

VISTIN

PHARMA

VISTIN PHARMA ASA
FIRST QUARTER 2019 RESULTS
PUBLISHED 25 APRIL 2019

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Vistin Pharma in brief

Vistin Pharma ASA is a holding company for the two subsidiaries, Vistin Pharma AS and Vistin Trading AS (collectively, the Company, the Group or Vistin Pharma).

Vistin Pharma AS is a Norwegian pharmaceutical company producing Active Pharmaceutical Ingredients (APIs) and direct compressible granulates (DC).

The company was established in 2015 when Vistin Pharma AS acquired the metformin and opioids business and tablet production assets from Weifa AS.

In October 2017 the CMO and opioids businesses were sold to TPI Enterprises Limited. Following the sale, Vistin Pharma AS is a dedicated producer of metformin-active pharmaceutical ingredient (API) and direct compressive granulate (DC), with a strong position in the global metformin market and clear ambitions for continued growth. Metformin is used as the

first-line treatment of diabetes 2. The disease is expected to grow by 50 per cent toward 2030, affecting more than 500 million people. The global metformin market is expected to grow by four to five per cent per annum, and the company is attractively positioned to capture part of this growth.

Vistin Trading AS was established in May 2018 to carry out investments in energy related financial instruments and other energy related investment opportunities. Vistin Pharma announced on 8 January 2019 that it would close this activity.

The Company's head office is located in Østensjøveien 27, 0609 Oslo, Norway. The shares of Vistin Pharma ASA are listed on Oslo Børs.

Overview

First quarter highlights

- Pharmaceuticals: Lower volume available for sale in the quarter
 - Revenue of NOK 42.0 million for the quarter vs. NOK 52.6 million in Q1 2018
 - Sales volumes 26% lower than Q1 2018 volumes, as less volume was available for sale, due to an extended stop in the metformin production during the installation of the new packaging line
 - EBITDA negative NOK 1.5 million for Q1 vs. NOK 6.9 for Q1 2018

- Energy Trading: Minor improvement in trading positions
 - As previously announced, the Company decided to close down the Energy Trading business, but existing derivative volume maintained
 - EBITDA negative NOK 0.7 million for Q1 (including accruals for termination payments and a reversal of calculated share option costs from prior periods)
 - Unrealised financial gain on oil derivatives of NOK 6.4 million for Q1

- Other financials
 - Cash balance at of 31 March of NOK 299.6 million, and no interest-bearing debt (excluding lease liability)

Key figures

Key financial information for continuing operations for Vistin Pharma ASA

(NOK 1 000)	Q1 2019	Q1 2018	FY 2018
Total revenue and income	42 234	52 803	200 514
EBITDA	(2 957)	6 344	726
Profit/(loss) before tax from continuing operations (EBT)	2 547	7 765	(85 305)
Earnings per share for continuing operations (NOK): diluted	0,04	0,35	(1,96)
Total Assets	481 804	216 968	500 062
Cash & cash equivalents	299 550	59 385	320 733

Key figures per segment

(NOK 1 000)	Q1 2019	Q1 2018	FY 2018
<i>Total revenue and income</i>			
Pharmaceuticals	42 234	52 803	200 512
Total revenue and income	42 234	52 803	200 512
<i>EBITDA</i>			
Pharmaceuticals	(1 542)	6 891	11 523
Energy Trading	(717)	-	(6 969)
HQ & other	(699)	(547)	(3 828)
EBITDA	(2 957)	6 344	726
<i>EBT</i>			
Pharmaceuticals	(3 165)	8 313	9 574
Energy Trading	5 994	-	(91 401)
HQ & other	(283)	(548)	(3 477)
EBT	2 547	7 765	(85 302)

Financial review

Profit and loss

Pharmaceuticals

The pharmaceutical business unit had total revenues and other income of NOK 42.2 million in the first quarter 2019, compared to NOK 52.8 million in the same quarter last year. The lower revenue this quarter is mainly due to an extended production stop to install the new packaging line, resulting in less volume being available for sale.

EBITDA from Pharmaceuticals came to negative NOK 1.5 million for the first quarter, compared to NOK 6.9 million for the same quarter last year. The lower EBITDA this quarter is a direct consequence of the lower volumes available for sale.

Depreciation and amortisation for the segment were NOK 1.9 million for the first quarter, compared to NOK 1.2 million for the first quarter of 2018.

