Nordax Bank

Nordax Nordic 3 AB (publ)

Annual report for the financial year ended 31 December 2015

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Administration report

About Nordax Nordic 3 AB (publ)

- Nordax Nordic 3 AB (publ) is a subsidiary of Nordax Bank AB (publ) (corporate ID no. 556647-7286, with registered office in Stockholm), which is part of a corporate group of which the parent company is Nordax Group AB (corporate ID no. 556993-2485, with registered office in Stockholm). Consolidated financial statements are prepared by Nordax Group Holding AB. This is the Company's first financial year.

- The operations consist in the ownership of receivables from private individuals in Norway. The receivables are unsecured loans of up to 500,000 Norwegian kroner.

- With the aim of securing its long-term financing and future revenues, the Company issued bonds in the ABS market in June 2014. The bonds are secured against the portfolio.

- The loans are administered by Nordax Bank AB, which is part of the Group.

- The Company had no employees during the financial year.

Financial position and capital coverage

- The Company has total assets of MSEK 2,205 (2,378). Total lending to the public was MSEK 2,022 (2,193). Equity is MSEK 26 (26).

- The Company posts an operating loss for the financial year of MSEK -165 (-134).

- The net profit for the year from other securities and receivables classified as non-current assets was MSEK 166 (135) and is directly attributable to lending volumes and expenses for liabilities to credit institutions.

- Operating expenses were MSEK -165 (-134).

- Credit losses were MSEK -49 (-18).

Risks and uncertainties

Credit quality and management of credit risks
Lending to the public consists of loans of up to NOK 500,000. The lending activities are aimed at households in Norway.

Lending activities are based on policies adopted by the Board of Directors. The credit risk in originated and sold loans is continuously assessed against defined targets. Credit risk is reported to the Board on an ongoing basis in accordance with a defined model.

Market risks
In the operations of Nordax Nordic 3 AB financial risks may arise, primarily interest rate, currency, liquidity, refinancing and counterparty risks. Nordax Nordic 3 AB's operations have a low financial risk.

Interest rate risks
Interest rate risk arises when the fixed-rate terms for flows related to assets, liabilities and off-balance sheet items do not coincide. The basic principle for the Company's management of interest rate risk is matching, which means that fixed-rate terms on borrowing are matched with those applying to loans offered by Nordax Nordic 3 AB to customers. The interest rate risk in Nordax Nordic 3 AB is calculated as the effect on the present value of a parallel shift in the yield curve of +/- 2 per cent, which results in an interest rate risk in Nordax Nordic 3 AB of TSEK 0.

Liquidity and refinancing risk
Liquidity risk is the risk that the Company will not have the liquid assets required to meet payments of interest and principal on loans and derivatives contracts or other liabilities which fall due. Refinancing risk arises when assets mature later than liabilities. For further information, see Note 2.

Currency risk
Currency risk arises when assets and liabilities or the flows which these generate are not of the same size in the same currency. At the end of the financial year the Board of Directors of Nordax Nordic 3 AB opted not to hedge flows and net assets in Norwegian kroner attributable to lending in Nordax Nordic 3 AB.

Counterparty risks
Counterparty risk is the risk that a counterparty to a derivatives contract will be unable to meet its payment obligations. Financial credit risk can also arise as a consequence of the investment of liquidity. Nordax Nordic 3 AB had no outstanding derivatives contracts or investments of liquidity at 31 December.

Proposed appropriation of retained earnings

The AGM is asked to decided on the appropriation of the following earnings:

Retained earnings, SEK	24,992,200
Net profit for the year, SEK	7,800
	25,000,000

The Board of Directors proposes that the available earnings be distributed as follows:

carry forward the sum of	25,000,000

In 2015 a Group contribution of SEK 10,000 (10,000) was paid to Nordax Bank AB (publ).

