

AXACTOR

Report



Q4 2015

February 16th 2016

Highlights

Fourth Quarter of 2015

- In October 2015 the Company decided to become a European credit management company and to discontinue the nickel operations.
- The EGM on November 17, 2015 approved the acquisition of a Spanish legal debt collection company, ALD Abogados S.L. (“ALD”).
- A total of 505.8 million new Axactor shares were issued at NOK 1 per share via a private placement, an issue in kind and lastly through a reparatory rights issue.
- On November 19th the company announced that Mr. Endre Rangnes was appointed CEO.
- On December 23, 2015 EGM elected a new Board of Directors and the new company name “Axactor” was approved.
- On December 31, 2015 Axactor sold the nickel operations to a Swedish listed mineral company Archelon. The financial effect of this transition in Q4 is an impairment of MSEK -22,3.

Key event after end of the report period

- On February 12, 2016 Axactor acquired an unsecured Spanish NPL portfolio with a face value of approximately EUR 500 million.

Statement by the CEO

Axactor is a newly established company within the credit management service industry - with a Nordic base, and with an ambitious Pan-European growth strategy.

We are addressing a large non-performing loan (NPL) market in Europe, estimated to around € 1.5 trillion, and with an attractive growth rate going forward. The main growth factors, partly driven by regulatory changes, are sales of non-performing loans and an accelerating trend of outsourcing debt collection to specialized companies. Furthermore, we see a consolidation trend in the debt collection/debt purchase industry. Axactor's main focus in the credit management value chain will be: amicable and legal collection, surveillance and acquisition of NPLs.

As a first step in our Pan-European growth strategy we acquired the company ALD Abogados, a leading debt collection agency in Spain. With a very solid customer base, this company will be the platform for our future growth in debt collection and NPL portfolio acquisitions in Spain.

We are currently also exploring several growth markets in other European countries. This includes potential carve out of collection platforms from Financial Services Institutions.

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

Firstly, we have recruited, and are still recruiting, managers with a deep understanding of credit management services, and with an unparalleled industry track record. We fully understand the commercial aspects of this business, and, equally, we appreciate the legal framework and the compliance aspects that are critical to our customers.

Secondly, as a new entrant, we are not burdened by legacy costs and structures that are no longer beneficial. We have set up a platform specifically designed for a next-generation debt collection service provider focused on rapid growth.

Thirdly, we have funding and an investor base that will allow us to grow. We have a solid bank financing, and we are a listed company on the Oslo Stock Exchange with a large shareholder base.

We are excited to have embarked on this journey, and I hope you will join us, as a customer, investor, employee or business partner.



«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 thousand	Q4 2015	12 months 2015	Q4 2014	12 months 2014
Sales	4,437	4,437	-	-
Other income	-	-	-	75
Total revenues	4,437	4,437	-	75
EBITDA ¹	-26,713	-30,592	-2,792	-9,665
Impairment losses and depreciation ¹	-837	-837	-	-
Net result attributable to shareholders of parent company	-76,670	-166,606	-34,215	-45,986
Investments in period (MSEK)	188.4	188.4	0.9	5.9
Cash at end of period	372,375	372,375	61,502	61,502
Interest-bearing long term debt at end of period	5,500	5,500	9,000	9,000

1) Relates only to remaining operations

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 shareholders amounts to some 6,000 and management is located in Oslo. There are currently 596,614,369 shares outstanding plus warrants entitling to subscription of another 55.5 million shares.

On December 31, 2015 Axactor sold the two former nickel subsidiaries to Swedish public junior mineral company Archelon. The results of the nickel subsidiaries are consolidated in Axactor's group accounts for 12 months 2015, however the nickel segment's assets and liabilities were de-consolidated on the last of December. The purchase consideration consists of Archelon shares and future

payments of additional shares provided certain criteria are met.

In Spain, Axactor now owns 100% of the subsidiary ALD Abogados SL ("ALD"), which is one of the leaders in the Spanish legal debt collection market covering nearly all regions of this country. The number of ALD employees was some 100 at year-end 2015 and full year revenues in 2015 were approximately 10 million Euro and an EBITDA of approx. 3.7 million EURO. However, ALD was consolidated in Axactor group in early December thus only the December part of 2015 revenues and costs is included in Axactor's 2015 external accounts.

Financial Review

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.

4th Quarter

The net result after tax for the 4th quarter amounted to MSEK -54.3 (MSEK -4.0) from remaining operations and MSEK -22.4 (MSEK -30.2) from discontinued operations, in total MSEK -76.7 (MSEK -34.2)

This corresponds to EPS of SEK -0.21 (SEK -0.07) excluding and SEK -0.29 (SEK -0.63) including discontinued operations. The total comprehensive result for the fourth quarter of 2015 was MSEK -76.8 (-35.3).

