Endúr ASA

Interim Report

Q1-2019

endur.no

Interim report Q1 2019

Profit and revenue growth

- Revenue of NOK 124 million
- EBITDA of NOK 7.8 million
- EBIT of NOK 4.9 million

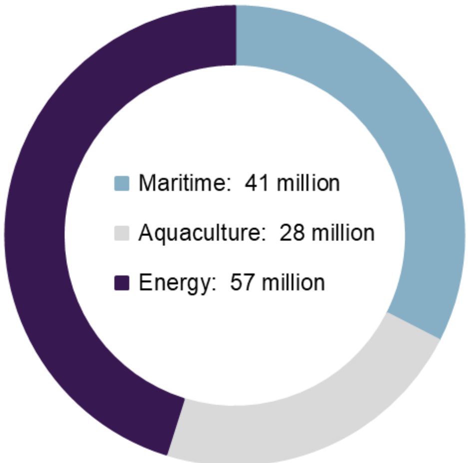
Successful completion of the business merger with Endúr Energy Solutions

- The business merger finalized on February 20, 2019, with a subsequent name change from Bergen Group ASA to Endúr ASA.
- Focus on the market areas Maritime, Aquaculture and Energy.

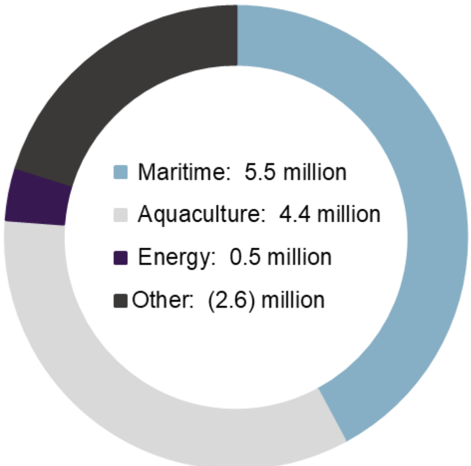
Continued growth focus

- The company maintains a growth strategy focusing on both structural and organic growth.
- Prioritization of measures that will be able to further increase our attraction and competitiveness in those markets where the companies already have established positions

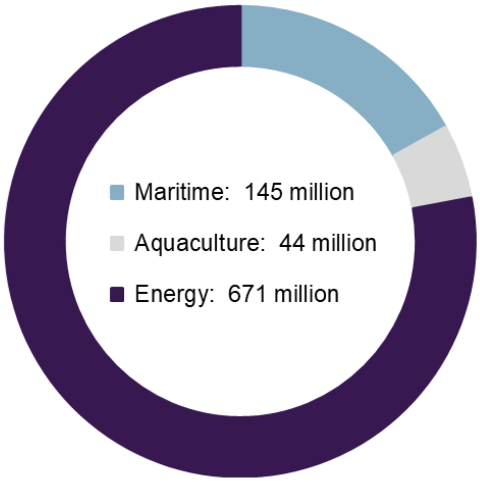
External operating revenue



EBITDA



Order backlog



Endúr ASA

Completed Business Merger

On February 20, 2019, the market was informed that all conditions for the implementation of the previously announced transaction with the owner of Endúr Energy Solutions AS and its subsidiaries were met and finalized.

In connection with the completed merger, the Group's name was changed from Bergen Group ASA to Endúr ASA, effective from February 20, 2019. From February 21, the company's ticker on the Oslo Stock Exchange was changed from BERGEN to ENDUR.

Financial Review

This interim report has been developed according to IAS 34 "Interim Financial Reporting". Because former shareholders of Endúr Energy Solutions own more than 50 % of the shares in Endúr ASA after the aforementioned business merger, the business merger has been recognised as a reverse takeover according to IFRS 3. This entails that this report and the Group's future financial information will constitute a continuation of the consolidated accounts of Endúr Energy Solutions, with the associated comparative figures.

The former Bergen Group has been included in the accounts effective from the time of the transaction, February 2019. Figures from January 2019 for the former Bergen Group is therefore not included in the financial report for Endúr ASA in 2019.

Profit and Loss Q1 2019

The Group's revenue in Q1 2019 was NOK 124 million. The operating result before depreciation and amortization (EBITDA) constituted NOK 7.8 million and the operating result (EBIT) constituted NOK 5.0 million in Q1 2019.

Net financial posts constituted NOK -0.9 million in Q1 2019.

Result before tax in Q1 2019 was NOK 4.1 million. Result after tax in Q1 2019 was NOK 3.5 million.

Balance sheet by the End of Q1 2019

The Group's total balance by the end of Q1 2019 is NOK 360 million.

Net interest-bearing debt by the end of Q1 2019 is NOK 36.2 million. NOK 17 million concerns a convertible loan, NOK 14.6 million concerns a bank loan in connection with the purchase of a new business in Q3 2018, NOK 7 million concerns seller credit for the purchase of shares in Endúr Energy Solutions AS, NOK 42.5 concerns leasing obligations connected to the Group's long-term lease agreements. Cash and cash equivalents constitute NOK 45 million.

The Group's equity by the end of Q1 2019 was NOK 125.1 million, corresponding to an equity ratio of 35 %.