Energy Trading

Energy Trading, which was established in the second quarter of 2018, had no revenues or other income for the first quarter. The EBITDA came to negative NOK 0.7 million, which includes the reversal of NOK 2.8 million in calculated costs for employee share options, following the forfeiture of employee share options, and NOK 1.5 million in termination costs for employees.

Other

HQ and other Group activities had EBITDA of negative NOK 0.7 million for the first quarter, compared to NOK 0.5 million in the same quarter last year.

Finance

Net financial gain for the first quarter was NOK 7.4 million, compared to a net gain of NOK 2.7 million in the same quarter of 2018. The net financial gain for the quarter primarily relates to unrealised gains on oil derivatives of NOK 6.4 million.

Tax

Vistin Pharma had an income tax expense of NOK 0.6 million in the first quarter, compared to NOK 1.8 million in the corresponding quarter of 2018.

Consolidated earnings

Net profit for the first quarter was NOK 2.0 million, corresponding to earnings per share of NOK 0.04, compared to net profit of NOK 5.8 million and earnings per share of NOK 0.34 for the same quarter in 2018.

Cash Flow

Net cash flow from operating activities in the first quarter was negative NOK 15.4 million. Net cash flow from operating activities in the first quarter last year was negative NOK 14.7 million.

Net cash flow from investing activities was negative NOK 5.7 million, which represents capital expenditure for the quarter, mainly relating to the new packaging line. Net cash flow from investing activities in the same quarter last year was negative NOK 11.2 million.

There was no net cash flow from financing activities in the first quarter this year or last year.

Net decrease in cash and cash equivalents amounted to NOK 21.2 million. In the same quarter last year, there was a net decrease in cash and cash equivalents of NOK 26.0 million.

Financial position

Vistin Pharma had total assets of NOK 481.8 million as of 31 March 2019. Cash and cash equivalents amounted to NOK 299.6 million. The figures as of 31 March 2018 were NOK 217.0 million and NOK 59.4 million, respectively.

Total equity as of 31 March 2019 was NOK 348.1 million, compared to NOK 126.0 million as of 31

March 2018. This corresponds to an equity ratio of 72.2 percent (58.1 percent).

Vistin Pharma had no interest-bearing debt as of 31 March 2019, with the exception of lease

liability recognised under IFRS 16 of NOK 3.5 million.

Operational review

Pharmaceuticals

Total sales revenue in the first quarter was NOK 42.0 million, compared to NOK 52.6 million in the same quarter of 2018.

Metformin API volumes sold for the quarter were 608MT, compared to 826MT in the same quarter last year. The lower sales volume is due to the installation of a new fully automated packaging line during the first quarter, which required an extended stop in the metformin production. The extended stop resulted in less volume (approximately 230MT) being available for sale during the quarter.

The investment in a new fully automated packaging line is significant milestone for the Company in its ambition to build a state of the art manufacturing plant in Fikkjebakke, Norway, and strengthen its position as a premium supplier to the global metformin market.

The total remaining production volume for 2019 has been allocated to customers, and prices achieved are marginally higher than compared to last year.

Vistin Pharma is producing approximately 3,100MT of metformin HCl annually at its manufacturing plant at Fikkjebakke, Norway, which is the plant's current maximum capacity. The Company is working to stretch the current capacity up to 3,800 - 4,000MT through an efficiency program. The expected installed manufacturing capacity by the end of 2019 will be minimum 3,300MT.

There is a strong underlying demand for metformin globally, and the product is the standard first-line treatment for Type 2 Diabetes. The majority of Vistin Pharma's key customers are pharmaceutical companies that sell new and innovative metformin products, and the demand for the Company's metformin will therefore be dependent on the

performance of these products in the market. Key drivers for future growth are the number of diabetes patients treated with metformin containing products, and continued growth in sales volume from existing multinational customers, as well as adding new customers to its portfolio. The company is currently experiencing strong demand for its products.

The Company has completed the detailed engineering work for a potential new 3,000MT production line, and key suppliers have been selected. When sufficient volumes are secured to continue the expansion work, the Company will be able to have the 3,000MT production capacity installed within approximately 18 months.

The Board is continuously evaluating different strategic alternatives for the pharmaceutical division to maximise shareholder value.

Energy Trading

As announced on 8 January 2019, the Board of Directors of Vistin Pharma decided to close the Energy Trading business in the first quarter. Consequently, no new energy trading investments will be made. Termination agreements have been entered into with the employees affected by the close-down.