Sales revenues for the quarter were MSEK 4.4 (MSEK 0). The Spanish subsidiary ALD was consolidated in early December 2015, hence its revenues contributed to the group P&L only during a limited period. The nickel operations were at pre-feasibility stage and generated no revenues - neither in 2015 nor in 2014.

4th quarter operating costs in remaining operations amounted to MSEK -31.1 (MSEK -2.8). For the discontinued operations these operating costs amounted to MSEK -0.2 in the last quarter of 2015 (MSEK -0.2). Again, in view of the exit from the nickel operations on New Year's Eve 2015, the operating costs of the nickel subsidiaries in 2014 - 2015 are according to IFRS retroactively treated as costs relating to discontinued operations.

Depreciation and impairment for 4th quarter in discontinued operation was MSEK -22.3 (MSEK -30.0) in remaining operations the same number was MSEK -0.8 (0). The nickel project was impaired first in the end of June 2015 and then again by year-end 2015 in connection with the disposal of the whole nickel segment to Swedish mineral company Archelon.

Net financial items for 4th quarter were MSEK -26.8 (-1.2) whereof MSEK -17.5 are unrealised exchange losses pertaining to revaluation of NOK bank accounts at the end of the period.

Full year 2015

The net result after tax for the full year 2015 amounted to MSEK -166.6. Thereof the net result from remaining operations was MSEK -61.3 (MSEK -9.7) while the result from discontinued operations was MSEK -105.3 (MSEK -36.3). Total comprehensive result for the full year was MSEK -166.7 (MSEK -47.1).

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

Sales revenues for the year were MSEK 4.4 (MSEK 0). The Spanish subsidiary ALD was consolidated in December 2015, hence its revenues contributed to the group P&L only during a limited period. The nickel operations were at pre-feasibility stage and generated no revenues - neither in 2015 nor in 2014.

The loss of MSEK -166.6 for the year can mainly be attributed to the following issues; the nickel operations were fully impaired in 2015 leading to impairment costs and a realization loss of MSEK 113.8 for the full year. Transaction cost related to the acquisition of ALD in Spain amounted to MSEK 15.7. Unrealised foreign exchange losses amounted to MSEK 19.9 as the majority of the cash was held in NOK.

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

Net financial items in remaining operations during the 12-month report period 2015 amounted to MSEK -29.9 (0). This figure includes a realization loss of MSEK -9.5 in respect of the sold nickel subsidiaries and an unrealized foreign exchange loss of 19.9 million SEK.

Cash flow

Axactor had a cash flow of MSEK +321.5 during the 12-month period January - December 2015 (MSEK +46.2). The positive figure for 2015 is the result of significant share issues during the last quarter of 2015.

Axactor's total assets at the end of December 2015 were MSEK 604.8 compared to MSEK 175.0 at the end of the same period in 2014. The nickel subsidiaries were deconsolidated by year-end 2015. Instead the Spanish subsidiary ALD is included in the group balance sheet as well as the net issue proceeds received in November - December 2015 after deduction for various issue and legal costs. Also, some 10 million Euro was paid in cash to the sellers of ALD in addition to 5 million Euro paid in kind via newly issued Axactor shares in early December 2015.

Investments during the full report period 2015 amounted to MSEK 188.4, all relates exclusively to the ALD-acquisition (5.8).

Financial position

Cash and cash equivalents at the end of December 2015 amounted to MSEK 372.4 (MSEK 61.5). The majority of the liquid assets is held in the Norwegian currency NOK. Total equity at the end of the report period was MSEK 477.0 (MSEK 160.8), representing an equity ratio of 79 per cent.

Short-term loans and other short-term liabilities at the end of the fourth quarter 2015 amounted to MSEK 111.0 (MSEK 5.2). Approximately half of this amount relates to the earn-out agreement in respect of the ALD acquisition as well as a post-closing adjustment for actual working capital in ALD at the day of change of control. Both these components together were estimated at some MSEK 51 by end of December 2015, and form part of total short-term Axactor group liabilities.

Operations ALD

In 2015 ALD had total revenues according to IFRS of approximately 10 million Euro with an EBITDA-result of 3.7 million Euro. In 2014 ALD's revenues were some 7 million Euro implying continued growth in the local market during the last year. However, only that part of the ALD revenues attributable to the time after acquisition feed through to Axactor group's P&L account. This was 4.4 MSEK in December 2015.