Cash Flow Q1 2019

Endúr generated a net positive cash flow of NOK 28.5 million in Q1 2019. Cash flow from operating activities was negative NOK 13 million. This was mainly due to an increase in working capital related to ongoing projects. Cash flow from investing activities was positive NOK 45.2 million. This was mainly due to the business combination in February 2019. Cash flow from financing activities was negative NOK 3.7 million. This was mainly due to downpayment of lease liabilities and payment of interests.

Reporting Segments

This interim report reports for the following independent segments:

- **Segment Energy** (Endúr Energy Solutions AS, Endúr Industrier AS, Endúr PMAE AS and Endúr AAK AS)
- **Segment Maritime** (Endúr Maritime AS)
- **Segment Aquaculture** (Endúr Sjøsterk AS, Endúr Eiendom AS)
- **Other** (other business within the Group)

Energy

NOK'000	Q1 2019	Q1 2019 Proforma*
Operating revenue	57 393	62 100
EBITDA	478	978
EBIT	(929)	(454)
Order backlog	670 950	670 950

*Proforma figures showing Q1 2019 if the business merger had happened on January 1, 2019.

Segment Energy consists of Endúr AAK AS (formerly Bergen Group AAK), Endúr Energy

Solutions AS and the two subsidiaries Endúr Industrier AS and Endúr PMAE AS.

The main market for this segment includes deliveries connected to the maintenance, modification, installation, fabrication and reconstruction of complex oil and gas installations both onshore and offshore.

The activity of the above companies is related to various framework agreements. This includes, among others, a 5-year contract for the maintenance, modification and shutdowns at Esso's refinery at Slagentangen near Tønsberg. The contract is operated by Endúr Energy Solutions AS, starting in Q1 with increasing activity levels through 2019. An MMO agreement with Wintershall (2016-2020) as subcontractor related to Brage Well connection, as well as a 4-year agreement (2018-21) with Aker BP connected to the maintenance and support of al Aker BP installations. In addition, a limited project for Equinor connected to the disassembly of a gas turbine and generator with associated equipment at the Mongstad facility in Nordhordland was completed.

The main activity of Endúr Industrier AS is connected to delivery of various prefab and maintenance services towards both the onshore and offshore markets. The company has a stable and varied customer portfolio, and has in the quarter had good utilization of capacity and sufficient profitability.

Endúr AAK AS delivers complex service assignments connected to maintenance and modification work within various fields. The services are delivered towards a number of sectors with challenging access. The winter season is defined as the low season for rope access services within parts of the market.

Maritime

NOK'000	Q1 2019	Q1 2019 Proforma*
Operating revenue	40 621	51 831
EBITDA	5 504	4 604
EBIT	4 375	2 760
Order backlog	145 500	145 500

*Proforma figures showing Q1 2019 if the business merger had happened on January 1, 2019.

Segment Maritime consists of Endúr Maritime AS (formerly Bergen Group Services AS). Endúr Maritime AS has a well-established position within maritime service and ship-technical maintenance based on the company's extensive competence within the implementation of complex maritime service projects. Their primary market is West Norway, but the extent of travel-based assignments in other parts of the country and towards offshore installations has shown increasing levels of activity in the past few years.

Ship-technical maintenance and maritime service towards the civilian market has increased in activity in Q1 compared to previous quarters. The activity towards the Norwegian Armed Forces in Q1 has shown an increase, among others due to activities connected to the shipwreck of the frigate "Helge Ingstad" and subsequent work after it was fully lifted.

In total, the activity in most of the quarter has been at a level considered satisfactory.

The machining department at Straume/Sotra is continued, while the prefab activities were liquidated in January 2019 (this is described in the previous interim report). The liquidation costs mainly affect 2018.

Aquaculture

NOK'000	Q1 2019	Q1 2019 Proforma*
Operating revenue	27 680	36 960
EBITDA	4 440	5 740
EBIT	4 285	5 507
Order backlog	44 000	44 000

*Proforma figures showing Q1 2019 if the business merger had happened on January 1, 2019.

Segment Aquaculture consists of Endúr Sjøsterk AS (formerly Bergen Group Sjøsterk AS) and Endúr Eiendom AS (formerly Bergen Group Sjøsterk Eiendom AS). Currently the segment includes the production of turnkey feeding barges for the fish farming industry, as well as other floating concrete constructions.

High activity levels in Q1 are connected to the construction of five different feeding barge projects that are all due for completion and delivery to customers during Q2 and Q3 2019.

The production of three concrete hulls was completed in February, and large parts of the production of further two concrete hulls that will also be used for feeding barges were carried out in the quarter. The completion and outfitting work is carried out at a dock cnnected to Endúr Maritime AS' activities at Laksevåg, and thus opens for operational synergy effects between the two companies.

Endúr ASA

Other

NOK'000	Q1 2019	Q1 2019 Proforma*
Operating revenue	686	1 016
EBITDA	(2 626)	(3 448)
EBIT	(2 694)	(3 548)

*Proforma figures showing Q1 2019 if the business merger had happened on January 1, 2019.

Segment Other constitutes other Group activities. This also includes various process and consulting costs related to the Group's ongoing growth strategy, hereunder purchasing processes.

