out the Company's unaudited capitalization and net indebtedness, respectively, on an adjusted basis to show the estimated effects outlined in Section 9 "Pro Forma Financial Information".

The capitalization and net financial indebtedness tables below does not incorporate changes to the Group's financial position after 30 June 2016. In particular, the tables do not incorporate events outlined in Section 8.9 "Significant Changes in the Group's Financial and Trading Position Since June 30, 2016" in this Information Memorandum.

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 30 June 2016	
	Actual	**As Adjusted**
Share capital	473,244	473,244
Other paid in capital	1,884,121	1,884,121
Other equity	(1,330,758)	(1,379,787)
Non-controlling interests	2,756	2,756
Agio	(2,976)	(2,976)
Total equity (A)	**1,026,387**	**977,358**
Total current liabilities	251,725	317,857
—of which is guaranteed/secured	—	—
—of which is unguaranteed / unsecured	251,725	317,857
Total non-current liabilities	313,241	479,479
—Guaranteed/Secured	—	—
—Unguaranteed / Unsecured	313,241	479,479
Total liabilities (B)	**564,966**	**797,336**
Total capitalization (A+B)	**1,591,353**	**1,774,695**

Net Financial Indebtedness

SEK 1,000

	As of 30 June 2016	
	Actual	**As Adjusted**
A. Cash	332,504	177,618
B. Cash equivalents	—	—
C. Trading securities	—	—
D. Liquidity (A)+(B)+(C)	**332,504**	**177,618**
E. Current financial receivables	—	—
F. Current bank debt	—	—
G. Bonds / other loans due within 1 year	—	—
H. Current portion of non-current debt	72,149	72,149
I. Other current financial debt	—	—
K. Current financial debt (F)+(G)+(H)+(I)	72,149	72,149
L. Net current financial indebtedness (K)-(E)-(D)	**(260,355)**	**(105,469)**
M. Non-current bank debt	276,300	408,566
N. Bonds due after 1 year	—	—
O. Other non-current financial debt	—	—
P. Non-current financial debt (M)+(N)+(O)	276,300	408,566
Q. Net financial indebtedness (L)+(P)	**15,945**	**303,097**

As of 30 June 2016, the Company did not have any indirect or contingent indebtedness.

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. The Company’s head office is located in Norway, Drammensveien 167, 0277 Oslo.

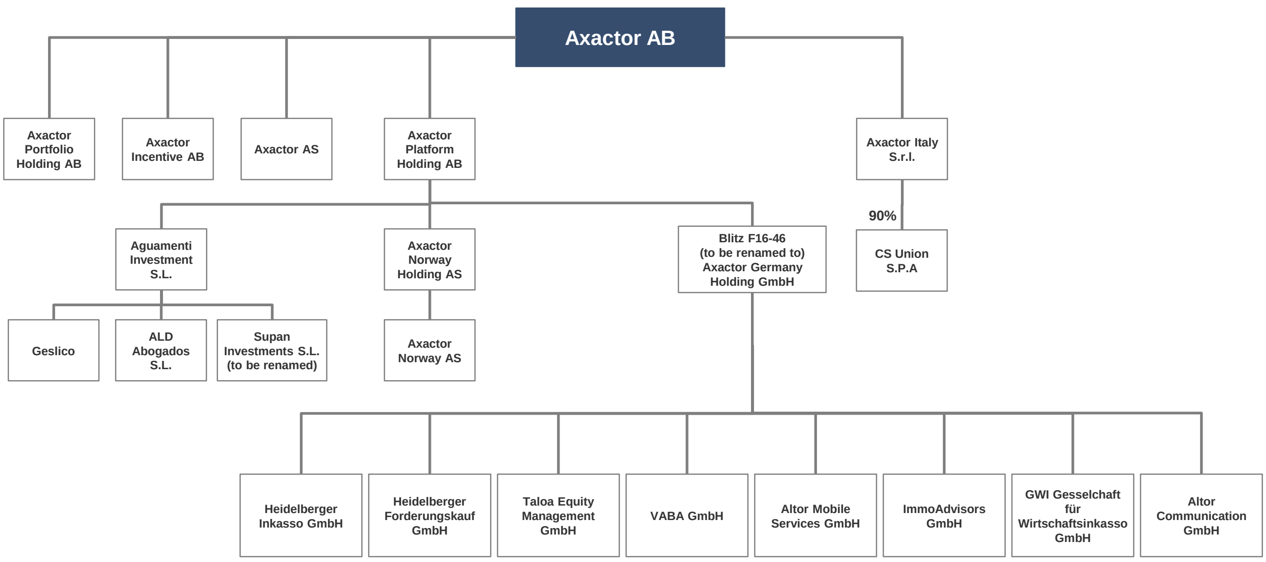
The Company’s statutory shareholder register, as maintained in accordance with the Swedish Companies Act, is operated through Euroclear Sweden. In order to facilitate registration of the Shares with the VPS, and hence trading of the Shares on the Oslo Stock Exchange, a portion of the Shares outstanding 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 Altor Acquisition.



All subsidiaries are wholly owned (directly or indirectly) by the Company, except for CS Union S.P.A., which is held 90% by Axactor and 10% by Banca Sistema S.P.A. 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 is 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 Ase. Financieros, 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 Norway Holding AS: Drammensveien 167, 0277 Oslo, Norway
- Axactor AS: Drammensveien 167, 0277 Oslo, Norway
- Axactor Norway AS: Drammensveien 20, 3300 Hokksund, Norway
- Geslico - Gestión de Cobros, S.A.U: Plaça Catalunya 20, 8º, 08002 Barcelona, Spain
- Axactor Italy S.r.l. – Via Monte Rosa 91, 20149 Milano, Italy
- CS Union S.p.A. – Via Cascina Colombaro, no. 36/A, 12100 Cuneo (CN), Italy
- Blitz F16-46/Axactor Germany Holding GmbH – Im Breitspiel 13, 69126 Heidelberg, Germany
- Heidelberger Inkasso GmbH - Im Breitspiel 13, 69126 Heidelberg, Germany
- Heidelberger Forderungskauf GmbH - Im Breitspiel 13, 69126 Heidelberg, Germany
- Taloa Equity Management GmbH - Im Breitspiel 13, 69126 Heidelberg, Germany
- Altor Mobile Services GmbH - Im Breitspiel 13, 69126 Heidelberg, Germany
- ImmoAdvisors GmbH – Im Tobel 5, 8340 Hinwil, Switzerland
- GWI Gessellchaft für Wirtschaftsinkasso GmbH - Im Breitspiel 13, 69126 Heidelberg, Germany
- Altor Communication GmbH - Im Breitspiel 13, 69126 Heidelberg, Germany
- Vaba GmbH – Im Breitspiel 13, 69126 Heidelberg, Germany

11.3 Share Capital and Share Capital Development

As of the date of this Information Memorandum, the Company's share capital is SEK 509,106,332, consisting of 1,018,212,662 Shares, each fully paid up and with a par value of SEK 0.50. On the 13 October 2016, Axactor completed a private placement of 230,000,000 new Shares, each with a par value of SEK 0.50. The private placement was divided into i) a tranche 1 consisting of 71,723,893 Shares, and ii), a tranche 2 consisting of 158,276,107 Shares. On the 18 October 2016, the share capital increase of SEK 35,861,946 divided into 71,723,893 Shares related to Tranche 1 was registered by the Swedish Companies Registry. The 158,276,107 Shares related to tranche 2 is expected to be issued and listed within November 2016 when a listing prospectus has been approved by the Swedish Financial Supervisory Authority.