Income statement

All amounts in TSEK	Note	Jan-Dec 2015	Feb-dec 2014
Operating expenses			
Other external expenses	3	-164,540	-134,199
Total operating expenses		**-164,540**	**-134,199**
Operating loss		**-164,540**	**-134,199**
Profit/loss from financial items			
Profit from other securities and receivables classified as non-current assets	2	165,716	135,257
Foreign exchange differences	4	-1,166	-1,048
Profit from financial items		**164,550**	**134,209**
Profit after financial items		**10**	**10**
Tax on profit for the year	5	-2	-2
NET PROFIT FOR THE PERIOD		**8**	**8**

Statement of comprehensive income

Other comprehensive income is consistent with net profit for the period.

Statement of financial position

All amounts in TSEK	Note	31 Dec 2015	31 Dec 2014
ASSETS	10,11		
Non-current financial assets			
Other non-current receivables	6,8	2,022,482	2,192,758
Total non-current financial assets		**2,022,482**	**2,192,758**
Total non-current assets		**2,022,482**	**2,192,758**
Current receivables			
Prepaid expenses and accrued income		184	240
Total current receivables		**184**	**240**
Cash and bank balances	8,10,11	182,334	184,651
Total current assets		**182,518**	**184,891**
TOTAL ASSETS		**2,205,000**	**2,377,649**
EQUITY, PROVISIONS AND LIABILITIES			
Restricted equity			
Share capital		500	500
Non-restricted equity			
Retained earnings		24,992	24,992
Net profit for the year		8	8
Total equity		**25,500**	**25,500**
Liabilities			
Non-current liabilities			
Bond loans	8,9,10,11	1,631,986	1,777,071
Liabilities to Group companies	7,8,9,10,11	545,008	571,922
Total non-current liabilities		**2,176,994**	**2,348,993**
Current liabilities			
Other liabilities	8,9,10,11	255	188
Accrued expenses and deferred income	9	2,251	2,968
Total current liabilities		**2,506**	**3,156**
Total liabilities		**2,179,500**	**2,352,149**
TOTAL EQUITY, PROVISIONS AND LIABILITIES		**2,205,000**	**2,377,649**
Memorandum items			
Pledged assets for own liabilities	12	2,204,816	2,377,409
Contingent liabilities		None	None

Statement of cash flows

All amounts in TSEK	Jan-Dec 2015	Feb-Dec 2014
Operating activities		
Operating loss	-164,540	-134,199
Adjustment for non-cash items		
Change in operating assets and liabilities		
Decrease/Increase in current receivables	56	-240
Decrease/Increase in current liabilities	-650	3,156
Cash flow from operating activities	**-165,134**	**-131,283**
Investing activities		
Decrease in other non-current financial assets	170,276	-2,192,758
Profit from financial items	164,550	134,209
Cash flow from investing activities	**334,826**	**-2,058,549**
Financing activities		
Issue of new shares/Group contribution received	-	25,500
Loans raised/Repayment of loans	-171,999	2,348,993
Group contribution paid	-10	-10
Cash flow from financing activities	**-172,009**	**2,374,483**
Cash flow for the period	**-2,317**	**184,651**
Cash and cash equivalents at beginning of period	**184,651**	**0**
Cash and cash equivalents at end of period	**182,334**	**184,651**

Cash and cash equivalents are defined as lending to credit institutions.

Statement of changes in equity

All amounts in TSEK	Restricted equity	Non-restricted equity		Total
	Share capital	Retained earnings	Net profit for the year	Retained earnings
SHARE CAPITAL, 10 FEBRUARY 2014	**500**			
Comprehensive income				
Net profit for the year			8	
Total comprehensive income			**8**	
Transactions with shareholders				
Shareholder contributions		25,000		25,000
Group contribution paid		-10		-10
Tax effect of Group contribution		2		2
Total transactions with shareholders		**24,992**		**24,992**
CLOSING BALANCE, 31 DECEMBER 2014	**500**	**500**	**24,992**	**8**
SHARE CAPITAL, 1 JANUARY 2015	**500**	**25,000**		**25,500**
Comprehensive income				
Net profit for the year			8	**8**
Total comprehensive income			**8**	**8**
Transactions with shareholders				
Shareholder contributions		-		**-**
Group contribution paid		-10		**-10**
Tax effect of Group contribution		2		**2**
Total transactions with shareholders		**-8**		**-8**
CLOSING BALANCE, 31 DECEMBER 2015	**500**	**24,992**	**8**	**25,500**