QHSE

Endúr ASA works systematically and continuously on improving QHSE (Quality, Health, Safety and Environment) performance, systems and safety culture connected to all operations within the Group. The Group has a zero vision for HSE and incidents impacting the external environment as well as a zero-error philosophy within quality. The goal is to avoid employees being injured or ill at work, ensure the right quality of our deliveries and avoid impact on our surroundings.

In Q1 2019 the Group had a lost time incident leading to 1 day's absence after a fall on the ice. Accumulated HSE target figures for 2019 includes all company activities:

- LTI / H1 = (8,04) (Injury leave frequency)
- TRI / H2 = (8,04) (Total work injury frequency)
- F value = (8,04) (Absence day frequency)

The target figures are considered acceptable.

In Q1, the Group's businesses have followed the established programs for continuous quality and HSE work. The company maintains its focus on increased reporting of suggestions for improvement and the implementation of risk assessment. Endúr ASA focuses on utilizing synergy effects of the QHSE work across the units. This work is governed by resources within quality and HSE in the merged Group.
The systematic work on avoiding injuries and quality errors also continues together with the Group's partners and by involving skilled employees in ongoing projects.

HR / Personnel

Per March 31, 2019, Endúr ASA had 277 employees, all mainly permanent, full-time employees. This is a net reduction of 4 employees since 31 December 2018. The figure reflects a small increase in the number of employees in Endúr AAK and Endúr PMAE, and a reduction within Endúr Maritime, Endúr Energy Solutions and Endúr Industrier.

Competence: Continuous competence development is necessary to strengthen the Group's competitive power. The development of each employee's competence is carried out through the personal experience built up by the employees themselves through their daily work, as well as through internal development processes and using external resources.

Sick leave: In Q1 2019, the total sick leave in the Group's companies was around 1.7%. The long-term sick leave is not work-related. A positive reduction compared to the same period in 2018, when the sick leave was 5.13%.

Work environment: The work environment is generally considered good. Endúr has a zero tolerance towards all types of harassment, discrimination or other behaviour that colleagues, business relations or others may perceive as threatening or derogatory.

Risks and Uncertainty

Endúr ASA is exposed to risks of both operational and financial character. The Board of Endúr ASA focuses strongly on ethics and risk management, and works actively to reduce the total risk exposure of the Group. The most important risk factors are financial risks, market risks and operational risks.

Endúr ASA considers operational risks to be the greatest risk factor. Operational risks are mainly connected to carrying out projects and deliveries at the right time, with the right quality and at a cost that provides profitability.

The Group works systematically on risk management in all segments and subsidiaries. All managers in the Group and its subsidiaries are responsible for risk management and internal control within their business areas.

The financial risk scenario is handled by the respective companies on an independent basis, and is currently mainly considered connected to periodic, short-term liquidity fluctuations. The Group's current total liquidity position is considered satisfactory, but has been weakened throughout 2018 due to negative profit combined with the implemented acquisitions. The implemented measures aiming to ensure profitability within all Group units are assumed to have a positive effect in the future.

The Group works systematically on risk management in all segments and subsidiaries. All managers within the Group and its subsidiaries are responsible for the risk management and internal control within their business areas.

We refer to the Annual Report for 2018 for a further description of the Group's risk factors and risk management. Beyond what is mentioned above, per May 2, 2019, the Board does not consider that any risk elements impacting the Group negatively to a significant degree are present.

Share Capital and Shareholder Information

When implementing the business merger on February 20, 2019, the company's par value was written down from NOK 1 to NOK 0.01 per share. The share capital was then increased by NOK 1 186 500 by issuing 118 650 000 new shares, each priced at NOK 0.01, at an issue price of NOK 0.01 per share. The exchange ratio of 79.1 shares in Bergen Group ASA for each share in Endúr Holding AS entails a value of NOK 1.44 for each share in Bergen Group ASA on a fully watered-down basis.

For further details around the transaction, we refer to the Information Document distributed via Oslo Stock Exchange on December 14, 2018, as well as subsequent stock exchange announcements until the notice about the finalized fusion on February 20, 2019.

Shareholders: By the end of Q1 2019, the company had a total of 1,507 shareholders, compared to 1,482 shareholders by the end of Q4 2018. An updated overview over the company's 20 largest shareholders is available on the company's IR pages at www.endúr.no.

Share trades and share price: In Q1 2019, a total of 531 trades were carried out with the company shares, with a total volume of 2.26 million shares. Corresponding figures for Q4 2018 were 830 trades and 4.5 million shares in total volume. During Q1 2019, the company's shares were traded at prices between NOK 1.15 and NOK 1.45 (NOK 1.15 and NOK 1.62 in Q4 2018).

The final price on Friday March 29, 2019 (the last trade day of the quarter) was NOK 1.21 (NOK 1.23 by the end of Q4 2018). This values the company's market value in the stock market to NOK 257 million by the end of Q1 2019.

Future Outlook

The Board of Endúr ASA maintains a growth strategy focusing on both structural and organic growth. In the following growth process, the Board will assume measures that can further increase the attractiveness and competitiveness of the companies in those markets where we already have established positions. The Group expects future growth to happen both through organic growth and acquisitions.

Energy: Through the transaction, the Group has gotten an important foothold as a supplier towards the oil and gas industry. In 2018, the company increased its amount of orders significantly, and has gotten an operative foothold through long-term framework agreement and project deliveries towards several different players in the oil and gas industry.