Sale of the nickel operation

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 MSEK -114 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.

Events post Q4

On January 18, 2016 Axactor published that it had opened and commissioned its new call-centre in Spain in Valladolid. Currently approximately 60 persons are employed in the collection activities in Valladolid.

On January 20, 2016 Axactor disclosed that it has entered into a third party collection agreement with Santander Consumer Finance in Spain.

In early February 2016 Axactor repaid a loan of MSEK 5 extended in 2010 by Swedish state-owned fund Norrlandsfonden.

On 12 February, Axactor acquired an unsecured NPL portfolio originally generated by a Spanish local savings bank. The portfolio includes unsecured loans with a total outstanding balance of approximately EUR 500 million and more than one hundred thousand open accounts of Individuals and SMEs. Axactor paid around 3% to acquire the portfolio.

Parent Company

The Parent Company's business activity is to manage the Group's operations. The result after tax during the full financial year 2015 amounted to MSEK -204.8 (MSEK -41.1 during January - December 2014). The loss is primarily the result of the abandonment of the nickel operations following the new business concept to become a pan-European company in debt collection. The exit from the nickel segment necessitated a full impairment of the holding values of the shares in the nickel subsidiaries as well as of all receivables on these companies. The net result relating to the quarter October - December 2015 was MSEK -54.7 (-35.4). The total ALD acquisition- and issue costs were significant. Some MSEK -24 of issue costs have been allocated directly to equity in the last quarter of 2015. Still MSEK -20.9 of other external costs arose in the last quarter and form part of the parent company's P&L.

Cash and cash equivalents in the Parent Company amounted to MSEK 142.9 at the end of December 2015 (MSEK 61.4).

Board of Directors and Employees

On the 23 of December EGM elected a new Board of Directors. The new Directors are:

- Einar J. Greve (Chairman)
- Gunnar Hvammen
- Per Dalemo

At the end of December 2015, Axactor group had some 105 employees whereof 5 in Norway and the rest in Spain. In December 2014, there were 3 employees in the group.

The Axactor share

There are currently 596,614,360 outstanding ordinary shares each with a par value of SEK 0.50.

The most recent EGM held on December 23, 2015 gave authorization to the Board of Directors to decide on new issues of shares or convertible debt instruments with or without a deviation from the shareholders' preferential rights. The maximum dilution permitted according to this

authorization 30% which translates into 280,000,000 new shares given the number of shares outstanding at year-end 2015 including warrants. The authorization is valid to the AGM in spring 2016.

The EGM held on November 17 also gave an authorization to issue up to 55.5 million incentive options to the new management team each entitling to subscription of one new ordinary share.

Group outlook

Axactor is a new and ambitious company, with no legacy, focusing on building a dynamic and pan-European organization within the credit management service industry. Axactor's ambition is to create a high-growth debt collection/debt purchase company, leveraging on the experienced management team, a solid investor base and the platform investment in Spanish legal collection company ADL in December 2015.

Axactor will focus on amicable and legal collection, including debt surveillance. The company is investing in new technology and standardized systems, which enables Axactor to deliver best in class debt collection services. Further, the company

has the relevant industry competence and funding support to additionally acquire large non-performing loan portfolios.

Through ADL, the company has established a position in the Spanish debt collection/debt purchase market. The sales volumes of None Performing Loans (NPL) are expected to continue at high levels in Spain and other European countries. In February 2016, the company acquired its first unsecured NPL portfolio, originally generated by a Spanish local savings bank.

The acquisition proves Axactor as a key contender for the many portfolios expected to enter the market going forward. In addition, the company secured a 3rd party collection (3PC) contract with Santander Consumer Finance, demonstrating the company's debt collection know-how and competence towards global financial brands.

Axactor has a strong financial position, an experienced management team and the infrastructure in place to propel value creating growth. The company is currently evaluating prospects in its core geographies Spain, Germany, Italy and the Nordic countries, and expects several opportunities to materialise in 2016. The board of directors reiterates a positive outlook for Axactor in 2016 and beyond.