The share capital consists of 500,000 shares of the same share class and with a quotient value of SEK 1.

Notes

Amounts stated in the notes are in TSEK unless otherwise indicated.

Note 1 Accounting and valuation principles

The annual accounts have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board.

Non-current assets and current assets
Assets which are intended to be held and used in the operations on a permanent basis are classified as non-current assets. Other assets are classified as current assets.

Non-current financial assets which are intended to be held for the long term are recognised at cost. If a financial asset has a value at the balance sheet date that is lower than the carrying amount, the asset is written down to this lower amount if it can be assumed that the decline in value will be permanent. The financial reporting is consistent with IAS 39.

Lending
Loan receivables which are intended to be held to maturity are classified as non-current financial assets. These are stated in the balance sheet after deduction of actual and expected credit losses. A credit loss is classified as actual no later than after six instances of non-payment or earlier if information is obtained indicating that it is highly likely that a credit loss will occur.

The calculation of expected credit losses is based on a group valuation, after which an impairment loss is recognised. The calculation of expected credit losses is based on the share of loans in arrears that is not expected to be received.

Non-performing loans is a generic term for reduced-interest and doubtful receivables. Doubtful receivable refers to a receivable for which the payment of interest, fees or principal is more than 60 days in arrears or whose value is uncertain due to other circumstances.

Other principles
Reported tax includes tax that is payable or recoverable in respect of the current year, adjustments relating to current tax for previous years and the effect of Group contributions paid or received. Tax liabilities/assets are stated at the amount payable to or recoverable from the tax authority, as estimated by the Company.

Transactions in foreign currency are converted to the functional currency at transaction date exchange rates. Foreign exchange gains and losses arising on payment of such transactions and on translation of monetary assets and liabilities in foreign currency at closing rates are recognised in the income statement under Foreign exchange differences.

All Group contributions paid and received between the Company and its parent are recognised in equity, as is the tax effect.

Auditors' fees are borne by the Parent Company.

The applied accounting and valuation principles are essentially the same as for the previous year.

Note 2 Profit/loss from loan receivables

(i) Credit risk – general information
Lending activities are based on policies adopted by the Board of Directors. All loans are assessed in a separate, centrally located department in the Group.

As consumer loans are provided without physical collateral, credit assessment is an important element. To obtain a loan, the customer and the submitted application documents must fulfil a number of policy criteria. Decisions on loans are also based on creditworthiness, which is determined using a model for calculating the probability that a borrower will be able to adhere to the concluded agreements ("credit scoring"). A customer's credit score determines, for instance, how much he or she will be able to borrow. In cases where it is not possible to obtain income and debt information from credit reference agencies the customer is required to submit further information in addition to the application documents, such as a salary specification and tax return, to confirm his or her stated income and debts. This information is used to assess the customer's financial situation, for instance by calculating the customer's debt ratio and a "left to live on" amount.

Credit risks in other counterparty relationships, such as derivatives and financial investments, are regulated by a policy adopted by the Board of Directors. Collateral agreements are used to limit counterparty risks in derivative contracts.

(ii) Measurement of credit risk
The credit risk in the portfolio is measured against the specified targets on an ongoing basis. The measurements are based partly on how loans perform over time, how old the individual loans are ("vintage") and the maturity of the overall portfolio. Measurements are made depending on the risk that a loan will fall into arrears and whether it has been impaired.