Axactor will conduct a subsequent repair offering of up to 50,000,000 Shares, each with a par value of SEK 0.50, directed towards shareholders in the Company as of close of trading on 12 October 2016 and as registered in the VPS on 14 October 2016 (the "Record Date") who were not allocated Shares in the private placement completed on 13 October 2016, and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Sweden or Norway) require any prospectus filing, registration or similar action.

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

	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
Private Placement	May 30, 2016	110,200,000	438,307,180	0.50	220,400,000	876,614,360
Consideration Shares	June 15, 2016	24,516,795	462,823,975	0.50	49,033,589	925,647,949
Consideration Shares	July 30, 2016	10,420,410	473,244,385	0.50	20,840,820	946,488,769
Private placement (tranche 1)	October 18, 2016	35,861,946	509,106,332	0.50	71,723,893	1,018,212,662

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.

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 Annual General Meeting held on May 26, 2016, the Board of Directors of the Company was granted an authorization to issue up to 400 million new Shares with or without observing the existing shareholders' preferential rights. This mandate entails a maximum dilution of 45% calculated in relation to the current number of outstanding Shares. This new mandate replaces the old mandate approved at the December 2015 Extraordinary General Meeting of shareholders. The authorization expires at the next Annual General Meeting.

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 7 November 2016.

Name	Type of account	No. of ordinary shares	Total holding (% of total shares)
TVENGE TORSTEIN INHVALD	Priv.	45,618,431	4.48%
SOLAN CAPITAL AS[9]	Comp.	36,000,000	3.54%
MOHN STEIN	Priv.	34,830,570	3.42%
VERDIPAPIRFONDET ALFRED BERG GAMBA	Comp.	32,165,916	3,16%
SKANDINAVISKA ENSKILDA BANKEN S.A.	Nom.	30,332,252	2.98%
ARCTIC FUNDS PLC	Comp.	28,237,195	2.77%
VERDIPAPIRFONDET HANDELSBANKEN	Comp.	26,522,860	2.61%
VERDIPAPIRFONDET ALFRED BERG NORGE	Comp.	25,877,887	2.54%
SPENCER TRADING	Comp.	23,512,439	2.31%
LOPEZ SANCHEZ ANDRES	Priv.	22,902,500	2.25%
MARTIN IBEAS DAVID	Priv.	22,902,500	2.25%
STATOIL PENSJON	Comp.	21,164,142	2.08%
VERDIPAPIRFONDET DNB SMB	Comp.	20,981,649	2.06%
GVEPSEBORG AS	Comp.	20,364,945	2.00%
NORDNET LIVSFORSIKRING AS	Comp.	17,225,583	1.69%
NOMURA INTERNATIONAL PLC	Nom.	17,164,377	1.69%
ALPETTE AS[10]	Comp.	15,338,244	1.51%
STOREBRAND VEKST	Comp.	15,157,615	1.49%
DNB NOR MARKETS, AKSJEHAND/ANALYSE	Comp.	14,280,648	1.40%
CIPRIANO AS[11]	Comp.	13,650,000	1.34%
Total top 20		**484,229,753**	**100,00%**
Total shares outstanding that are registered in the VPS		**1,018,003,207**	**47.57%**

The table above shows the overview of shareholders registered in the VPS. In addition, 209,455 Shares are registered in Euroclear Sweden. At the date of this Information Memorandum, the total number of outstanding Shares is 1,018,212,662.

As of 7 November 2016, and so far as is known to the Company, there are no shareholders 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".

[9] Solan Capital AS is controlled by Gunnar Hvammen

[10] Alpette AS is controlled by CEO Endre Rangnes

[11] Cipriano AS is controlled by Einar J. Greve

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.

Wistrand Law firm in Gothenburg has been one of Axactor's legal advisors regarding the acquisition of ALD in Spain and the various share issues including the prospectus filing and other operating issues. In second quarter Wistrand has invoiced TSEK 680 (TSEK 1.180 for first half 2016). 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

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 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.
- On June 30 2016, Axactor acquired an unsecured NPL portfolio originated by a large Spanish consumer finance institution BMN. The portfolio includes unsecured and secured loans with a total outstanding balance of approximately EUR 144 million, with more than six thousand open accounts of individuals and a solid paying book.
- On 1 August 2016, Axactor acquired an unsecured 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 565 million, with close to thirty thousand open accounts of individuals and SMEs.

On 29 September 2016, Axactor acquired an unsecured NPL portfolio originally generated by a large Italian Bank. The portfolio includes unsecured claims with a total outstanding balance of approximately EUR 59 million, with close to twenty thousand open accounts of individuals and SMEs.

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 may be materially affected.

Through 2016, the Company has acquired debt collection companies. These are listed below

On 16 March 2016, the Company has entered into an SPA for the IKAS Acquisition, which was completed on 7 April 2016.

Axactor entered into an SPA on 12 May 2016 for the acquisition of Geslico, a Spanish supplier of services within debt collection. The transaction closed on the same day, 12 May 2016.

The Company acquired CS Union on 22 June 2016, while keeping Banca Sistema on as a 10% shareholder in CS Union. The acquisition was completed 28 June 2016. In relation to the acquisition of CS Union, the Group also entered into a partnership agreement with Banca Sistema. The agreement is only related to the Italian operations of the Group and includes financing for CS Union, board representation and joint market development in Italy, based on a 3-years shareholders' agreement.

For the remaining 10% of the shares in CS Union currently held by Banca Sistema, a shareholders' agreement was entered into between the Company and Banca Sistema, which includes, among other things, a put/call clause. The put/call clause gives Banca Sistema the right to sell the shares to the Company, and the Company the right to buy the shares from Banca Sistema at certain dates in the future or if certain events occur. These options can be exercised in the period between 1st January and 15th January each year of validity of the shareholders' agreement starting from 2018. The shareholders' agreement has a duration of 5 years, unless certain events occur.

The Company acquired Altor Group on 30 September 2016. The acquisition was closed the same day. By reference into this Information Memorandum; see Section 4 "The Altor Acquisition".

The Company has also entered into a new contract with Endesa on 15 June 2016. The contract has a maturity of three years.

14. 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.

14.1 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.

14.2 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.

14.3 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.

15. OTHER INFORMATION

15.1 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.

15.2 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.

15.3 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	Q2 2016: http://www.axactor.com/sites/default/files/axactor-q2-report.pdf	Segment reporting: 19 Income statement: 6 Balance sheet: 8 Cash flow: 10 Accounting principles: 16 The Q2 2016 report also includes comparable financial metrics for Q2 2015
8	3.1	2015: http://epub.artbox.no/axactor/ar2015eng/	Income statement: 14 Balance sheet: 16 Cash flow: 19 Auditor’s report: 56 Accounting principles: 25
		2014: http://nickelmountain.se/wp-content/uploads/2015/04/NMG_AR_2014_0424-Master.pdf	Income statement: 17 Balance sheet: 18 Cash flow: 20 Auditor’s report: 52 Accounting principles: 25

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".