The Company has financial derivative contracts outstanding to take advantage of the global change in the sulphur specifications for marine fuel in the global shipping industry in 2020. Under these contracts, the Company is financially exposed to the difference in USD price (spread) per metric ton between ICE low sulphur Gasoil and Sing380. The total contract volume is 150,000 metric tons, and the contracts originally expired on 31 December 2020.

During the first quarter, the expiry date on contracts for 75,000 metric tons have been changed, so that 15,000 metric tons expire monthly from December 2019 to April 2020.

The market-to-market value of these contracts was negative NOK 78.6 million (NOK 0.0 million) as of 31 March 2019, an improvement of NOK 6.4 million compared to the previous quarter. Refer to Note 5 to the condensed interim financial statements for further details

Vistin Pharma will continue to manage the outstanding financial derivative contracts. The

intention is to hold these contracts until maturity, unless the potential IMO 2020 effect should significantly impact the global oil markets at an earlier date. However, depending on general market developments, and how the IMO 2020 hypothesis unfolds, the Company may decide to close some or all of these contracts at an earlier date, if the Company believes this to be in the best interest of its shareholders.

Risks and uncertainties

As a pharmaceutical manufacturing company, Vistin Pharma is exposed to several types of risks. Fluctuations in the price and availability of raw materials and the development in foreign exchange (USD and EUR) are among the most prominent.

In addition, risk related to potential regulatory changes, new medications for the treatment of diabetes II, environmental issues connected to emission permits at the Company's plant represent central risk factors to the Company.

Investments in energy derivatives and similar objects are associated with material risks. Derivative transactions by their nature entail

exposure to adverse changes in commodity prices, and risks related to derivatives could be exacerbated by volatility in the commodity, financial and other markets. There can be no assurance that the Company will be able to successfully manage the derivative contracts held. Losses may be substantial, and this would have a material adverse effect on Vistin Pharma's business, prospects, financial condition or results of operations.

For further information, please refer to Vistin Pharma's 2018 Annual Report, available on the Company's website www.vistin.com.

Outlook

Diabetes is one of the largest global health crises of the 21st century, and the metformin business is expected continue to grow as it remains the gold-standard treatment of type 2 diabetes for the foreseeable future. The majority of Vistin Pharma's key customers are pharmaceutical companies that sell new and innovative metformin products, and the demand for the Company's metformin will be

partially dependent on the market performance of these products.

Vistin Pharma has invested in energy related financial instruments, and the performance of these investments will be dependent on the development in the international energy market.

Share information

The Company had 44 344 592 issued shares on 31 March 2019. The 20 largest shareholders control 65.9 percent of the total number of outstanding shares.

Largest shareholders as of 10 April 2019

NAME	SHAREHOLDING	% SHARE
SAGA TANKERS ASA	6 284 280	14,17 %
PACTUM AS	2 678 572	6,04 %
HOLMEN SPESIALFOND	2 000 000	4,51 %
AWILCO AS	1 785 714	4,03 %
MP PENSION PK	1 770 727	3,99 %
FERNCLIFF LISTED DAI AS*	1 764 424	3,98 %
STATE STREET BANK AND TRUST COMP	1 682 320	3,79 %
SUNDT AS	1 632 416	3,68 %
SOLAN CAPITAL AS	1 600 000	3,61 %
APOLLO ASSET LIMITED	1 600 000	3,61 %
TVENGE	1 232 268	2,78 %
CAMACA AS	930 447	2,10 %
NORDA ASA	880 000	1,98 %
KM HOLDING AS	669 642	1,51 %
BERGEN KOMMUNALE PENSJONSKASSE	495 000	1,12 %
GRANT INVEST AS	474 585	1,07 %
STORFJELL AS	461 499	1,04 %
CIPRIANO AS	450 000	1,01 %
NETFONDS LIVSFORSIKRING AS	412 202	0,93 %
HJELLEGERDE INVEST AS	400 000	0,90 %
Total 20 largest shareholders	29 204 096	65,9%
Other shareholders	15 140 496	34,1%
Total number of shares	44 344 592	100,0%