Continuous measurements are also made on a segment basis. The applicable credit regulations and scoring models are followed up continuously to ensure the effectiveness of applied regulations and models. The results of these measurements are used as a basis for any adjustments to credit regulations and scoring models.

(iii) Risk management and risk control
The Group's continued operations depend on its ability to manage and control credit risk. Strong emphasis is placed on building procedures for managing this risk, for instance through monthly or more frequent reporting to the management team and Board of Directors. Credit risk reporting is also a standing agenda item at Board meetings.

The risk control and compliance unit performs regular checks to ensure that loans are issued in accordance with the instructions adopted by the Board. The instructions specify that any deviations must be reported to the Board.

When the Group has received loans from external parties, these parties also perform regular and extensive credit risk assessments.

(iv) Principles for credit risk provisions
Principles for credit risk provisions are described in the 2015 annual report for the Group, Notes 2 and 5.

When the value of a loan receivable has declined the carrying amount is written down to the recoverable amount, which is defined as the estimated future cash flow discounted by the effective interest rate for the instrument at the time of impairment. Management uses estimates based on historical credit losses for assets with the same credit risk and attributes as those in the loan portfolio. The methods and assumptions used to forecast future cash flows are reviewed regularly to reduce the difference between estimated and actual losses.
The calculation of provisions for groups of loans where loss events have occurred but the losses cannot be tied to individual commitments are based on a specified model. The criteria for determining whether a loss has occurred are delays in the payment of principal and interest.

All amounts in TSEK	Jan-dec 2015	Feb-dec 2014
Profit/loss		
Interest income	294,789	204,147
Interest expense	-83,166	-53,526
Net interest income	**211,623**	**150,621**
Foreign exchange differences	-1,166	-1,048
Net fee income	3,414	2,327
Other operating income	0	0
Total	**213,871**	**151,900**
Credit losses		
Write-offs for the year relating to actual credit losses	-1,100	-109
Provision for loans with individually identified loss events[1]	-39,181	-4,688
Group provision for receivables valued as a group	-9,040	-12,894
Credit losses for the year	**-49,321**	**-17,691**
Total profit from loan receivables	**164,550**	**134,209**

[1]Individually identified loss events refer to receivables which are more than 180 days past due.

Note 3 Other external expenses

All amounts in TSEK	Jan-Dec 2015	Jan-Dec 2014
Other external expenses		
General administrative expenses	3,189	1,720
Deferred consideration	161,351	132,479
Total other external expenses	**164,540**	**134,199**

Note 4 Foreign exchange differences

1,166 (-1,048) of the result refers to changes in exchange rates in the net position and operating flows related to lending in foreign currency.

Note 5 Tax

Reported tax refers to the effect of Group contributions paid.

Note 6 Non-current financial assets

All amounts in TSEK	31 Dec 2015		
	Total receivables	Allocation of provision past due receivables	
Not yet payable	1,930,716		
Less than 30 days past due	40,569	-3,617	9%
30-60 days past due	16,306	-3,582	22%
61-90 days past due	13,991	-4,745	34%
90-180 days past due	13,829	-7,653	55%
More than 180 days past due	66,594	-39,927	60%
Total	**2,082,005**	**-59,523**	**39%**
Provision[1]	-59,523		
Total lending to the public	**2,022,482**		

All amounts in TSEK	31 Dec 2014		
	Total receivables	Allocation of provision past due receivables	
Not yet payable	2,132,368		
Less than 30 days past due	40,866	-2,730	7%
30-60 days past due	12,286	-2,555	21%
61-90 days past due	8,922	-3,136	35%
90-180 days past due	7,351	-3,841	52%
More than 180 days past due	7,706	-4,480	58%
Total	**2,209,499**	**-16,741**	**22%**
Provision[1]	-16,741		
Total lending to the public	**2,192,758**		

[1]Provisions for receivables which are more than 180 days past due are assessed individually and total TSEK -39,927 (-4,480). The group provision is TSEK -19,597 (-12,261). The difference between the provision recognised above and credit losses for the year as stated in the income statement is due to exchange rate effects, which are accounted for under Interest and similar expenses.