16. 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

3PC	Third party collection
ALD	ALD Abogados, S.L.
Altor	Altor GmbH, which comprise of Heidelberger Inkasso GmbH, Heidelberger Forderungskauf GmbH, Taloa Equity Management GmbH, VABA GmbH, Altor Mobile Services GmbH, ImmoAdvisors GmbH, GWI Gesellschaft für Wirtschaftsinkasso GmbH and Altor Communication GmbH.
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
Axactor Norway	Axactor Norway AS
CET	Central European Time
Collection Platforms	Collection platforms which include all of the collection functions of financial institutions
Company	Axactor AB (publ.)
CS Union	CS Union SpA
Debt Facility	A new debt facility for which the Board of Directors have entered into an agreement with DNB and Nordea on, as further described in Section 10.2 "Capital Resources—Borrowings"
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 the 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. The IKAS Companies has been renamed Axactor Norway AS at the date of this Information Memorandum
KPI	Key Performance Indicator
NOK	Norwegian kroner, the lawful currency of Norway
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 2007 (Nw. Verdipapirhandelloven)
NPL	Non-Performing Loan
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 dated9 November 2016
Pro Forma Triggering Acquisitions	The acquisitions of IKAS, Geslico and CS Union
PPA	Purchase Price Allocation
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

SME ....Small and medium-sized enterprises
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 71-94 in the information memorandum of Axactor Group AB dated November 9, 2016.

The pro forma financial information has been prepared for illustrative purposes only to provide information about how Axactor Group AB's acquisitions of Altor, CS Union, Geslico and the "IKAS Companies" might have affected the consolidated income statement for Axactor Group AB for the period 1 January 2016– 30 June 2016 and how the acquisitions of Altor and CS Union might have affected the consolidated balance sheet statement for Axactor Group AB for the period ending 30 June 2016.

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 71-94, 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 71-94, and in accordance with the accounting principles applied by the company.

Gothenburg, 2016-11-09

PricewaterhouseCoopers AB

Johan Palmgren
Authorized public accountant

APPENDIX B—AXACTOR SECOND QUARTER REPORT 2016

Follows on the subsequent pages

AXACTOR

Report

Q2 2016

August 23rd 2016

Highlights

Second Quarter of 2016

- EBITDA adjusted for non-cash items and non-recurring items is MSEK -2.2 million for the quarter.
- On April 7 the IKAS transaction closed and simultaneously the company made the first drawdown of NOK 135 million under the DNB/Nordea loan facility to part finance the acquisition.
- On May 12 Axactor acquires Geslico to complement its current operating platform in Spain and becomes a leading player in the Spanish debt collection market.
- On May 26 Axactor raised NOK 375 million in gross proceeds through a private placement of 220,400,000 new shares at a price of NOK 1.70 per share.
- On June 15 Axactor signed a new 3rd party collection (3PC) contract with the largest electrical company in Spain, Endesa. The three-year contract is expected to generate an annual revenue in excess of one million euros.
- On June 22 Axactor acquired 90% of CS Union and entered into a strategic partnership with Banca Sistema in Italy. CS Union has 100 employees, 22 NPL portfolios and a 3PC business with approximately EUR 290 million under management. Axactor paid EUR 9,9 million for the 90% ownership and 40% of the purchase price was settled with Axactor shares.
- On June 30 Axactor acquired its fourth unsecured NPL portfolio in Spain from Banco Mare Nostrum. The portfolio includes unsecured and secured loans with a total Outstanding Balance (OB) of approx. EUR 144 million. Axactor paid around 5% of the Outstanding Balance.

Key event after end of the report period

- On July 5 Axactor increased the existing loan facility and brought Nordea in as a second banking partner, thus increasing the existing facility from EUR 25 million up to EUR 50 million, with an additional EUR 50 million accordion option.
- On August 1 Axactor acquired its 5th unsecured NPL portfolio in Spain. The portfolio was originally generated by a large Spanish consumer finance institution. The portfolio has an Open Balance (OB) of approximately € 565 million, with close to thirty thousand open accounts of individuals and SMEs.
- In July 2016 the company had positive Cash EBITDA for the month isolated.

Statement by the CEO

Half way into the year and 6 months into Axactor's existence as a portfolio acquisition and credit management company, it is clear that we are on a good track to deliver on our strategy. The acquisition of CS Union in Italy combined with our second platform company acquisition in Spain has increased our headcount to more than 700 and enlarged our pool of NPL portfolios to 26 with combined open balances of SEK 13,5 billion and an estimated remaining collection (ERC) of SEK 1 290 million.

Our organization continues to deliver and shows execution capabilities that I am truly proud of. Having deployed more than SEK 335 million in CAPEX during the quarter, and raised another SEK 373 million in new equity is a testimony to the capacity and capability of the organization, and the support we have from our shareholders and financing partners.

The acquisition of 90% of CS Union announced in June serves as another milestone in our efforts to position Axactor in the countries where we see the largest potential for further profitable growth in Europe. I am delighted that the entrepreneurs who founded CS Union have decided to continue in their leadership roles in the company. To me this shows a strong commitment to the organization and a strong belief in the future of Axactor. Banca Sistema, as the third seller of CS Union shares, remains a 10% shareholder in CS Union as well as a shareholder in Axactor, and is an important strategic partner that will provide market access and portfolio financing for us in the Italian market.

Our second company acquisition in Spain brought Geslico in to the Axactor group. The strategic rationale for this transaction was an important one for us, where we got immediate access to modern IT systems which we could instantly take advantage of in our Spanish collection activities. Furthermore, we took over an organization with a well-established network within the saving banks community in Spain.

During second quarter we acquired another NPL portfolio in Spain, and combined with the CS Union portfolios as well as the 5th Spanish portfolio purchased in July, Axactor at the time of writing has 27 portfolios with a combined open balance of SEK 18,9 billion. We continue to spend a considerable amount of time analyzing the value of each NPL portfolio that is being offered to us for sale. Our EVP of Portfolio Acquisitions who joined Axactor on April 17th ensures that we apply a disciplined pricing approach and that we strive to extract maximum value out of each acquisition once we put the portfolios into production. So far we have on the average paid 3,5% of OB for the 27 portfolios.

I continue to be optimistic about the NPL market opportunities in Europe, and while we have managed to get a significant part of the strategic elements in place over the last few quarters, we are still considering to enlarge our footprint in Europe and take advantage of the positive trends we see in our core markets.