* Board members of Vistin Pharma, or companies controlled by Board members

Condensed Interim Financial Statements

Consolidated Statement of Comprehensive Income

(NOK 1 000)	Note	Q1 2019	Q1 2018	FY 2018
Revenue		41 950	52 582	198 990
Other income		284	221	1 523
Total revenue and income	2	42 234	52 803	200 514
Cost of materials		18 285	19 071	73 157
Payroll expenses		15 187	16 146	69 578
Other operating expenses		11 719	11 241	57 053
Depreciation, amortisation and impairment		1 894	1 248	5 333
Operating profit/(loss)		(4 851)	5 096	(4 607)
Net financial items	4	7 398	2 668	(80 697)
Profit/(loss) before tax from continuing operations		2 547	7 765	(85 305)
Income tax expense		560	1 786	(16 347)
Profit/(loss) for the period from continuing operations		1 986	5 979	(68 957)
Profit/(loss) for the period from discontinued operations		-	(141)	(4 668)
Profit/(loss) for the period		1 986	5 838	(73 625)
<i>Other comprehensive income not to be reclassified to profit and loss in subsequent periods:</i>				
Actuarial losses on defined benefit plan		-	-	95
Income tax effect		-	-	(21)
Total comprehensive income for the period		1 986	5 838	(73 699)
Earnings per share (NOK): basic		0,04	0,34	(2,09)
Earnings per share (NOK): diluted		0,04	0,34	(2,09)
Earnings per share for continuing operations (NOK): basic		0,04	0,35	(1,96)
Earnings per share for continuing operations (NOK): diluted		0,04	0,35	(1,96)

Condensed Interim Financial Statements

Consolidated Statement of Financial Position

(NOK 1 000)	Note	31.03.2019	31.03.2018	31.12.2018
ASSETS				
Non-current assets				
Property, plant & equipment		94 526	73 241	88 550
Right -of-use-assets		3 853	-	-
Total non-current assets		98 379	73 241	88 550
Current assets				
Inventory		27 090	19 593	29 071
Trade receivables		22 032	44 342	27 363
Other receivables		13 096	18 383	12 126
Deferred tax assets		21 658	2 027	22 219
Cash & cash equivalents	6	299 550	59 385	320 733
Total current assets		383 426	143 730	411 512
Total Assets		481 804	216 968	500 062
EQUITY AND LIABILITIES				
Equity				
Share capital	7	44 344	17 055	44 344
Share premium		273 402	1 074	273 401
Other paid-in capital		-	-	2 777
Retained earnings		30 316	107 867	28 329
Total equity		348 062	125 996	348 852
Non-current liabilities				
Deferred tax liabilities		-	1 744	0
Lease liabilities		2 386	-	-
Other long-term liabilities		20 510	15 135	16 877
Total non-current liabilities		22 896	16 879	16 877
Current liabilities				
Trade payables		15 935	37 882	29 469
Tax Payables		(738)	(1 537)	-
Other current liabilities		95 653	37 749	104 864
Total current liabilities		110 849	74 094	134 333
Total liabilities		133 745	90 972	151 210
Total Equity and Liabilities		481 804	216 968	500 062

Condensed Interim Financial Statements

Statement of Changes in Equity

(NOK 1 000)	Note	Share capital	Share premium	Other capital reserves	Retained earnings	Total equity
Equity as at 01.01.2018		17 055	1 074		102 028	120 157
Total comprehensive income					5 838	5 838
Equity as at 31.03.2018	7	17 055	1 074	-	107 866	125 995
Equity as at 01.01.2019		44 345	273 401	2 777	28 330	348 853
Total comprehensive income		-	-		1 986	1 986
Share-based payment				(2 777)		(2 777)
Equity as at 31.03.2019		44 345	273 401	-	30 316	348 061

Condensed Interim Financial Statements

Cash Flow Statement

(NOK 1 000)	Note	Q1 2019	Q1 2018	FY 2018
Cash flow from operating activities				
Net profit/(loss) before income tax from continuing operations		2 547	7 765	(85 304)
Net profit/(loss) before income tax from discontinued operations		-	(183)	(6 062)
Net profit/(loss) before income tax		2 547	7 582	(91 366)
Adjustments to reconcile profit before tax to net cash flow:				
Income tax paid		(738)	(2 570)	(1 684)
(Gain)/loss on sale of subsidiary		-	-	5 500
Non-cash adjustment to reconcile profit before tax to cash flow:				
Depreciation, amortisation and impairment		1 894	1 248	5 346
Share-based payment	9	(2 777)	-	2 777
Unrealised foreign currency (gains)/losses		(451)	(3 292)	-
Unrealised financial derivatives (gains)/losses		(6 373)	-	84 971
Changes in working capital:				
Changes in trade receivables and trade creditors		(10 339)	(20 088)	(20 817)
Changes in inventory		1 981	3 062	(6 416)
Changes in other accruals and prepayments		(1 192)	(664)	(17 157)
Net cash flow from operating activities		(15 449)	(14 722)	(38 846)
Cash flow from investing activities				
Net proceeds from sale of subsidiary		-	(6 959)	(5 500)
Purchase of equipment and intangibles		(5 734)	(4 272)	(18 074)
Net cash flow from investing activities		(5 734)	(11 231)	(23 574)
Cash flow from financing activities				
Proceeds from share issue		-	-	305 644
Transaction costs on the issue of shares		-	-	(7 828)
Net cash flow from financing activities		-	-	297 816
Net change in cash and cash equivalents		(21 182)	(25 952)	235 396
Cash and cash equivalents beginning period		320 733	85 336	85 336
Cash and cash equivalents end period		299 550	59 385	320 733