Stockholm, February 16, 2016

The Board of Directors,

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

www.axactor.com
info@axactor.com

Consolidated Statement of Loss

SEK thousand	Note	Oct - Dec 2015	Oct - Dec 2014	Jan - Dec 2015	Jan - Dec 2014
Continued operations					
Net income	11	4,437	-	4,437	-
Other operating income		-	-	-	75
Total operating income		4,437	0	4,437	75
Other external expenses		-26,061	-3,090	-29,940	-9,927
Personnel expenses		-5,089	298	-5,089	187
Results from equity accounted participations		-	-	-	-
Operating result before depreciation and impairment losses		-26,713	-2,792	-30,592	-9,665
Depreciation/amortization and impairment loss on tangible, intangible and financial fixed assets	4.5	-837	-	-837	-
Operating result after impairment losses		-27,550	-2,792	-31,429	-9,665
Financial revenue		249	1,102	329	3,105
Financial expenses		-27,013	-2,287	-30,218	-3,111
Total financial items	3	-26,764	-1,185	-29,889	-6
Result before tax		-54,314	-3,977	-61,318	-9,671
Income tax		-	-	-	-
Result for the period from remaining operations		-54,314	-3,977	-61,318	-9,671
Loss from discontinued operations	4,5,11	-22,356	-30,239	-105,288	-36,336
Result for the period	11	-76,670	-34,216	-166,606	-46,007
<i>Result for the period attributable to:</i>					
Equity holders of the Parent Company		-76,670	-34,215	-166,606	-45,986
Non-controlling interest		-	-1	-	-21
Result for the period		-76,670	-34,216	-166,606	-46,007
Result per share before and after dilution, including discontinued operations		-0.29	-0.63	-1.25	-1.54
Result per share before and after dilution, excluding discontinued operations		-0.21	-0.07	-0.46	-0.32
Average number of shares (Millions)		262.3	54.5	133.7	29.8

Consolidated Statement of Comprehensive Loss

SEK thousand	Oct - Dec 2015	Oct - Dec 2014	Jan - Dec 2015	Jan - Dec 2014
Result for the period	-76,670	-34,216	-166,606	-46,007
<i>Items that could be reclassified to the income statement:</i>				
Foreign currency translation differences - foreign operations	-96	-1,081	-96	-1,081
Total other comprehensive loss	-76,766	-35,297	-166,702	-47,088
<i>Total comprehensive loss for the period attributable to:</i>				
Equity holders of the Parent Company	-76,766	-35,296	-166,702	-47,067
Non-controlling interest	-	-1	-	-21

Consolidated Statement of Financial Position

SEK thousand	Note	31.12.2015	31.12.2014
ASSETS			
Fixed Assets			
<i>Intangible fixed assets</i>			
	12		
Mineral interests		-	111,676
Customer relationships		37,125	-
Database		7,530	-
Other intangible assets		448	-
Goodwill		124,467	-
<i>Tangible fixed assets</i>			
Plant and machinery		549	551
<i>Long-term financial fixed assets</i>			
Other long-term investments		267	359
Long-term receivables		-	31
Total fixed assets		170,386	112,617
Other receivables		61,257	696
Prepaid expenses		787	161
Cash and cash equivalents		372,375	61,502
Total current assets		434,419	62,359
TOTAL ASSETS		604,805	174,976

Consolidated Statement of Financial Position

SEK thousand	Note	31.12.2015	31.12.2014
EQUITY AND LIABILITIES			
<i>Equity attributable to equity holders of the parent company</i>			
Share capital		298,307	45,405
Other paid-in capital		1,468,788	1,256,648
Reserves		-96	-
Retained earnings and profit for the period		-1,290,007	-1,141,416
		476,992	160,637
Non-controlling interest		-	157
Total equity		476,992	160,794
Long-term Liabilities			
<i>Long-term liabilities</i>			
Convertible loan	8	5,000	5,000
Deferred tax liabilities		11,357	-
Other long-term liabilities		500	4,000
Total long-term liabilities		16,857	9,000
<i>Current liabilities</i>			
Accounts payable		12,420	1,560
Short-term loans and borrowings	9	5,542	1,146
Accrued expenses and prepaid income		92,994	2,475
Total current liabilities		110,956	5,181
TOTAL EQUITY AND LIABILITIES		604,805	174,976
Pledged assets		4,000	31
Contingent liabilities		-	-