«Axactor is a new and ambitious company, with no legacy, focusing on building a dynamic and pan-European organization»

Endre Rangnes, CEO

Key Figures Axactor AB (group)

For remaining operation after sale of the mining activities

SEK million	Q2 2016	Q1 2016	31.12.2015
Gross Revenue	72.3	29.4	4.4
Net Revenue	64.4	27.9	4.4
EBITDA	-31.5	-10.5	-30.6
Cash EBITDA [1]	-19.3	-6.8	-
Normalized Cash EBITDA [2]	-2.2	-6.6	-
Depreciation and Amortization (excl. Portfolio Amortization)	-6.7	-2.5	-0.8
Net Financial Items	8.8	-2.7	-29.9
Tax	3.5	0.8	-
Net Result	-25.8	-14.9	-61.3
Cash and Cash Equivalents at end of Period	332.5	185.8	372.4
Acquired NPL portfolios during the Period	348.4 [3]	255.4	-
Book Value of NPL portfolios at end of Period	594.3 [4]	250.7	-
Gross Collection on Debt Portfolios during the quarter	12.9 [5]	8.9	-
Estimated Remaining Collection (ERC) at end of Period	1,290.0	579.0	-
Interest Bearing Debt at end of Period	348.4 [6]	-	-
Number of Employees (FTE) at end of Period	702	187	105

1) Cash EBITDA is adjusted for calculated cost of share option program and portfolio amortizations
2) Normalized Cash EBITDA is adjusted for calculated cost of share option program and portfolio amortizations plus non-recurring items
3) Includes portfolios of CS Union at the time of acquisition.
4) Includes portfolios in CS Union per balance sheet date
5) Excluding collections on CS Union portfolios in the period
6) Includes SEK 210 million in bank debt in CS Union

Background

Axactor AB is a newly established European credit management services company with an initial focus on Spain, Germany, Italy and the Nordic countries.

The company is domiciled in Sweden and listed in Norway at the Oslo Stock Exchange with ticker “AXA”. The number of share-holders amounts to some 7,900 and management is located in Oslo. There are currently 946,488,769 shares outstanding plus warrants entitling to subscription of another 55.5 million shares.

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. In April 2016 Axactor bought 100% of the shares in Geslico, a company that offers a fully integrated debt collection service for both secured and unsecured non-performing loans in Spain.

In Norway, Axactor owns 100% of the shares in the IKAS group of companies. IKAS is one of Norway’s most reputable suppliers of invoice administration and debt collection and has regional offices throughout Norway.

In Italy Axactor owns 90% of CS Union which employs approximately 100 people within credit management activities and has acquired 22 NBPL portfolios with a combined open balance of of EUR 565 million. The remaining 10% of the shares in CS Union continue to be owned by Banca Sistema which in addition to Board representation in CS Union also provides attractive portfolio financing as well as access to the Italian NPL market.

Today Axactor employees employs more than 700 people in the 3 countries where the company operates.

Financial Review

General remarks to the Q2 and H1 financial review

The Consolidated Balance Sheet in this report Includes IKAS, Geslico and CS Union in addition to the entities that were consolidated and Included in the Q1 report. The Consolidated Profit and Loss statement includes IKAS for the full quarter; Geslico from early May while CS Union which was acquired on June 22 is not Included in the profit and loss statement for Q2 but the 8 days of trading in June will be included in the Q3 report. All other entities that were Included in the Q1 statement are also Included in the Q2 statements.

Revenues and earnings

For the second quarter, the Group's Gross revenues came in at MSEK 72.3 (MSEK 0.0), divided between MSEK 12.9 from collections on own portfolios and MSEK 59.3 from third party collection (3PC). The 3PC revenue is up by 185% compared to Q1-16 and is primarily driven by the collection units in Norway and Spain which were acquired in Q2. Amortization on Portfolios is calculated using the Effective Interest Method for each of the portfolios and amounts to MSEK -7.8 for the period.

Operating earnings (EBITDA) are negative by MSEK 31.5 (-1.1) for the quarter. However, normalized Cash EBITDA for the quarter is negative by MSEK 2.2 (normalized Cash EBITDA is calculated as EBITDA adjusted for non-cash items (portfolio amortizations and calculated cost according to IFRS for the share option program) and adjusted for non-recurring items which for Q2 consist of advisory and legal cost related to platform company acquisitions.

Depreciation and Amortization (excl. portfolio amortization) amounts to MSEK -6.7(-82.0) and is primarily related to depreciation of intangible fixed assets pertaining to the ALD and the IKAS acquisitions.

Earnings per share for the quarter is negative SEK 0.04. This compares to SEK -0.93 for same period last year.

Net financial items

Net financial items for the quarter amounted to MSEK 8.8 (−0,9). Net unrealized gain amounted to MSEK 7.4, relating to bank deposits, receivables and reversal of unrealized exchange loss on NPL portfolios denominated in EUR. Interest expenses for the period was MSEK 2.3.

Cash flow, Investments and Financing

Cash flow from operations amounted to MSEK – 9.7 (-1.7) in the second quarter, and the decrease compared with Q2-2015 is due to higher operating cost in the build-up phase of the credit management capabilities of the organization as well. A positive development in the working capital of MSEK 20.8 improves the net cash flow from operation.

The company invested MSEK 335.4 (1.1) in 1 NPL portfolio and 3 platform companies during the quarter. The portfolio was acquired in Spain for MSEK 63.2 while we acquired CS Union (Italy) for MSEK 55,2, Geslico (Spain) for MSEK 18.8 and IKAS (Norway) for MSEK 198.5. For the Italian and the Norwegian acquisitions we also issued shares to the seller as part of the settlement.

Total cash flow from financing activities amounted to MSEK 491.6 (0.0) mainly consisting of MSEK 361.7 in net proceeds from the May share issue as well as our first draw down under the bank credit facility of MSEK 136.1 to part finance the cash settlement of the IKAS transaction. Our credit facility was extended from MEUR 25.0 to MEUR 50.0 in July 2016, and at the end of Q2 only MEUR 14.1 out of the enlarged facility was utilized.

At the end of the quarter cash and cash equivalents for Axactor is MSEK 332.5 (MSEK 55.0). This is MSEK 146.7 higher than the cash balance at the start of the year.

Equity Position

At the end of second quarter 2016 total equity for the Group is MSEK 1 026.4 (75.7) giving an equity ratio at the end of the reporting period of 64.5%.

Comments to the 1H 2016 accounts

Income at the end of first half 2016 amounts to MSEK 101.7 while net revenue for the same period is MSEK 92.3. Collections from own portfolio accounts for 21% of income and the remaining 79% come from third party collection. Accumulated amortization of NPL portfolios for the first 6 months was MSEK 9.3. EBITDA for first half is MSEK -42.0 while net financial items is positive at MSEK 6.1, mainly due to unrealized foreign exchange gains and total interest expenses at MSEK 2.3. Net result after tax for first half 2016 is MSEK -40.7.

Parent Company

The Parent Company's business activity is to manage the Group's operations. The result after tax for first quarter 2016 ended at MSEK 12.5 (MSEK –144.7).

Cash and cash equivalents in the Parent Company amounted to MSEK 63.4 at the end of June 2016 (MSEK 54.7). Cash and cash equivalents are reduced by MSEK 79.5 from year-end 2015.

Events after the end of the reporting period

On July 5 Axactor increased the existing loan facility and brought Nordea in as a second banking partner, thus increasing the existing facility from EUR 25 million up to EUR 50 million, with an additional EUR 50 million accordion option.

On August 1 Axactor acquired a 5th unsecured NPL portfolio in Spain. The portfolio was originally generated by a large Spanish consumer finance institution. The portfolio has an Open Balance (OB) of approximately € 565 million, with close to thirty thousand open accounts of individuals and SMEs.

Outlook

Going forward the company will continue to expand the geographical footprint in Europe. Furthermore, the key focus will be operational improvements which will increase productivity and improve the cost base. We will continue to acquire small and medium sized NPL portfolios based on current CAPEX capacity.