Maritime: The market outlook connected to ship maintenance, engine maintenance and maritime services is considered good, with a potential for further long-term growth.

Aquaculture: The market for concrete barges to the fish farming industry in Norway has varied some over time, both connected to the industry's investment profile and to a certain degree in relation to a varying price difference between steel and concrete plates. Concrete barges have lower operational and maintenance costs than traditional steel barges and a life cycle cost considered to be competitive. The basis for a continued high degree of activity and good utilization of capacity in this segment is considered good for the quarters to come.

Order backlog

By the end of Q1 2019, Endúr ASA had a total order backlog of NOK 860 million. The order backlog reflects remaining value from signed contracts, including estimated future call-offs of contractual framework agreements and other time-limited agreements, where certain agreements expires in 2022. Options connected to signed agreements and contracts are not taken into account in the order backlog.

Bergen, May 2, 2019

The Board and CEO of Endúr ASA

Hans Petter Eikeland, Chairman of the Board
Rune Skarveland
Tove Ormevik
Bente Stangeland
Kristoffer Hope, employee-representative
Jorunn Ingebrigtsen, employee-representative

Nils Hoff, CEO

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

NOK'000	NOTE	Q1 2019	Q1 2018
Operating revenue	3, 4	**124 045**	33 119
Cost of sales		**(58 165)**	(9 149)
Payroll expenses		**(42 219)**	(22 756)
Other operating expenses		**(15 863)**	(3 347)
Operating profit/loss before depr., impairm. (EBITDA)	3	**7 799**	(2 133)
Depreciation, amortisation, impairment	5, 6	**(2 760)**	(1 552)
Operating profit/loss (EBIT)	3	**5 038**	(3 686)
Financial income	10	**260**	32
Financial expenses	10	**(1 190)**	(363)
Profit/loss before tax		**4 109**	(4 017)
Income tax expense		**(630)**	-
Profit/loss for the period		**3 479**	(4 017)
Profit/loss attributable to:			
Owners of the parent Company		**3 479**	(4 017)
Non-controlling interests		**-**	-
Earnings per share			
Basic earnings per share (NOK)		**0,02**	(0,03)
Diluted earnings per share (NOK)		**0,02**	(0,03)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK'000	NOTE	Q1 2019	Q1 2018
Profit/loss for the period		**3 479**	(4 017)
Items which may be reclassified in the Income Statement in subsequent periods		**-**	-
Items which will not be reclassified in the Income Statement in subsequent periods		**-**	-
Total comprehensive income		**3 479**	(4 017)
Total comprehensive income attributable to:			
Owners of the parent Company		**3 479**	(4 017)
Non-controlling interests		**-**	-
		3 479	(4 017)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK'000	NOTE	31.03 2019	31.12 2018	01.01 2018
ASSETS				
Deferred tax asset		**20 421**	1 772	-
Intangible assets and goodwill	2, 5	**113 585**	-	-
Property, plant and equipment	6	**55 806**	17 528	22 963
Other receivables	10	**2 542**	4 570	-
Non-current assets		**192 355**	23 870	22 963
Inventories		**3 589**	-	-
Contract assets	4	**46 396**	20 039	10 605
Trade and other receivables	4, 11	**72 929**	32 214	36 199
Cash and cash equivalents	7, 11	**45 008**	16 543	35 219
Current assets		**167 922**	68 796	82 023
Total assets		**360 277**	92 666	104 986
EQUITY				
Share capital	8	**2 126**	52 000	22 000
Share premium		**167 067**	-	80 000
Other paid-in capital		**130**	-	-
Not registered capital increase		**-**	-	30 000
Retained earnings		**(44 139)**	(47 618)	(118 487)
Equity		**125 183**	4 382	13 513
LIABILITIES				
Loans and borrowings	9, 11	**13 875**	-	-
Lease liabilities	9, 10	**28 844**	11 734	16 685
Other non-current liabilities		**3 518**	-	-
Non-current liabilities		**46 237**	11 734	16 685
Loans and borrowings	9, 11	**24 816**	-	-
Lease liabilities	9, 10	**13 676**	4 951	4 671
Trade and other payables	11	**102 049**	40 508	31 835
Contract liabilities	4	**14 616**	-	-
Provisions		**33 700**	31 091	38 283
Current liabilities		**188 857**	76 550	74 789
Liabilities		**235 094**	88 284	91 473
Total equity and liabilities		**360 277**	92 666	104 986

Endúr ASA

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

NOK'000	NOTE	Q1 2019	Q1 2018
CASHFLOW FROM OPERATING ACTIVITIES			
Profit/loss for the period		**3 479**	(4 017)
Adjustments for:			
Tax expense / Tax income		**630**	-
Depreciation, amortisation, impairment	5, 6	**2 760**	1 552
Items classified as investments and financing activities		**928**	-
Share option expense		**130**	-
Changes in:			
Trade and other receivables		**(1 320)**	16 150
Trade and other payables		**(2 317)**	(21 782)
Inventories / contract assets & liabilities		**(17 219)**	(532)
Other current accruals		**(72)**	(5 063)
Net cash from operating activities		**(13 001)**	(13 692)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	5, 6	**133**	100
Acquisition of property, plant and equipment	5, 6	**(222)**	-
Business combination, net cash	2	**45 275**	-
Net cash from investing activities		**45 186**	100
CASHFLOW FROM FINANCING ACTIVITIES			
Payment of interests		**(928)**	-
Repayment of lease liabilities		**(2 604)**	(1 142)
Repayment of borrowings		**(188)**	-
Net cash from financing activities		**(3 720)**	(1 142)
Net change in cash and cash equivalents		**28 465**	(14 734)
Cash & cash equivalents at start of period		**16 543**	35 219
Cash & cash equivalents at end of period	7	**45 008**	20 485
Of which restricted cash at the end of the period	*7*	**11 734**	2 321