Consolidated Statement of Cash Flow

SEK thousand	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Cash flow from operations		
Result after financial items	-166,606	-46,007
Adjustments for non-cash items*	134,586	31,468
Total cash flow from operations before change in working capital	-32,020	-14,539
Change in working capital		
Increase/decrease in receivables	-14,523	2,041
Increase/decrease in short term liabilities	15,881	-4,665
Total cash flow from operations	-30,661	-17,163
Cash flow used for investments		
Purchase of intangible fixed assets	-	-5,162
Purchase of tangible fixed assets	-	-691
Purchase of financial fixed asset	-82,835	-
Sale of financial fixed assets	-	2,000
Total cash flow used for investments	-82,835	-3,853
Financial activities		
New share issues	460,386	74,081
Cost related to fund-raising	-24,281	-7,950
Raised credits	0	1,098
Amortization of debt	-1,099	-
Total cash flow from financial activities	435,006	67,229
Change in cash and bank	321,510	46,213
Cash and bank on 1 January	61,502	15,289
Cash and bank at the end of report period	372,375	61,502
*Adjustments for non-cash items		
Impairment losses on intangible fixed assets	104,310	33,685
Depreciation of tangible fixed assets	973	180
Exchange loss	19,771	-1,081
Loss from sold companies	9,532	-
Other	-	-1,316
Total	134,586	31,468

Consolidated Statement of Changes in Equity

SEK thousand	Equity related to the shareholders of the Parent Company						Non controlling interest	Total Equity
	Share capital	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total			
Balance on 1 January 2014	45,437	1,174,207	1,081	-1,096,021	124,704	80	124,784	
Net result for the period	-	-	-	-45,987	-45,987	-20	-46,007	
Comprehensive loss for the period	-	-	-1,081	-	-1,081	-	-1,081	
Total comprehensive result	-	-	-1,081	-45,987	-47,068	-20	-47,088	
Set-off and new share issues	36,317	55,174	-	-	91,490	-	91,490	
Share capital reduction	-36,349	36,349	-	-	-	-	0	
Cost related to fund raising	-	-7,950	-	-	-7,950	-	-7,950	
Dividend	-	-	-	-568	-568	-	-568	
Other transactions	-	-1,132	-	1,161	29	97	126	
Closing balance on 31 December 2014	45,405	1,256,648	-	-1,141,415	160,637	157	160,794	
Balance on 1 January 2015	45,405	1,256,648	-	-1,141,415	160,637	157	160,794	
Net result for the period	-	-	-	-166,606	-166,606	-	-166,606	
Comprehensive loss for the period	-	-	-96	-	-96	-	-96	
Total comprehensive result	-	-	-96	-166,606	-166,702	-	-166,702	
New share issues	252,902	253,503	-	-	506,405	-	506,405	
Costs related to fund-raising	-	-24,282	-	-	-24,282	-	-24,282	
Reclassification	-	-17,070	-	17,070	-	-	-	
Sale of subsidiaries	-	-	-	946	946	-157	789	
Other transactions	-	-11	-	-	-11	-	-11	
Closing balance on 31 December 2015	298,307	1,468,788	-96	-1,290,006	476,992	0	476,992	

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

Parent Company Income Statement

SEK thousand	3 m Oct - Dec 2015	3 m Oct - Dec 2014	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Other operating income	-	-	-	75
Other external expenses	-20,863	-3,479	-24,740	-10,316
Personnel expenses	-	298	-	187
Depreciation / impairment of financial fixed assets	-8,532	-30,000	-160,799	-30,000
Operating result	-29,395	-33,181	-185,539	-40,054
<i>Result from financial items</i>				
Financial revenue	1,578	21	1,665	2,023
Financial expenses	-26,858	-2,288	-20,883	-3,111
Total financial items	-25,280	-2,267	-19,218	-1,088
Result before tax	-54,675	-35,448	-204,757	-41,142
Result for the period	-54,675	-35,448	-204,757	-41,142

Parent Company Balance Sheet

SEK thousand	Note	31.12.2015	31.12.2014
ASSETS			
Tangible Fixed Assets			
<i>Long-term financial fixed assets</i>			
Shares in subsidiaries		2,185	97,247
Receivables from subsidiaries		366,360	70,468
Total fixed assets		368,545	167,715
Current Assets			
Other receivables		1,704	584
Prepaid expenses		97	65
Cash and cash equivalents		142,948	61,366
Total current assets		144,749	62,015
TOTAL ASSETS		513,294	229,730
SHAREHOLDERS' EQUITY			
<i>Restricted equity</i>			
Share capital		298,307	45,405
Statutory reserve		2,300	2,300
Total restricted equity		300,607	47,705
<i>Non-restricted equity</i>			
Share premium reserve		1,468,788	1,239,565
Retained earnings		-1,071,212	-1,030,070
Result for the period		-204,757	-41,142
Total non-restricted equity		192,819	168,353
TOTAL SHAREHOLDERS' EQUITY		493,425	216,057
LIABILITIES			
Long-term liabilities			
Convertible loan	8	5,000	5,000
Interest bearing long-term liabilities	9	0	4,000
Total long-term liabilities		5,000	9,000
Current Liabilities			
Accounts payable		5,972	1,388
Other liabilities	9	4,049	1,099
Accrued expenses		4,849	2,186
Total current liabilities		14,870	4,673
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		513,295	229,730
Pledget assets		4,000	-
Contingent liabilities		-	-

