

INDEPENDENT OIL & RESOURCES PLC

UNAUDITED FINANCIAL STATEMENTS

31 December 2018

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INDEPENDENT OIL & RESOURCES PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2018

	Unaudited 31.12.2018 NOK 000	Audited 31.12.2017 NOK 000
Revenue		
Dividend income	1,433	1,189
Interest income	1,398	2,109
	<u>2,831</u>	<u>3,298</u>
Net fair value gains/ (losses) on financial assets at fair value through profit or loss	1,051	8,288
Administration expenses	<u>(2,604)</u>	<u>(2,387)</u>
Operating profit	1,278	9,199
Finance income	5	418
Finance costs	<u>(1,337)</u>	<u>(768)</u>
Loss on disposal of subsidiary	-	(1,250)
Reversal of impairment of investments in associates	-	7,042
Share of results of associates before tax	<u>10,638</u>	<u>(44,462)</u>
Profit/(loss) before tax	10,584	(29,821)
Tax	-	<u>(1)</u>
Net profit/(loss) for the year	<u>10,584</u>	<u>(29,822)</u>
Other comprehensive income		
Share of losses from associates	-	(7,470)
Currency translation difference of associates	-	<u>(12,728)</u>
Other comprehensive income/ (loss) for the year	-	<u>(20,198)</u>
Total comprehensive income / (loss) for the year	<u>10,584</u>	<u>(50,020)</u>
Average number of shares	34,053,211	24,053,211
Number of shares at end of period	34,053,211	24,053,211
Net profit / (loss) per share	<u>0.311</u>	<u>(2.079)</u>

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STATEMENT OF FINANCIAL POSITION

31 December 2018

	Unaudited 31.12.2018 NOK 000	Audited 31.12.2017 NOK 000
ASSETS		
Non-current assets		
Investments in associates	131,118	101,165
Available-for-sale financial assets	<u>1,000</u>	<u>1,000</u>
	<u>132,118</u>	<u>102,165</u>
Current assets		
Receivables	484	595
Financial assets at fair value through profit or loss	56,449	83,160
Refundable taxes	168	113
Cash at bank and in hand	<u>36,714</u>	<u>13,854</u>
	<u>93,815</u>	<u>97,722</u>
Total assets	<u>225,933</u>	<u>199,887</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	85,133	60,133
Share premium	49,999	49,999
Translation reserve	33,840	33,840
Retained earnings	<u>56,586</u>	<u>46,002</u>
Total equity	<u>225,558</u>	<u>189,974</u>
Non-current liabilities		
Borrowings	-	<u>8,519</u>
	-	<u>8,519</u>
Current liabilities		
Trade and other payables	<u>375</u>	<u>1,394</u>
	<u>375</u>	<u>1,394</u>
Total liabilities	<u>375</u>	<u>9,913</u>
Total equity and liabilities	<u>225,933</u>	<u>199,887</u>

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STATEMENT OF CHANGES IN EQUITY

31 December 2018

	Share capital NOK	Share premium NOK	Translation reserve NOK	Retained earnings NOK	Total NOK
Balance at 1 January 2017	60,133	49,999	46,568	83,295	239,995
Comprehensive income					
Net loss for the year	-	-	-	(29,823)	(29,823)
Other comprehensive income for the year	-	-	(12,728)	(7,470)	(20,198)
Balance at 31 December 2017/ 1 January 2018	60,133	49,999	33,840	46,002	189,974
Comprehensive income					
Net profit for the year	-	-	-	10,584	10,584
Other comprehensive income for the year	-	-	-	-	-
Transactions with owners					
Issue of share capital	25,000	-	-	-	25,000
Balance at 31 December 2018	85,133	49,999	33,840	56,586	225,558

INDEPENDENT OIL & RESOURCES PLC

STATEMENT OF CASH FLOWS

31 December 2018

	Unaudited 31.12.2018 NOK 000	Audited 31.12.2017 NOK 000
Net cash generated from operating activities	17,170	2,140
Net cash used in investing activities	(19,310)	(12,863)
Net cash generated from financing activities	25,000	-
Cash flow in the period	22,860	(10,723)
Cash and cash equivalents at beginning of the year	13,854	24,577
Cash and cash equivalents at end of the year	36,714	13,854

Independent Oil & Resources PLC

Notes to interim financial statements

The financial statements for the period ended 31.12.2018 have been prepared in accordance with IFRS.

Long term investments in shares are accounted for using the cost method. Short term investments in shares that are traded on the Oslo Stock Exchange are accounted for using market value at the balance sheet date. Other short term investments in shares are accounted for using the cost method.

	No of shares	Book value
Investments in associate companies		
Petrolia SE	27,182,571	86,984
Petrolia Noco AS	265,000	12,473
Epsis AS	105,420	761
Noco Oil & Resources PLC	46,500	27,423
Rigloan Yields Ltd	6,400	3,477
Total investment in associate companies		131,118
Available-for-sale financial assets		
Grundingen AB	1,160,000	1,000
Helsetelefonen	5,000	-
Total available-for-sale financial assets		1,000
Total long-term investment in shares		132,118
Short-term investments		
Short-term investments at market value		
American Shipping Company	40,000	1,332
DNO International ASA	700,000	8,784
Telenor	14,000	2,345
KID ASA	20,000	720
Sparebanken Vest Egenkapitalbev.	40,000	2,120
Scatec Solar ASA	50,000	3,690
Norwegian Air Shuttle	10,000	1,735
Kvaerner ASA	100,000	1,206
Avance Gas Holding	110,000	1,360
Easybank ASA	900,000	8,100
The Scottish Salmon Company PLC	200,000	3,040
Flex LNG	250,000	3,088
Golden Ocean Group	20,000	1,047
Odfjell Drilling Ltd	50,000	1,035
Total short-term investment in shares		39,602
Short-term investments bonds		
6% USD Petrolia SE 16/19	1,888,298	16,407
Total short-term investments bonds		16,407
Bonds- Interest Receivable		440
Total short-term investment in shares and bonds		56,449