Notes to the Condensed Interim Financial Statements

1. Corporate information

Vistin Pharma ASA is a limited liability company, with its registered office at Østensjøveien 27, Oslo, Norway. Vistin Pharma's shares are listed on Oslo Børs in Norway under the ticker VISTIN.

Vistin Pharma ASA, and its subsidiaries, (collectively, Vistin Pharma or the Group), are principally engaged in the production and sale of metformin APIs (active pharmaceutical ingredient) for the international pharmaceutical market, and the investment in energy related investment opportunities.

2. Basis of presentation and changes to the Group's accounting policies

The financial information is prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). This financial information should be read together with the financial statements for the year ended 31 December 2018, prepared in accordance with International Financial Reporting Standards ("IFRS"). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. The figures are unaudited.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new standards effective as of 1 January 2019.

The Group has adopted IFRS 16 from 1 January 2019 using the modified retrospective method for all lease agreements existing on the implementation date. Comparative figures have not been restated, as permitted under the modified retrospective method. The Group has applied transition reliefs where the lease asset is equal to the lease liability at the transition date. The Group will apply the two recognition exemptions in the standard, for low value items and short-term leases.

The Group's leasing activities and how these are accounted for:

The Group leases offices in Oslo, and some equipment, cars and trucks. Rental contracts are typically made for fixed periods of 3 to 8 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, leases of property, plant and equipment were classified as operating leases. Payments made under operating leases were charged to profit or loss on a straight-line basis over the period of the lease. The Group did not have any finance leases as of 31 December 2018.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

2. Basis of presentation and changes to the Group's accounting policies (continued)

- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under any residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise any leased IT-equipment and other small items with a value of less than NOK 50k.

Financial impact on adoption of IFRS 16

Following is a reconciliation of the operating lease commitment as of 31 December 2018, and the lease liability as of 1 January 2019:

(NOK 1 000)	01.01.2019
Operating lease commitments at 31 December 2018	4 091
Low-value leases	-16
Discounted at applicable interest rate	-223
Lease liability recognised as at 1 January 2019	3 853
Of which are:	
Current lease liabilities	1 467
Non-current lease liabilities	2 386
	<u>3 853</u>

The change in accounting policy affected the balance sheet at 1 January 2019 as follows:

- Right of use assets - increased by NOK 3.9 million
- Lease liability - increased by NOK 3.9 million

The change in accounting policy affected the profit and loss for the first quarter 2019 as follows:

- Operating expenses - decreased by NOK 0.4 million
- Depreciation - increased by NOK 0.4 million
- Interest expense - increased by NOK 0.020 million

Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the interim condensed consolidated financial statements of the Group.

3. Segment reporting

Following the establishment of an energy trading business in the second quarter 2018, the Group has two operating segment, which is the production and sale of metformin products and energy trading. In January 2019, the Company has decided to close down the energy trading business.

(NOK 1 000)	Q1 2019	Q1 2018	FY 2018
Total revenue and income			
Pharmaceuticals	42 234	52 803	200 513
Energy Trading	-	-	-
HQ & Other	-	-	-
Total revenue and income	42 234	52 803	200 513
EBT			
Pharmaceuticals	(3 165)	8 313	9 574
Energy Trading	5 994	-	(91 401)
HQ & Other	(283)	(548)	(3 477)
EBT	2 547	7 765	(85 304)

Operating assets (NOK 1 000)	31.03.2019	31.03.2018	31.12.2018
Pharmaceuticals	125 842	135 146	122 765
Energy Trading	-	-	-
HQ & Other	334 304	79 795	355 077
Total segments	460 146	214 941	477 843