Parent Company Statement of Changes in Equity

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

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

Key Ratios and Share Data for the Consolidated Group

SEK thousand		2015	2014	2013	2012	2011
Number of outstanding shares at beginning of reporting period	Number	90,809,360	18,174,922	18,174,922	51,928,350	1,805,618,810
New share issues	Number	505,805,000	72,634,438	-	129,820,875	2,348,649,150
Number of outstanding shares at the end of reporting period ^{1,2}	Number	596,614,360	90,809,360	18,174,922	181,749,225	51,928,350
Average number of shares ³	Number	133,687,416	29,804,775	18,174,922	140,846,758	2,930,566,085
Operating result for remaining operations	TSEK	-50,592	-9,665	-21,437	-24,645	-62,531
Result after tax	TSEK	-166,606	-46,007	-110,088	-121,490	-185,944
Operating result per share	SEK	-0.23	-0.32	-1.21	-0.17	-0.02
Result after financial items per share	SEK	-0.46	-0.32	-8.47	-1.07	-0.19
Result per share after tax	SEK	-1.25	-1.54	-6.06	-0.86	-0.06
Shareholder equity per share before dilution ^{1,2}	SEK	0.80	1.77	6.87	1.34	7.61
Total Dividend (not per share)	TSEK ⁴	-	568	-	-	-
Price per share at the end of reporting period	NOK	2.00	1.42	3 ²	0.45	1,66 ¹

1) A reverse split of 1:80 was executed on the 8th of December 2011

2) A reverse share split of 1:10 was conducted on December 13, 2013

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

4) This dividend was a dividend in kind of the former subsidiary African Diamond AB on a 1:1 basis. Per entitled share it amounted to about SEK 0.025.

* In this 5-year overview the nickel operations are treated as discontinued operations only in 2014 - 2015.

Axactor possessed none of its own shares at the end of the report period. Further information regarding key ratio definitions can be obtained from the Annual Report for the Financial Year 2014.

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 2014. 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 2014.

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 2014, 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 Group

Financial revenue

SEK thousand	Group 31.12.2015	31.12.2014
Interests	162	28
Sales of group company	-	2,000
Exchange gains	167	1,084
Total financial revenue	329	3,112

Financial expenses

Interest	-915	-838
Sale of group company	-9,532	-
Exchange losses	-19,771	-2,291
Total financial expenses	-30,218	-3,129

Note 4 Depreciation and impairment

Depreciation and impairment during the 12-month period January–December 2015 amounted to TSEK 837 in the remaining operations (0). In the discontinued operations depreciation and impairment reached TSEK 104,447 (33,865). The high number in 2015 is related to the decision by Axactor at end of Q2 2015 to stop all investments in the Rönnebäcken

nickel project with immediate effect, and thereafter to dispose of the nickel subsidiaries by the very end of 2015. The impairment charge in 2014 was mainly (TSEK 30,000) attributable to the removal of the Alluvia Mining claim from the balance sheet in accordance with IAS 37.

Note 5 Segment reporting

Jan - Dec 2015

SEK thousand	Debt Collection	Gold	Nickel	Other	Total remaining operations	Discontinued operations	Total
Sales revenues	4,337	-	-	-	4,337	-	4,337
Other operating income	-	-	-	-	0	40	40
Operating result before depreciation and impairment losses	-5,848	-	-	-24,744	-30,592	-885	-31,477
Impairment of mineral interests	-	-	-	-	0	-104,310	-104,310
Depreciation according to plan	-64	-	-	-773	-837	-137	-974
Financial items	-1	-	-	-29,888	-29,889	4	-29,885
Result before tax	-5,913	-	-	-55,405	-61,318	-105,288	-166,606
Fixed assets	168,330	-	-	2,056	170,386		170,386
Current assets	74,664	-	-	358,189	434,419		434,419
Long-term liabilities	11,857	-	-	5,000	16,857		16,857
Short-term liabilities	96,086	-	-	14,870	110,956		110,956
Investments	188,432	-	-	-	188,432		188,432