Note 7 Related party transactions

2015, All amounts in TSEK	Income	Expenses	Receivable	Liability
Transactions with related parties:				
Nordax Bank AB (publ)	-	-185,137	-	-545,008
Other related companies	-	-	-	-
Total	-	**-185,137**	-	**-545,008**

2014, All amounts in TSEK	Income	Expenses	Receivable	Liability
Transactions with related parties:				
Nordax Bank AB (publ)	-	-146,441	-	-571,922
Other related companies	-	-	-	-
Total	-	-146,441	-	**-571,922**

Nordax Nordic 3 AB (publ) is 100 per cent owned by Nordax Bank AB (publ) (corporate ID no. 556647-7286), with registered office in Stockholm, address Box 23124, SE-104 35 Stockholm, telephone +46 8 508 808 00, www.nordax.se. Consolidated financial statements are prepared by Nordax Bank AB (publ). Nordax Nordic AB (publ) is a wholly owned subsidiary of Nordax Holding AB (corporate ID no. 556647-6726), with registered office in Stockholm, which is part of a corporate group of which the parent company is Nordax Group AB (corporate ID no. 556993-2485), with registered office in Stockholm. Consolidated financial statements are also prepared by Nordax Group Holding AB and Nordax Holding AB.

Transactions with related parties refer to internal administrative expenses for administering loans handled by Nordax Bank AB (publ) and to deferred consideration.

Note 8 Fixed-rate terms

Other non-current receivables, cash and bank balances, and bond loans have fixed-rate terms of less than three months. The average remaining fixed-rate term until first call date for the above items is 0.0 years.

Other liabilities, intercompany liabilities and equity are non-interest-bearing.

Note 9 Maturity structure

The following table analyses liabilities of the Company that will be settled on a net basis, broken down by the time remaining to contractual first call date at the balance sheet date. The amounts indicated in the table are the contractual, undiscounted cash flows.

31 December 2015	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Without maturity date	**Total**
Bond loans	18 711	18 711	1 622 994	-	-	**1 660 417**
Liabilities to Group companies	-	-	-	-	571 922	**571 922**
Other liabilities	3 156	-	-	-	-	**3 156**

31 December 2014	Less than 1 year	1 to 2 years	2 to 5 years	More than 5 years	Without maturity date	**Total**
Bond loans	33,646	33,646	1,795,014	-	-	**1,862,306**
Liabilities to Group companies	-	-	-	-	571,922	**571,922**
Other liabilities	3,156	-	-	-	-	**3,156**

Note 10 Classification of financial assets and liabilities

31 december 2015	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	**Total**
	Held for trading	*Designated at initial recognition*				
Assets						
Cash and bank balances	-	-	-	182,334	-	**182,334**
Other non-current receivables	-	-	-	2,022,482	-	**2,022,482**
Total assets	**-**	**-**	**-**	**2,204,816**	**-**	**2,204,816**
Liabilities						
Bond loans	-	-	-	-	1,631,986	**1,631,986**
Liabilities to Group companies	-	-	-	-	545,008	**545,008**
Other liabilities	-	-	-	-	2,506	**2,506**
Total liabilities	**-**	**-**	**-**	**-**	**2,179,500**	**2,179,500**

31 December 2014	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	**Total**
	Held for trading	*Designated at initial recognition*				
Assets						
Cash and bank balances	-	-	-	184,651	-	**184,651**
Other non-current receivables	-	-	-	2,192,758	-	**2,192,758**
Total assets	**-**	**-**	**-**	**2,377,409**	**-**	**2,377,409**
Liabilities						
Bond loans	-	-	-	-	1,777,071	**1,777,071**
Liabilities to Group companies	-	-	-	-	571,922	**57, 922**
Other liabilities	-	-	-	-	3,156	**3,156**
Total liabilities	**-**	**-**	**-**	**-**	**2,352,149**	**2,352,149**

Trade receivables, trade payables and prepaid/accrued interest have not been accounted for as financial instruments, as these are not material.