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK'000	NOTE	Share capital	Share premium	Other paid-in capital	Not registered capital increase	Retained earnings	Total equity
Equity 01.01.2018		**22 000**	**80 000**	**-**	**30 000**	**(118 487)**	**13 513**
Profit (loss)		-	-	-	-	(9 131)	(9 131)
Registered capital increase		30 000	-	-	(30 000)	-	-
Transferred share premium to cover losses		-	(80 000)	-	-	80 000	-
Equity 31.12.2018		**52 000**	**-**	**-**	**-**	**(47 618)**	**4 382**
Equity 01.01.2019		**52 000**	**-**	**-**	**-**	**(47 618)**	**4 382**
Business combination	2	(49 874)	178 642	-	-	-	128 768
Business combination - other effects	2	-	(11 575)	-	-	-	(11 575)
Profit (loss)		-	-	-	-	3 479	3 479
Equity effect of share options		-	-	130	-	-	130
Equity 31.12.2019		**2 126**	**167 067**	**130**	**-**	**(44 139)**	**125 183**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

The consolidated accounts have been prepared in accordance with EU approved International Financial Reporting Standards (IFRS), associated interpretations, IAS 34 "Interim Financial Reporting". The consolidated accounts is for the period 01.01.2019 until 31.03.2019. As a result of the business combination, this is the first time the financial statements are presented with IFRS as the accounting language. See notes 2 and 12 for more information.

1.1 Functional and presentation currency
The consolidated accounts are presented in NOK, which is also the functional currency of the parent company. Financial information is stated in NOK thousands, unless otherwise specified.

1.2 Basis of consolidation
The consolidated accounts include the parent company Endúr ASA, subsidiaries, and the group’s shares in associated companies and joint ventures. The parent company and the subsidiary are referred to collectively as “the group” and individually as “group companies”.

Business combinations
The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred.

Subsidiaries
A subsidiary is a company controlled by the group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control
When the group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation
Transactions between group companies and inter-company balances, including internal profit and unrealised gains and losses, are eliminated.

1.3 Usage of judgements and estimates
Preparation of the annual accounts in accordance with IFRS includes valuations, estimates and assumptions that influence both the choice of accounting principles applied and reported amounts for assets, obligations, income and expenses. During preparation of the annual accounts, the management has used estimates based on best judgement and assumptions that are considered realistic based on historical experience. Actual amounts may differ from estimated amounts.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 4 Whether revenue is recognized over time or at a point in time. Identification of performance obligations in customer contracts.

Note 10 Classification of lease contracts

Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year to come is included in the following notes:

Note 1 Business combination; the fair value of the consideration transferred, and the fair value of the identifiable net assets acquired

1.4 Foreign currency
Foreign currency transactions
Transactions in foreign currencies are translated into functional currency for the respective group companies using the exchange rate at the time of the transaction. Monetary items in foreign currency are translated to functional currency using the exchange rate on the balance sheet date.
Foreign currency differences are generally recognised in profit or loss.

1.5 Revenue recognition
Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over goods or services to a customer.
Under IFRS 15, a five-step model applies to all customer contracts. Only approved customer contracts with a firm commitment is basis for revenue recognition. Variation orders are included when they have been approved, either verbally, in writing or implied by customary business practice. The deliveries in the contracts are reviewed to identify distinct performance obligations. For the majority of the identified performance obligations, control has been assessed to be transferred to the customer over time as the performance obligation is satisfied. Revenue is recognized over time using a cost based progress method, or revenue is recognized as time and materials are delivered to the customer. These methods are assessed to best reflect the pattern of transfer of control of goods and services to the customer.

Variable considerations are included in revenue when they are highly probable. The transaction price of performance obligations is adjusted for significant financing components to reflect the time value of money. Financing components may exist when the expected time period between the transfer of the promised goods and services and the payment is more than twelve months. This assessment is performed at the contract inception. Profit is not recognized until the outcome of the performance obligations can be measured reliably. Contract costs are expensed as incurred. The full loss is recognized immediately when identified on loss-making contracts.

Service and maintenance contracts
The contracts are mainly reimbursable, but lumpsum contracts or elements of lumpsum exist. Each service job is usually assessed as a separate performance obligation. Revenue is normally recognized according to delivered time and materials. Contracts with a significant lumpsum element usually use a cost progress method to determine progress and recognize revenue. Payment terms are normally 30 days after time and materials are delivered.

Construction contracts
Revenue is recognized over time based on the cost-to-cost method. The related costs are recognized in profit or loss when they are incurred. Payment terms are usually based on milestones. Advances received are included in contract liabilities. Non invoiced revenue are included in contract assets.