Jan - Dec 2014

SEK thousand	Debt Collection	Gold	Nickel	Other	Total remaining operations	Discontinued operations	Total
Other operating income	-	-	-	75	75	219	294
Operating result before depreciation and impairment losses	-	-	-	-9,665	-9,665	-2,472	-12,137
Impairment of mineral interests	-	-	-	-	0	-33,685	-33,685
Depreciation according to plan	-	-	-	-	0	-180	-180
Financial intems	-	-	-	-6	-6	1	-5
Result before tax	-	-	-	-9,671	-9,671	-36,336	-46,007
Fixed assets	-	-	-	-	0	112,617	112,617
Current assets	-	-	-	62,015	62,015	344	62,359
Long-term liabilities	-	-	-	9,000	9,000	-	9,000
Short-term liabilities	-	-	-	4,673	4,673	508	5,181
Investments	-	-	-	-	0	5,853	5,853

Note 6

This note is intentionally left blank

Note 7

This note is intentionally left blank

Note 8 Convertible loan extend by Norrlandsfonden

In June 2010, Axactor issued a convertible debenture in the amount of MSEK 5 to Norrlandsfonden, a Swedish public sector fund investing primarily in business projects in the north of Sweden. The convertible loan was issued based on the following conditions:

- The maturity date of the convertible loan was set to August 31, 2018.
- The loan runs with an annual interest rate of STIBOR

90 (Stockholm Interbank Offering Rate) plus an interest surcharge of 4 per cent to be paid quarterly.

- The conversion price is recalculated as a result of any share issues and bonus issues etc., which implies that the current conversion price is deeply out of the money.
- Axactor has the right to repay the loan in cash at any time during the duration of the loan.

The loan was repaid in full in February 2016.

Note 9 Other short term liabilities

As a consequence of the MSEK 50 payment to Alluvia Mining in January 2013, the Group was drained of cash at the end of May 2013, creating the need for external funding. At the time, former Board member Ulrik Jansson lent MSEK 4 to Axactor. The loan carries an interest of 12 per cent per annum and has

a term of three years. Axactor retains the right to offset this MSEK 4 loan against its claim on the former Board Members. In view of the remaining maturity of this loan being less than 12 months, this loan now classified as a short term loan.

Note 10 Related party transactions

The following related party transactions were recorded in the fourth quarter of 2015:

At the EGM on November 17, 2015, the Company approved and ratified a consultancy agreement between the Company and Ferncliff TIH II AS, a company which is a closely related party to the Company's principal shareholder, Strata Marine & Offshore AS, pursuant to which Ferncliff TIH II AS would be entitled to a success fee of 4 million NOK for services rendered in connection with the ALD Acquisition.

The Company in early autumn 2015 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 1.8 million NOK for services rendered in connection with the ALD Acquisition. Under the agreement Alpette AS has rendered services in order to facilitate the ALD Acquisition and which have been to the benefit of the Group.

The Company at the same time 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 Tsohis, 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 ALD Acquisition. Under the agreement Latino Invest AS has rendered services in order to facilitate the ALD Acquisition and which have been to the benefit of the Group.

Also, the Norwegian company Cipriano AS was engaged in early autumn 2015 for ascertaining a positive outcome of the ALD-discussions. Cipriano was as result paid a success fee of 3 million NOK for its rendered services. The beneficial owner of Cipriano AS is Mr. Einar J. Greve. He was appointed Chairman of the Axactor Board of Directors on December 23, 2015 and the agreement is therefore treated as a related party transaction in this interim report.

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

Wistrand Law firm in Gothenburg has been one of Axactor's legal advisors in regard to the acquisition of ALD in Spain and the various share issues including the prospectus filing. In total Wistrand has in the fourth quarter of 2015 invoiced Axactor some 2 million SEK of legal fees. Per Dalemo, Axactor's Board Director, is employed by Wistrand Law firm, but has not been part of the legal team extending services to Axactor.

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

Note 11 Discontinued operations

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.

SEK thousand	3 m Oct - Dec 2015	3 m Oct - Dec 2014	12 m Jan - Dec 2015	12 m Jan - Dec 2014
Other operating income	-	-	40	219
Other external expenses	-242	-206	-588	-2,729
Personnel expenses	-115	-	-297	39
Depreciation/impairment of fixed assets	-22,344	-30,034	-104,447	-33,865
Operating result	-22,701	-30,240	-105,292	-36,336
<i>Result from financial items</i>				
Financial revenue	517	1	4	-
Financial expenses	-172	-	-	-
Total financial items	345	1	4	-
Result before tax	-22,356	-30,239	-105,288	-36,336
Income tax	-	-	-	-
Loss from discontinued operations	-22,356	-30,239	-105,288	-36,336

The below table shows the cash flow relating to the discontinued operations. These amounts have not been excluded from the consolidated statement of cash flow.