Oslo, August 23, 2016

The Board of Directors,

Axactor AB (publ)
Hovslagargatan 5B, bottom floor
111 48 STOCHOLM, Sweden

www.axactor.com
info@axactor.com

Responsibility Statement

We confirm, to the best of our knowledge, that condensed set of the unaudited financial statements for the first half year 2016 have been prepared in accordance with IAS 34 – Interim Financial Reporting, 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.

Stockholm, August 23, 2016

The Board of Directors

Einar J. Greve
Chairman

Per Dalemo
Board member

Gunnar Hvammen
Board member

Endre Rangnes
CEO

Consolidated Statement of Profit and Loss

SEK thousand	Note	For the quarter end 30 Jun 2016	For the quarter end 30 Jun 2015	YTD 30 Jun 2016	YTD 30 Jun 2015	Full year 2015
Continued operations						
Income		**72,270**	-	**101,674**	-	4,437
Amortization of debt portfolios		**-7,833**	-	**-9,325**	-	-
Net revenue		**64,437**	-	**92,349**	-	4,437
Operating expenses		**-59,844**	-1,008	**-77,996**	-2,503	-29,940
Personnel expenses		**-36,112**	-	**-56,370**	-	-5,089
EBITDA		**-31,519**	-1,008	**-42,017**	-2,503	-30,592
Amortization and depreciation		**-6,671**	-	**-9,135**	-	-837
EBIT		**-38,190**	-1,008	**-51,152**	-2,503	-31,429
Financial revenue	3	**17,112**	-752	**21,365**	92	329
Financial expenses	3	**-8,288**	-173	**-15,248**	-434	-30,218
Net financial items		**8,824**	-925	**6,117**	-342	-29,889
Profit/(loss) before tax		**-29,366**	-1,933	**-45,035**	-2,845	-61,318
Tax expense		**3,511**	-	**4,284**	-	-
Net profit/(loss) from continued operations		**-25,855**	-1,933	**-40,751**	-2,845	-61,318
Result from discontinued operations		**-**	-82,123	**-**	-82,240	-105,288
Net profit/(loss) to minority interest		**-**	-30	**-**	-30	-
Net profit/(loss) to equity holders		**-25,855**	-84,086	**-40,751**	-85,115	-166,606
Earnings per share: basic		**-0.04**	-0.02	**-0.06**	-0.03	-0.46
Earnings per share: diluted		**-0.03**	-	**-0.06**	-	-
Earnings per share incl discontinued		**-**	-0.93	**-**	-0.94	-1.25

Consolidated Statement of Comprehensive Profit and Loss

SEK thousand	For the quarter end 30 Jun 2016	For the quarter end 30 Jun 2015	YTD 30 Jun 2016	YTD 30 Jun 2015	Full year 2015
Net profit/(loss)	**-25,855**	-84,086	**-40,751**	-85,115	-166,606
Foreign currency translation differences - foreign operations	**-1,059**	-	**-2,880**	-96	-96
Other comprehensive income/ (loss) for the period	**-1,059**	-	**-2,880**	-96	-166,702
Total comprehensive income for the period attributable to:	**-26,914**	-84,086	**-43,631**	-85,211	-166,702
Equity holders of the parent company	**-26,914**	-84,056	**-43,631**	-85,085	-166,702
Non-Controlling interests	**-**	-30	**-**	-30	-

Interim Consolidated Statement of Financial Position

SEK thousand	Note	30 Jun 2016	30 Jun 2015	31 Dec 2015
ASSETS				
Intangible non-current assets				
Intangible assets		**118,044**	-	45,103
Mineral interests		**-**	31,742	-
Goodwill		**408,860**	-	124,467
Tangible non-current assets				
Property, Plant and equipment		**20,272**	482	549
Financial non-current assets				
Purchased debt portifolios		**594,298**	-	-
Other long term receivables		**10,689**	52	-
Other long term investments		**402**	359	267
Total non-current assets		**1,152,566**	32,635	170,386
Current assets				
Current receivables		**51,682**	437	58,284
Other current assets		**54,600**	224	3,760
Restricted cash	5	**49,062**	-	4,000
Cash and cash equivalents		**283,442**	54,961	368,375
Total current assets		**438,787**	55,622	434,419
TOTAL ASSETS		**1,591,353**	88,257	604,805

Interim Consolidated Statement of Financial Position

SEK thousand	Note	30 Jun 2016	30 Jun 2015	31 Dec 2015
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share Capital		**473 244**	45,405	298,307
Other paid-in equity		**1,884,121**	1,256,648	1,468,788
Retained earnings and profit for the period		**-1,330,758**	-1,226,461	-1,290,103
		-2,976	-	-
Non-controlling interests		**2 755**	75	-
Total equity		**1 026 387**	75,667	476,992
Non-current liabilities				
Non-current interest bearing debt	5	**276,300**	-	-
Convertible loan		**-**	5,000	5,000
Deferred tax liabilities		**23,862**	-	11,357
Other non-current liabilities		**13,080**	-	500
Total non-current liabilities		**313,241**	5,000	16,857
Current liabilities				
Accounts payables		**104,426**	881	12,420
Current portion of non-current borrowings	**5**	**72,149**	-	-
Taxes Payable		**15,273**	-	9,963
Other current liabilities		**59,876**	6,709	88,573
Total current liabilities		**251,725**	7,590	110,956
TOTAL EQUITY AND LIABILITIES		**1,591,353**	88,257	604,805

Interim Consolidated Statement of Cash Flow

		For the quarter end		YTD		
SEK thousand	Note	30 Jun 2016	30 Jun 2015	30 Jun 2016	30 Jun 2015	Full year 2015
Operating actitvities						
Profit before tax		**-29,366**	-84,086	**-45,035**	-85,115	-166,606
Taxes paid		**-3,769**	-	**-3,769**	-	-
Finance income and expense		**-8,824**	-	**-11,531**	-	-
Amortization of debt portfolios		**7,833**	-	**9,325**	-	-
Depreciation and amortization		**6,671**	34	**9,135**	68	973
Impairment losses on intangible assets		**-**	82,000	**-**	82,000	104,310
Calculated cost of employee share options		**4,359**	-	**6,538**	-	-
Loss from sold companies		**-**	-	**-**	-	9,532
Unrealised foreign currency (gains)/losses		**-7,392**	-	**-8,856**	-	2,365
Working capital changes		**20,811**	334	**4,803**	-1,404	7,985
Net cash flows operating activities		**-9,677**	-1,718	**-39,390**	**-4,451**	-41,441
Investing actitvities						
Purchase of debt portfolios		**-63,162**	-	**-313,884**	-	-
Investment in subsidiary (Geslico, Spain)	7	**-18,548**	-	**-18,548**	-	-
Investment in subsidiary (IKAS, Norway)	7	**-198,471**	-	**-198,471**	-	-
Investment in subsidiary (CS Union, Italy)	7	**-55,181**	-	**-55,181**	-	-
Purchase of intangible and tangible assets		**-**	-1,125	**-1,628**	-2,090	-
Purchase of financial assets		**-**	-	**-**	-	-82,691
Interest received		**101**	-	**101**	**-**	-
Net cash flows investing activities		**-335,261**	-1,125	**-587,611**	**-2,090**	-82,691
Financing actitvities						
Proceeds from borrowings	5	**136,098**	-	**136,098**	-	-
Repayment of debt		**-**	-	**-5,000**	-	-1,099
Interest paid		**-1,685**	-	**-1,810**	-	-
Loan fees paid		**-1,792**	-	**-1,792**	-	-
Proceeds from share issue		**373,875**	-	**478,305**	-	460,386
Share issue costs		**-14,847**	-	**-18,671**	-	-24,281
Net cash flows financing activities		**491,649**	-	**587,130**	-	435,006
Net change in cash and cash equivalents		**146,711**	-2,843	**-39,871**	**-6,541**	310,874
Cash and cash equivalents at the beginning of period		**185,793**	57,804	**372,375**	**61,502**	61,501
Cash and cash equivalents at end of period		**332,504**	54,961	**332,504**	**54,961**	372,375