Operating liabilities (NOK 1 000)	31.03.2019	31.03.2018	31.12.2018
Pharmaceuticals	17 600	37 857	26 996
Energy Trading	530	-	84 982
HQ & Other	116 354	52 909	39 232
Total segments	134 484	90 766	151 210

Reconciliation of assets (NOK 1 000)	31.03.2019	31.03.2018	31.12.2018
Segment operating assets	460 146	214 941	477 843
Deferred tax assets	21 658	2 027	22 219
Total operating assets	481 804	216 968	500 062

Reconciliation of liabilities (NOK 1 000)	31.03.2019	31.03.2018	31.12.2018
Segment operating liabilities	134 484	90 766	151 210
Tax payable	(738)	206	-
Total operating liabilities	133 745	90 972	151 210

4. Financial items

(NOK 1 000)	Q1 2019	Q1 2018	FY 2018
Gains (losses) on net foreign exchange	412	2 804	4 070
Interest income and other financial items	781	870	807
Gains (losses) on derivative financial instruments	6 373	-	(84 972)
Interest and other financial expenses	(168)	(1 005)	(603)
Net financial items	7 398	2 668	(80 698)

5. Financial derivatives

During the second quarter 2018, the Group entered into financial oil derivatives with a commercial bank as counterparty. These derivatives are valued based on the prices of the underlying oil products, which are quoted in regular markets. Under these contracts, the Company is financially exposed to the difference in USD price (spread) per metric ton between ICE low sulphur Gasoil and Sing380. The derivatives are shown in the table below.

Type of instrument	Volume (mt)	Maturity date	Value at inception (USD/mt)	Market price 31.03.19 (USD/mt)	MTM 31.03.19 (NOK 1 000)
ICE low sulphus vs Sing380	15 000	Dec2019	345,10	267,15	n.a
ICE low sulphus vs Sing381	15 000	Jan2020	345,10	276,32	n.a
ICE low sulphus vs Sing382	15 000	Feb2020	345,10	283,40	n.a
ICE low sulphus vs Sing383	15 000	Mar2020	345,10	287,03	n.a
ICE low sulphus vs Sing384	15 000	Apr2020	345,10	288,26	n.a
ICE low sulphus vs Sing384	75 000	Dec2020	337,00	274,56	n.a
Total	150 000				(78 598)

As of 31 March 2019, the market-to-market value of these contracts was negative NOK 78.6 million, which has been included as a financial liability in the statement of financial position. An unrealised gain of NOK 6.4 million has been recognised as a financial gain in the statement of comprehensive income for the first quarter 2019. Any increase/decrease in the spread between the prices of the underlying oil products by 1% would increase/decrease the total value of the contracts outstanding by approximately NOK 4 million.

The derivative contracts do not result in physical delivery of the oil products, but the market-to-market value of the derivatives is settled when the contracts are terminated by the Group. A margin call of approximately 20% of the total contract exposure, plus the unrealised losses on the contracts, is deposited with the counter party, as security for any potential losses. The actual minimum margin requirement as of 31 March 2019 was NOK 158.2 million. The amount has been included in cash and cash equivalents in the statement of financial position.

6. Cash and cash equivalents

(NOK 1 000)	31.03.2019	31.03.2018	31.12.2018
Cash at bank	54 235	56 385	71 198
Restricted cash	15 953	3 000	15 953
Money market funds	70 494	-	70 055
Deposit margin call	158 868	-	163 526
Cash and cash equivalents	299 550	59 385	320 733

The deposit for margin-call relates to the outstanding derivate contracts as of 31 March 2019. Please refer to Note 5 for additional details.

7. Share capital

	Number of shares (1 000)	Share capital (NOK 1 000)
At 1 Januar 2018	17 055	17 055
At 1 March 2018	17 055	17 055
At 1 January 2019	27 290	44 345
At 31 March 2019	27 290	44 345

8. Interest-bearing debt

The Group had interest-bearing debt of NOK 3.5 million as of 31 March 2019 relating to rental and leasing obligations recognised under IFRS 16 (31.03.18: 0).

9. Employee share options

In 2018, 4 million share options were issued to employees of the energy trading business. As a result of the resignation and/or termination of these employees, these share options were forfeited, as defined by IFRS 2, during the first quarter 2019. NOK 2.8 million in employee share option costs recognised in 2018 were thus reversed during the first quarter 2019. The Company has no share options outstanding as of 31 March 2019 (31.03.18: 0).