SEK thousand	Jan - Dec 2015	Jan - Dec 2014
Cash flow from operations		
Result after financial items	-104,717	-34,866
Adjustments for non-cash items*	101,801	32,037
Income tax paid		
Total cash flow from operations before change in working capital	-2,916	-2,829
Total cash flow from change in working capital	-1,864	-6,815
Total cash flow used for investments	0	-473
Total cash flow from financial activities	4,772	0
Change in cash and bank	-8	-10,117
Cash and bank on 1 January	135	10,252
Cash and bank at the end of reporting period	127	135
*Adjustments for non-cash items		
Impairment losses on intangible fixed assets	101,665	32,037
Depreciation of tangible fixed assets	136	-
Other		
Total	101,801	32,037

Note 12 Preliminary acquisition analysis ALD Abogados SL

In December 2015 the acquisition of the company ALD Abogados SL ("ALD"), a Spanish debt collection company, was completed. ALD is one of the leading actors in this industry in Spain. It is represented in most of the Spanish regions and it had some 100 employees by year-end 2015. ALD has existed

for some five years and has recorded a continuous growth over the years.

The following table shows a preliminary acquisition analysis of ALD Abogados SL.

SEK thousand

Date of acquisition	Dec 10, 2015
Acquired part of the company	100 %
Purchase price	188,432
- whereof cash consideration	142,757
- whereof share consideration	45,675
Acquired assets	
Other immaterial fixed assets	33
Property, plant and equipment	299
Other long-term assets	63
Current assets	63,381
Cash	10,779
	74,555
Acquired debts	
Interest-bearing loans	498
Current debts	44,163
	44,661
Accounted values in the group consolidation at acquisition	
Goodwill	124,467
Customer relationships	37,791
Database	7,637
Deferred tax debt	11,357
Net sales ALD since acquisition	4,437
Loss ALD since acquisition	-3,272
Net sales ALD whole year 2015	92,876
Profit ALD whole year 2015	23,705

Note 13 Top 20 shareholders

Holding	Percentage	Name	Account type	Citizenship
67,151,999	11.26	STRATA MARINE & OFFS		NOR
45,805,000	7.68	DnB NOR MARKETS, AKS MEGLERKONTO INNLAND DnB NOR Markets	MEG	NOR
36,000,000	6.04	SOLAN CAPITAL AS		NOR
30,937,195	5.19	ARCTIC FUNDS PLC BNY MELLON SA/NV		IRL
29,915,074	5.02	DATUM AS		NOR
27,000,000	4.53	TVENGE TORSTEIN INGVALD		NOR
17,803,435	2.98	SWEDBANK GENERATOR		NOR
17,534,160	2.94	VERDIPAPIRFONDET ALF		NOR
15,001,801	2.52	VERDIPAPIRFONDET HAN NORGE		NOR
14,467,702	2.43	MP PENSJON PK		NOR
13,417,794	2.25	VERDIPAPIRFONDET ALF		NOR
12,000,000	2.01	ALPETTE AS		NOR
9,500,000	1.59	LATINO INVEST AS C/O J TSOLIS		NOR
8,650,000	1.45	CIPRIANO AS c/o DNB Luxembourg S		NOR
8,528,358	1.43	VERDIPAPIRFONDET DNB		NOR
6,600,000	1.11	DUKAT AS		NOR
6,227,914	1.04	CIPI LAMP UCITS SWED		IRL
6,122,615	1.03	STOREBRAND VEKST JPMORGAN EUROPE LTD,		NOR
6,035,256	1.01	DnB NOR MARKETS, AKS DNB Bank ASA		NOR
6,000,000	1.01	PORTIA AS		NOR

Financial year 2016

Quarterly Report - Q1	27.05.2016
Quarterly Report - Q2	25.08.2016
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

The shares of Axactor AB (publ.) are listed on the Oslo Stock Exchange, ticker symbol AXA.

Cautionary Statement: *Statements and assumptions made in this document with respect to Axactor AB's ("Axactor") current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Axactor. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", strategy, "forecast" and similar expressions. These statements reflect management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where Axactor operates; (ii) changes relating to the statistic information available in respect of the various debt collection projects undertaken; (iii) Axactor's continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential partners, ventures and alliances, if any; (v) currency exchange rate fluctuations between the SEK and the currencies in other countries where Axactor or its subsidiaries operate. In the light of the risks and uncertainties involved in the debt collection business, the actual results could differ materially from those presented and forecast in this document. Axactor assumes no unconditional obligation to immediately update any such statements and/or forecasts.*