Interim Consolidated Statement of Changes in Equity

	Equity related to the shareholders of the Parent Company						
SEK thousand	Share capital	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total	Non controlling interest	Total Equity
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	-	-	-	-85,085	-85,085	-30	**-85,115**
Total comprehensive result for the period	-	-	-	-85,085	-85,085	-30	**-85,115**
Other transactions	-	-	-	40	40	-52	**-12**
Closing balance on 30 June 2015	45,405	1,256,648	-	-1,226,460	75,592	75	**75,667**
Net result for the period	-	-	-	-81,561	-81,561	-	**-81,561**
Comprehensive loss for the period	-	-	-96	-	-96	-	**-96**
Total comprehensive result	-	-	-96	-81,561	-81,657	-	**-81,657**
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	-	-	-	945	945	-75	**870**
Other transactions	-	-13	-	-	-13	-	**-13**
Closing balance on 31 December 2015	298,307	1,468,788	-96	-1,290,006	476,992	0	**476,992**
Balance on 1 January 2016	298,307	1,468,788	-96	-1,290,006	476,992	0	**476,992**
Net result for the period	-	-	-	-40,751	-40,751	-	**-40,751**
Comprehensive loss for the period	-	-	-2,880	-	-2,880	-	**-2,880**
Total comprehensive result for the period	-	-	-2,880	-40,751	-43,631	-	**-43,631**
New share issues, February	29,800	74,630	-	-	104,430	-	**104,430**
New Share issues, May	110,200	263,675	-	-	373,875	-	**373,875**
Acquisition subsidiary, IKAS group	24,517	62,377	-	-	86,894	-	**86,894**
Acquisition subsidiary, CS Union [1)]	10,420	26,785	-	-	37,205	2,755	**39,960**
Costs related to fund-raising	-	-18,671	-	-	-18,671	-	**-18,671**
Share based payment	-	6,538	-	-	6,538	-	**6,538**
Closing balance on 30 June 2016	473,244	1,884,122	-2,976	-1,330,757	1,023,632	2,755	**1,026,387**

1) *The signed resolutions regarding the issue of 20,840,820 new shares were sent to the Swedish Company register (Bolagsverket) on June, 28. Formal registration in the Company register on 8, July.*

Parent Company Income Statement

		For the quarter end		YTD		
SEK thousand	Note	30 Jun 2016	30 Jun 2015	30 Jun 2016	30 Jun 2015	Full year 2015
Other operating income		**10,264**	-	**10,264**	-	-
Operating expenses		**-17,208**	-1,068	**-20,503**	-2,563	-24,740
Personell expences		**-**	-	**-**	-	-
EBITDA		**-6,944**	-1,068	**-10,239**	-2,563	-24,740
Amortization and depreciation		**-**	-142,735	**-**	-142,735	-160,799
EBIT		**-6,944**	-143,803	**-10,239**	-145,298	-185,539
Financial revenue		**21,777**	-757	**28,100**	87	1,665
Financial expenses		**-2,278**	-171	**-2,942**	-432	-20,883
Net financial items		**19,499**	-928	**25,158**	-345	-19,218
Profit/(loss) before tax		**12,555**	-144,731	**14,919**	-145,643	-204,757
Tax expense		**-**	-	**-**	-	-
Net profit/(loss) to equity holders		**12,555**	-144,731	**14,919**	-145,643	-204,757

Parent Company Balance Sheet

SEK thousand	Note	30 Jun 2016	30 Jun 2015	31 Dec 2015
ASSETS				
Intangible non-current assets				
Shares in subsidiaries		**396,786**	24,634	2,185
Loans to group companies		**621,663**	2,680	366,360
Other long-term receivables		**134**	21	-
Total non-current assets		**1,018,583**	27,335	368,545
Current assets				
Short-term intercompany receivables		**31,248**	-	-
Other current assets		**1,463**	535	1,801
Restricted cash	5	**41,310**	-	4,000
Cash and cash equivalents		**22,102**	54,749	138,948
Total current assets		**96,123**	55,284	144,749
TOTAL ASSETS		**1,114,705**	82,619	513,294
SHAREHOLDERS' EQUITY				
Restricted equity				
Share Capital		**473,244**	45,405	298,307
Statutory reserve		**2,300**	2,300	2,300
Total restricted equity		**475,544**	47,705	300,607
Non-restricted equity				
Share premium reserve		**1,884,119**	1,239,565	1,468,788
Retained earnings		**-1,275,969**	-1,071,213	-1,071,212
Result for the period		**14,919**	-145,643	-204,757
Total non-restricted equity		**623,069**	22,709	192,819
TOTAL SHAREHOLDERS' EQUITY		**1,098,613**	70,414	493,425
LIABILITIES				
Non-current liabilities				
Convertible loan		**-**	5,000	5,000
Total non-current liabilities		**-**	5,000	5,000
Current liabilities				
Accounts payables		**4,450**	853	5,972
Short-term intercompany liabilities		**3,156**	-	-
Other current liabilities		**8,486**	6,352	8,897
Total current liabilities		**16,092**	7,205	14,869
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,114,705**	82,619	513,294

Parent Company Consolidated Statement of Changes in Equity

SEK thousand	Restricted Equity		Non-restricted Equity			
	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Result of the period	Total Equity
Opening balance on January 1, 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	**-**
Result for the period	-	-	-	-	-145,643	**-145,643**
Closing balance on 30 June 2015	45,405	2,300	1,239,565	-1,071,212	-145,643	**70,414**
Balance on 1, July 2015	45,405	2,300	1,239,565	-1,071,212	-145,643	**70,414**
Costs related to fund-raising	-	-	-24,280	-	-	**-24,280**
New share issues	252,902	-	253,503	-	-	**506,405**
Result for the period	-	-	-	-	-59,114	**-59,114**
Closing balance on 31 December 2015	298,307	2,300	1,468,788	-1,071,212	-204,757	**493,425**
Balance on January 1, 2016	298,307	2,300	1,468,788	-1,071,212	-204,757	**493,425**
Transfer of prior years net result	-	-	-	-204,757	204,757	**0**
New share issues, February	29,800	-	74,630	-	-	**104,430**
New Share issues, May	110,200	-	263,675	-	-	**373,875**
Acquisition subsidiary, IKAS group	24,517	-	62,377	-	-	**86,894**
Acquisition subsidiary, CS Union [1)]	10,420	-	26,785	-	-	**37,205**
Costs related to fund-raising	-	-	-18,671	-	-	**-18,671**
Share based payment	-	-	6,538	-	-	**6,538**
Result of the period	-	-	-	-	14,919	**14,919**
Closing balance on 30 June 2016	473,244	2,300	1,884,122	-1,275,969	14,919	**1,098,613**