1.6 Employee benefits
Pensions
The group mainly has defined contribution pension schemes that are charged against income as contributions are made to the scheme.
Some group companies also have an early retirement scheme (AFP) in the LO-NHO area. The AFP scheme is accounted for as a defined contribution pension scheme, as the scheme's administrator is not able to make the necessary calculation of obligations, assets and pension earnings for each member enterprise. Consequently, the premium and contributions will be charged against income as they arise. However, an obligation is calculated for employees who have chosen to take early retirement. These are defined as active AFPs and the obligation is equivalent to the employer's contribution in the period from when they take early retirement until they reach 67 years of age. The obligation is recognized in the consolidated accounts. In the previous AFP scheme, there is an undercoverage. The company have accrued for the expected cost related to this undercoverage.

Severance pay
Severance pay is recognised as a cost when the group is obliged to, and does not have any realistic chance to withdraw from a formal, detailed plan regarding the end of an employee's employment before the ordinary retirement age, or an offer of voluntary retirement. The latter is recognised as a cost if it is likely that the offer will be accepted and the number of acceptances can be reliably estimated. If the severance pay falls due more than 12 months after the reporting period, it is discounted to the fair value.

Share based payments
The Group has share-based program. The program is measured at fair value at the date of the grant. The share option program is settled in shares. The fair value of the issued options is expensed over the vesting period, which in this case is over the agreed-upon future service time. The cost of the employee share-based transaction is expensed over the average vesting period. The value of the issued options of the transactions that are settled with equity instruments (settled with the company's own shares) is recognised as salary and personnel cost in profit and loss and in other paid-in capital. Social security tax on options is recorded as a liability and is recognised over the estimated vesting period.

1.7 Income tax
The tax cost consists of tax payable and the change in deferred tax. Deferred tax liability / tax asset is calculated based on all taxable temporary differences. Deferred tax asset is recognised in the accounts when it is likely that the company will have enough taxable income to be able to use the tax asset. Deferred tax and deferred tax asset are recognized regardless of when the differences will be reversed and recognized in the accounts and in principle are recognized at nominal value. Deferred tax / tax asset is valued based on the expected future tax rate. Both tax payable and deferred tax are recognized directly against equity if they are related to items recognized directly against equity.

1.8 Property, plant and equipment
Property, plant and equipment are valued at cost price less accumulated depreciation and impairment losses. When assets are disposed of, the cost price and the accumulated depreciation is reversed in the accounts and any loss or gain from the disposal is recognised in the profit and loss account.
The cost price of property, plant and equipment is the purchase price, including taxes and direct acquisition costs associated with preparing the asset for use. Cost incurred after the asset has been put to use, such as repair and maintenance, will usually be expensed. If increased earnings can be demonstrated to have resulted from the repair / maintenance, the costs will be capitalised as additions.
The estimated economic life of the asset and the depreciation method are assessed annually to ensure that the method and the period used correspond to the financial reality of the fixed assets. The same applies to the scrap value.
Fixed assets under construction is classified as a fixed asset and is recognised in the profit and loss account as costs incurred in connection with the fixed assets. Fixed assets under construction is not depreciated until the asset has been put into use.
If tangible fixed assets have a higher book value than their fair value, they will be written down to their minimum fair value.

1.9 Intangible assets and goodwill
The cost of intangible assets acquired through acquisition is capitalised at fair value in the opening balance for the group. Capitalised intangible assets are recognised in the accounts at cost, less any depreciation and write-downs. Internally generated intangible assets, with the exception of capitalised development costs, are not capitalised, but expensed as they arise.
The economic lifetime is either finite or indefinite. Intangible assets with a finite lifetime are depreciated over the economic lifetime and are tested for write-down, if

there are indications that this is required. The depreciation method and period are assessed at least once a year. Changes in the depreciation method and / or depreciation period are treated as estimate differences.
Intangible assets with an indefinite useful life are not depreciated, but instead tested for impairment at least once a year, either individually or as part of a cash-generating unit. The life- time is assessed annually to see whether the assumption of an infinite useful life is justified. If not, the change to a finite lifetime is treated on a prospective basis.

Goodwill is not depreciated, but an annual assessment is made to evaluate whether the value can be justified in relation to re- coverable amount. If there are any external indications of a fall in value, goodwill will be assessed at each closing of accounts.

1.10 Leases
The Group recognises a right-of-use asset and a lease liability at the start date of the lease. On initial recognition in the balance sheet, the right-of-use assets is measured at cost. Subsequently, the right-of-use asset is measured at cost less depreciation and impairment. On initial recognition in the balance sheet, the lease liabiliy is measured at the present value of future lease payments. The present value is calculated by discounting the rental payments using the implicit interest rate in the lease. If the implicit interest rate is not known, the Group's marginal borrowing rate is used for loans with similar risk. The lease liabilty is subsequently increased by the interest cost associated with the liabilityand is subsequently reduced by rental payments.
Leases with a lease term of 12 months or less are not capitalised. Low-value leases, typically office equipment / fixtures, are not capitalised.