Note 11 Fair values of financial assets and liabilities

31 December 2015	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	182,334	182,334	-
Lending to the public[2]	2,022,482	2,022,482	-
Total assets	**2,204,816**	**2,204,816**	**-**
Liabilities			
Bond loans[3]	1,631,986	1,644,309	**12,323**
Liabilities to Group companies[1]	545,008	545,008	-
Other liabilities[1]	255	255	-
Total liabilities	**2,177,249**	**2,189,572**	**12,323**

31 December 2014	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	184,651	184,651	-
Lending to the public[2]	2,192,758	2,613,662	**420,904**
Total assets	**2,377,409**	**2,798,313**	**420,904**
Liabilities			
Bond loans[3]	1,777,071	1,779,276	**2,205**
Liabilities to Group companies[1]	571,922	571,922	-
Other liabilities[1]	188	188	-
Total liabilities	**2,349,181**	**2,351,386**	**2,205**

[1] Fair value is deemed to be the same as the carrying amount, as these are of a short-term nature.
[2] The measurement includes non-observable inputs. Lending to the public thus belongs to Level 3.
[3] Fair value data for bond loans belong to Level 2, as the inputs for measurement are based directly or indirectly on quoted prices.

Calculation of fair value

The fair values of financial instruments which are traded in an active market (such as financial instruments held for trading and available-for-sale financial instruments) are based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices from an exchange, broker, industry group, pricing service or regulatory authority are easily and regularly available, and these prices represent actual and regularly occurring arm's length market transactions. The quoted market price used for the Group's financial assets is the current bid price. These instruments belong to Level 1.

The fair values of financial instruments which are not traded in an active market are determined with the help of valuation techniques. Market data is used as far as possible when such data is available. If all significant inputs required for the fair value measurement of an instrument are observable the instrument belongs to Level 2.

In cases where one or several significant inputs are not based on observable market information the instrument is classified as Level 3.

The Company has no financial instruments measured at fair value.

Note 12 Memorandum items

All amounts in TSEK	2015-12-31	2014-12-31
Memorandum items		
Other non-current receivables	2,022,482	2,192,758
Cash and bank balances	182,334	184,651
Total memorandum items	**2,204,816**	**2,377,409**

Note 13 Significant events after the balance sheet date

There are no significant events to report.

The Board of Directors warrant that the annual report gives a true and fair overview of the operations, financial position and results of the Company, and describes significant risks and uncertainties faced by the Company.

The income statement and balance sheet will be submitted for adoption by the Annual General Meeting.

Stockholm, 10 February 2016

Christian A. Beck
Chairman of the Board

Morten Falch
Director

Johanna Clason
Director

Jacob Lundblad
Chief Executive Officer, Director

Jacob Smed
Director

We presented our audit report on 10 February 2016

Öhrlings PricewaterhouseCoopers AB

Helena Kaiser de Carolis
Authorised Public Accountant
Auditor-in-charge

Åsa Robertson
Authorised Public Accountant

FOR TRANSLATION PURPOSES ONLY

Auditor's report

To the annual meeting of the shareholders of Nordax Nordic 3 AB, corporate identity number 556961-5254

Report on the annual accounts

We have audited the annual accounts of Nordax Nordic 3 AB for the year 2015.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the annual accounts in accordance with the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Nordax Nordic 3 AB as of 31 December 2015 and of their financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual account.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Nordax Nordic 3 AB for the year 2015.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm 10 February 2016

Öhrlings PricewaterhouseCoopers AB

Helena Kaiser de Carolis
Authorised Public Accountant

Åsa Robertson
Authorised Public Accountant