1) *The signed resolutions regarding the issue of 20,840,820 new shares were sent to the Swedish Company register (Bolagsverket) on June, 28. Formal registration in the Company register on 8, July.*

Key Ratios and Share Data for the Consolidated Group

SEK thousand		30.06.2016	30.06.2015	2015	2014	2013	2012
Number of outstanding shares at beginning of reporting period	Number	596,614,360	90,809,360	90,809,360	18,174,922	18,174,922	51,928,350
New share issue	Number	349,874,409	-	505,805,000	72,634,438	-	129,820,875
Number of outstanding shares at the end of reporting period [1] and [2]	Number	946,488,769	90,809,360	596,614,360	90,809,360	18,174,922	181,749,225
Average number of shares [3]	Number	680,517,231	90,809,360	133,687,416	29,804,775	18,174,922	140,846,758
Operating result, for continued operations	TSEK	-51,152	-2,705	-31,429	-11,046	-21,437	-24,645
Result after tax	TSEK	-40,751	-85,115	-166,606	-45,986	-110,088	-121,490
Operating result per share	SEK	-0.08	-0.03	-0.23	-1.38	-1.21	-0.17
Result after financial items per share	SEK	-0.07	-0.94	-0.46	-1.38	-8.47	-1.07
Result per share after tax	SEK	-0.06	-0.94	-1.25	-1.54	-6.06	-0.86
Shareholders equity per share before dilution [2]	SEK	1.08	0.83	0.80	1.77	6.87	1.34
Dividend [4]	TSEK	-	-	-	568	-	-
Price per share at the end of reporting period	NOK	1.73	0.88	2.00	1.42	3 [1]	0.45

1) *A reversed share split of 1:10 was conducted on December 13, 2013.*

2) *Share issue of 20,840,820 new shares were sent to the Swedish Company register (Bolagsverket) on June, 28. Formal registration in the Company register on July 8, 2016.*

3) *The average number of shares during the 12 m period 2013 has been adjusted for the reversed split as from the beginning of the year.*

4) *Total dividend in TSEK. Not per share.*

Notes to the Financial Report

Note 1 Accounting principles

This interim report has been prepared in accordance with IAS 34 and recommendation RFR 1 of the Swedish Financial Reporting Board (RFR), and recommendation RFR 2 and the Annual Accounts Act with regard to the Parent Company. The accounting principles applied correspond to those described in the Annual Report for the Financial Year 2015. This interim report does not contain all of the information and disclosures available in the annual report and the interim report should be read together with the Annual Report for the Financial Year 2015.

Note 2 Risks and uncertainties

The operations of Axactor involve certain significant risks, including but not limited to credit risk, foreign exchange risk and political risk. For a complete discussion of the aforementioned risks, refer to the Company's Annual Report for the Financial Year 2015, which is available on the Axactor website, www.axactor.com. In addition, a detailed risk factor account is given in the various issue prospectuses published and available at Axactor's website.

Note 3 Financial items

Financial revenue

	Quarter ended		Year to date		
SEK thousand	30.06.2016	30.06.2015	30.06.2016	30.06.2015	31.12.2015
Interest on bank deposits	**101**	-	101	-	-
Exchange gains	**17,011**	-752	21,264	92	162
Sale of group company	**-**	-	-	-	167
Total financial revenue	**17,112**	-752	21,365	92	329
Financial expenses					
Sale of group company	**-**	-	-	-	-9,532
Interest expenses on borrowings	**-2,256**	-381	-2,381	-407	-747
Exchange losses	**-6,032**	208	-12,867	-27	-19,939
Total financial expenses	**-8,288**	-173	-15,248	-434	-30,218
Net finance	**8,824**	-925	6,117	-342	-29,889

Note 4 Segment reporting

30 Jun 2016

	Collecting activities		Unallocated		Total Continued operation		Discontinued operations		Total	
SEK thousand	Quarter ended	YTD	Quarter ended	YTD	Quarter ended	YTD	Quarter ended	YTD	Quarter ended	YTD
Net revenue	64,437	92,349	-	-	64,437	92,349	-	-	**64,437**	92,349
EBITDA	-24,575	-31,778	-6,944	-10,239	-31,519	-42,017	-	-	**-31,519**	-42,017
Depreciation and amortization	-6,671	-9,135	-	-	-6,671	-9,135	-	-	**-6,671**	-9,135
Financial items	5,468	398	3,356	5,719	8,824	6,117	-	-	**8,824**	6,117
Result before tax	-25,778	-40,515	-3,588	-4,520	-29,366	-45,035	-	-	**-29,366**	-45,035
Non-Current assets	-	1,152,432	-	134	-	1,152,566	-	-	-	1,152,566
Current assets	-	342,664	-	96,123	-	438,787	-	-	-	438,787
Non-current liabilities	-	313,241	-	-	-	313,241	-	-	-	313,241
Current liabilities	-	238,788	-	12,936	-	251,725	-	-	-	251,725

30 Jun 2015

	Collecting activities		Unallocated		Total Continued operation		Discontinued operations		Total	
SEK thousand	Quarter ended	YTD	Quarter ended	YTD	Quarter ended	YTD	Quarter ended	YTD	Quarter ended	YTD
Net revenue	-	-	-	-	-	-	-	-	**-**	-
EBITDA	-	-	-1,008	-2,503	-1,008	-2,503	-89	-172	**-1,097**	-2,675
Depreciation and amortization	-	-	-	-	-	-	-82,034	-82,068	**-82,034**	-82,068
Financial items	-	-	-925	-342	-925	-342	-	-	**-925**	-342
Result before tax	-	-	-1,933	-2,845	-1,933	-2,845	-82,123	-82,240	**-84,056**	-85,085
Non-Current assets	-	-	-	21	-	21	-	32,614	-	32,635
Current assets	-	-	-	55,284	-	55,284	-	338	-	55,622
Non-current liabilities	-	-	-	5,000	-	5,000	-	-	-	5,000
Current liabilities	-	-	-	7,205	-	7,205	-	385	-	7,590

Note 5 Loans and Borrowings

SEK thousand	Currency	Interest rate	Face value	Carrying amount	Year of maturity
Balance at 1 January 2016	SEK			**5,000**	2016
New issues					
DnB	NOK	Nibor + 4%	TNOK 135.000	**136,102**	2019
Loan through acquisition of subsidiaries					
Spain	EUR	4 %	€326 k	**3,042**	2017
Italy [1]	EUR	EURIBOR + 2% -3.5%	€375 k	**210,331**	2016-2022
Norway	NOK	3 % - 5.95%	TNOK 680	**678**	2017-2020
Repayments					
Convertible loan By Norrlandsfonden				**-5,000**	
Other movements					
Capitalized loan fees				**-1,793**	
Amortizied loan fees on loans				**89**	
Balance at 30 June 2016				**348,449**	

1) Relates to different facilities and draw downs with an interest between EURIBOR + 2% - 3.5%.