1.11 Financial instruments
Financial instruments are recognized in the balance sheet when the Group has become a party to the contractual terms of the instrument. Financial instruments are derecognised when the contractual rights or obligations are met, canceled, expired or transferred.
Initial measurement of financial instruments is made at fair value at the time of settlement, normally at transaction price. Subsequent measurement depends on the classification of the financial asset or the financial liability. Financial instruments are classified as long-term when the expected realization date is more than twelve months after the balance sheet date. Other financial instruments are classified as short-term.

Financial assets
For initial recognition, a financial asset is classified in the following categories:
- Amortized cost
- Fair value with change in value over profit & loss
- Fair value with change in value over other income and expenses (OCI)

The Group's financial assets mainly consist of debt instruments (receivables) and cash. The receivables cash flows consist only of principal and any interest and all receivables are only held to receive contractual cash flows. Receivables and cash are included in the category amortized cost.
The Group holds investment in shares. The investment is included in the category fair value with value change over other income and expenses (OCI)

Financial liabilities
For initial recognition, a financial liability is classified in the following categories:
- Amortized cost
- Fair value with change in value over profit
The Group's financial liabilities consist of convertible loans, bank loans, vendor credit payables and other payment obligations. These financial liabilities are subsequently measured at amortized cost.

1.12 Inventories
Inventories are recognised in the accounts at the lower of the acquisition cost and net realisable value. The net realisable value is the estimated sales price in ordinary operations, less estimated costs relating to completion, marketing and distribution. The cost of inventory is based on the FIFO method and includes costs of bringing the goods to their present state and location.

1.13 Impairment
Financial instruments and contract assets
ECLs are estimated probability-weighted net present value of future expected credit losses. ECLs are discounted at the effective interest rate of the financial asset. Loss allowances for trade receivables and contract assets are measured at an amount equal to lifetime ECLs.

Non-financial assets
The carrying amounts of the group's assets, other than employee benefit assets, inventories, deferred tax assets and derivatives are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If an indication of impairment exists, the asset's recoverable amount is estimated.
Cash-generating units (CGU) containing goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use are tested for impairment annually.

The recoverable amount is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are recognised in the income statement. An impairment loss recognised in respect of CGU is allocated first to goodwill and then to the other assets in the unit (group of units) on a pro rata basis.
An impairment loss on goodwill is not reversed. An impairment loss on other assets is reversed if there has been a change in the estimates used to determine the recoverable amount, and the change can be objectively related to an event occurring after the impairment was

recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.14 Provisions and liabilities
A provision is recognised in the balance sheet when the group has a present obligation as a result of a past event that can be estimated reliably and it is probable that the group will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a market based pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the liability-specific risks.

Warranty provision
A provision for warranty is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Onerous contracts
A provision for onerous contracts is recognised when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting the obligations un- der the contract.

Contingent liabilities and assets
Contingent liabilities are defined as:

- potential liabilities resulting from previous events, but whose existence depends on future events
- liabilities not recognised in the accounts because it is not likely that the liability will result in an outflow of resources
- liabilities that cannot be measured with a satisfactory degree of reliability.

Contingent liabilities are not recognised, with the exception of contingent liabilities stemming from the acquisition of enterprises. Material contingent liabilities are specified in the notes, except for contingent liabilities where the likelihood of existence is very low.
A contingent asset is not recognised in the accounts, but will be specified in the notes to the accounts if it is likely that the asset will devolve on the group.

Guarantee liabilities
Contractual guarantees of completion and guarantees in connection with advance payment from customers are furnished as part of Endúr's activities. Such guarantees usually involve a bank connection that issues the guarantee in relation to the customer. In some cases, guarantees have also been furnished by other companies in the group.

1.15 Cash flow statement
The cash flow statement shows the overall cash flow broken down by operations, investment and financial activities. The statement shows each activity's effect on the liquid assets. The cash flow statement is prepared in accordance with the indirect model. Unrestricted bank deposits, restricted tax and restricted deposits on projects is included in the cash equivalents in the balance.

NOTE 2 - BUSINESS COMBINATION

February 19, 2019, a transaction was carried out where the company Endúr Holding AS was demerged, where shares in subsidiaries and other specified liabilities were demerged and then merged into the company Endúr ASA. Shares in subsidiaries included the companies Endúr Energy Solutions AS, Endúr Industrier AS, Endúr PMAE AS and Endúr Services AS. The shareholders of Endúr Holding AS received remuneration in the form of 118 650 000 new shares in Endúr ASA.

Since the shareholders of Endúr Holding AS, after the transaction, became majority shareholders in Endúr ASA, the business combination was accounted for as a reverse acquisition according to the rules in IFRS 3. This means that the consolidated accounts of Endúr Energy Solutions are continued after the transaction. Accordingly, the comparative figures and comparable financial information presented will be from Endúr Energy Solutions ' previously consolidated accounts. Endúr Energy Solutions' consolidated financial statements were previously prepared according to the accounting language NGAAP. 2019 is therefore the first year the financial reporting are presented with IFRS as the accounting language.

The continuation of the condensed financial information reflect:

- the assets and liabilities of Endúr Energy Solutions recognised and measured at their pre-combination carrying amounts.
- the assets and liabilities of Bergen Group recognised and measured in accordance with IFRS 3.
- the retained earnings of Endúr Energy Solutions before the merger.
- the amount recognised as issued equity interests determined by adding the issued equity interest of Endúr Energy Solutions outstanding immediately before the business combination to the fair value Bergen Group determined in accordance with IFRS 3. The share capital reflects the equity share capital of Endúr ASA.