As of 30 June 2016, the Company had one long-term loan of NOK 135 million relating to the financing of the IKAS acquisition. The loan was drawn under the EUR 25 million recurring credit facility (RCF) with DnB (increased to EUR 50 million from 5 July after Nordea entered as a banking partner with DnB). The RCF is a 3 years facility. Axactor AB and several other of the group companies are guarantors under the facility agreement. In addtion the bank(s) have a pledge in shares in all daughter companies except from the Italian subsidiaries which are kept outside of the RCF "ring fence)

SEK thousand	30.06.2016	31.12.2015
Pledged bankaccounts	**41,310** [1]	4,000
Pledged NPL Portfolio's Italian loans	**51,255**	-

1) EUR 4 million was placed as a counter guarantee relating to a bank guarantee issued for the CS Union acquisition. The pledge will be released in Q3 2016.

Note 6 Related party transactions

The following related party transactions were recorded in the first quarter of 2016:

Wistrand Law firm in Gothenburg has been one of Axactor's legal advisors regarding the acquisition of ALD in Spain and the various share issues including the prospectus filing and other operating issues. In second quarter Wistrand has invoiced TSEK 680 (TSEK 1.180 for first half 2016).
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.

The above mentioned transactions were made on "arms' length" basis, and on market based terms.

Note 7 Preliminary acquisition analysis

SEK thousand

Company	ALD Abogados SL	Geslico SA	IKAS Group	CS Union S.t.A.
Date of acquisition	Dec 10, 2015	May 5, 2016	April 1, 2016	June 22, 2016
Acquired part of company	100 %	100 %	100 %	90 %
Purchase price	188,432	18,548	285,366	92,387
- whereof cash consideration	142,757	18,548	198,472	55,182
- whereof share consideration	45,675	-	86,894	37,205
An earn-out component is included in the purchase price amounting to:	51,407	0	0	0
ASSETS				
Non-current assets				
Intangible assets				
Deferred tax assets	-	718	-	1,504
Customer Relationship	37,791	-	61,036	-
Database	7,637	-	12,963	-
Other intangible fixed assets	33	3,466	-	3,321
Goodwill	124,467	-	218,536	67,445
Tangible assets				
Plant and machinery	299	6,560	8,149	3,101
Long term financial assets				
Purchased debt	-	-	-	285,513
Other long-term receivables	63	846	690	7,772
Other long-term investments	-	-	1,275	-
Total non-current assets	170,290	11,590	302,649	368,655
Current receivables	63,381	16,684	6,173	9,082
Other current assets	-	5,339	870	5,398
Cash & cash equivalents	10,779	6,036	35,590	4,507
Total current assets	74,160	28,059	42,633	18,986
	-	-	-	-
Total Assets	244,450	39,649	345,282	387,641
Non-current liabilities				
Long-term interest bearing debt	498	4,684	595	210,430
Deferred tax liabilities	11,357	-	18,946	-
Other long-term liabilities	-	11	206	10,452
Total non-current liabilities	11,855	4,695	19,747	220,882
Current liabilities				
Trade payables	-	9,201	4,131	52,242
Tax liabilities	-	-	6,870	-
Other short-term liabilities	44,163	4,223	22,871	14,420
Other public duties payable	-	2,982	6,297	7,710
Total current liabilities	44,163	16,406	40,168	74,372
Total Net assets	188,432	18,548	285,366	92,387
Net sales 2015	92,876	125,777	95,370	76,267
Profit 2015	22,969	-36,247	23,793	8,888

Note 8 Top 30 shareholders

Name	Holding of shares	Ownership %
ARCTIC FUNDS PLC	40,437,195	4.3%
TVENGE, TORSTEIN	40,000,000	4.2%
SWEDBANK GENERATOR	39,867,435	4.2%
SOLAN CAPITAL AS [1]	36,000,000	3.8%
NOMURA INTERNATIONAL PLC	25,700,000	2.7%
VERDIPAPIRFONDET ALFRED BERG NORGE	24,918,370	2.6%
VERDIPAPIRFONDET HANDELSBANKEN	24,651,801	2.6%
LOPEZ SANCHEZ, ANDRES [2]	22,902,500	2.4%
MARTIN IBEAS, DAVID [3]	22,902,500	2.4%
VERDIPAPIRFONDET ALFRED BERG GAMBA	22,420,426	2.4%
GVEPSEBORG AS	20,364,945	2.2%
VERDIPAPIRFONDET DNB SMB	18,278,491	1.9%
STATOIL PENSJON	18,268,945	1.9%
SKANDINAVISKA ENSKILDA BANKEN S.A.	18,050,000	1.9%
DATUM AS	17,600,000	1.9%
ELTEK HOLDING AS	17,600,000	1.9%
DNB NOR MARKETS, AKSJEHAND/ANALYSE	15,874,939	1.7%
STOREBRAND VEKST	15,157,615	1.6%
FURUSET KJØPESENTER HOLDING AS	13,900,000	1.5%
NORDNET LIVSFORSIKRING AS	13,706,794	1.4%
CIPRIANO AS [4]	13,650,000	1.4%
ALPETTE AS [5]	12,550,000	1.3%
SPENCER TRADING INC	11,000,000	1.2%
VERDIPAPIRFONDET STOREBRAND OPTIMA	9,773,492	1.0%
LATINO INVEST AS [6]	9,500,000	1.0%
ELENA AS [7]	8,914,019	0.9%
VARDFJELL AS [8]	8,914,019	0.9%
CIPI LAMP UCITS SWEDBANK	8,627,371	0.9%
MERTOUN CAPITAL AS	8,500,000	0.9%
VERDIPAPIRFONDET ALFRED BERG AKTIV	8,060,518	0.9%
Total 20 largest shareholders	568,091,375	60.0%
Other shareholders	378,397,394	40.0%
Total number of shares [9]	946,488,769	100.0%
Total number of shareholders	7,914	

1) Solan Capital is controlled by Gunnar Hvammen, member of the Board of Directors in Axactor AB.

2) Andres Lopez Sanchez is a member of the Axactor Spain management team and former owner of ALD, Spain.

3) David Martin Ibeas is a member of the Axactor Spain management team and former owner of ALD, Spain.

4) Cipriano is controlled by Einar J. Greve who is the Chairman of the Board of Axactor AB.

5) Alpette is controlled by Endre Rangnes who is the CEO of Axactor AB.

6) Latino Invest AS is controlled by Johnny Tsolis who is a member of the executive management team of Axactor AB.

7) Elena AS is controlled by Tor Olaf Bekkevold who is member of the IKAS Norway management team and former owner of IKAS.

8) Vardfjell AS is controlled by Frode Reiersrud who is member of the IKAS Norway management team and former owner of IKAS.

9) The signed resolutions regarding the issue of 20,840,820 new shares were sent to the Swedish Company register (Bolagsverket) on June, 28. Formal registration in the Company register on 8, July.

Financial year 2016

Quarterly Report - Q1	*27.05.2016*
Quarterly Report - Q2	*24.08.2016*
Quarterly Report - Q3	*10.11.2016*
Quarterly Report - Q4	*23.02.2017*
Annual General meeting	*26.05.2016*
Annual Report	*21.04.2016*

Contact details

Axactor AB (publ)
Hovslagargatan 5B, bottom floor
111 48 STOCHOLM
Sweden

Telephone: +46 8 402 28 00
info@axactor.com
www.axactor.com

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