CONSIDERATION TRANSFERRED

In a reverse acquisition, the share consideration does not necessarily give a precise measure of fair value. It is the shares of the company that issues the consideration shares (Bergen Group), which represent the value of what is regarded as transferred assets and liabilities. The fair value of the consideration at the time of the transaction is NOK 129 million, which corresponds to the market price at the time of the transaction (NOK 1.37 per share)

IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

The fair value of identifiable assets and liabilities is based on a completed purchase price allocation. The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

NOK'000	
Deferred tax assets	19 279
Intangible assets	1 385
Property, plant and equipment	44 216
Investment in shares	6 988
Inventories	3 580
Contract assets	21 636
Trade receivables and other receivables	38 572
Cash and cash equivalents	45 275
Loans an borrowings	-67 318
Other non-current liabilities	-3 518
Contract liabilities	-27 105
Trade payables and other payables	-63 858
Provisions	-2 680
Total identifiable net assets acquired	**16 452**

GOODWILL

Goodwill arising from the acquisition has been recognised as follows.

NOK'000	
Total consideration transferred	128 769
Fair value of identifiable net assets acquired	-16 452
Goodwill	**112 317**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS - PROFORMA

If the business combination had been completed on 1 January 2019, this would have had the following effect on the condensed consolidated statement of profit or loss in Q1 2019:

NOK'000	Q1 2019 - Proforma
Operating revenue	149 570
Cost of sales	(70 705)
Payroll expenses	(53 015)
Other operating expenses	(17 975)
Operating profit/loss before depr., impairm. (EBITDA)	**7 875**
Depreciation, amortisation, impairment	(3 609)
Operating profit/loss (EBIT)	**4 266**
Financial income	329
Financial expenses	(1 758)
Profit/loss before tax	**2 837**
Income tax expense	(630)
Profit/loss for the period	**2 207**

NOTE 3 - OPERATING SEGMENTS

Endúr ASA reports in 2019 distributed on the following segments:

Maritime
The Services segment includes maritime service and ship maintenance.
Consists of the company Endúr Maritime AS.

Aquaculture
The Aquaculture segment includes production of concrete barges for the aquaculture industry.
Consists of the companies Endúr Sjøsterk AS and Endúr Eiendom AS.

Energy
The energy segment includes deliveries related to maintenance, modification, installation, fabrication and conversion of complex oil and gas installations both onshore and offshore. This also includes a number of complex service missions that require the use of advanced access technology.
Consists of the companies Endúr Energy Solutions AS, Endúr Industrier AS, Endúr PMAE AS and Endúr AAK AS.

Other
Other includes unallocated corporate costs.

SEGMENT INFORMATION Q1 2019

NOK'000	Maritime	Aquaculture	Energy	Other	Eliminations	**Group**
Operating revenue	40 621	27 680	57 393	686	(2 335)	**124 045**
EBITDA	5 504	4 440	478	(2 624)	-	**7 799**
EBIT	4 375	4 285	(929)	(2 692)	-	**5 038**

NOTE 4 - REVENUES

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

NOK'000	Maritime		Aquaculture		Energy		Total	
	Q1 2019	Q1 2018	**Q1 2019**	Q1 2018	**Q1 2019**	Q1 2018	**Q1 2019**	Q1 2018
Type of revenue								
Service and maintenance contracts	**35 724**	-	**-**	-	**42 303**	23 454	**78 027**	23 454
Projects - Concrete barges	**-**	-	**27 680**	-	**-**	-	**27 680**	-
Other	**4 638**	-	**-**	-	**13 700**	9 665	**18 338**	9 665
	40 362	-	**27 680**	-	**56 003**	33 119	**124 045**	33 119
Timing of revenue recognition								
Products transferred at a point in time	**-**	-	**-**	-	**-**	-	**-**	-
Products and services transferred over time	**40 362**	-	**27 680**	-	**56 003**	33 119	**124 045**	33 119
	40 362	-	**27 680**	-	**56 003**	33 119	**124 045**	33 119

Performance obligations that are unsatisfied at the reporting date, have an original expected duration of one year or less

CONTRACT BALANCES

NOK'000	**31.03.2019**	31.12.2018	01.01.2018
Receivables, which are included in trade and other receivables	**57 427**	18 488	12 542
Contract assets	**46 396**	20 039	10 605
Contract liabilities	**14 616**	-	-

The contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date on service and maintenance contracts, fabrication-work and construction of concrete barges. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities relates to the advance consideration received from customers for construction of concrete barges, for which revenue is recognised over time.

NOTE 5 - INTANGEBLE ASSETS

INTANGIBLE ASSETS

NOK'000	Licences, patents etc.	Goodwill	**Total**
Acquisition cost 1 Jan. 2019	-	-	**-**
Business combination	1 385	112 317	**113 702**
Acc. acquisition cost 31 Mar. 2019	1 385	112 317	**113 702**
Acc. Depr/impairment 1 Jan. 2019	-	-	**-**
Depreciation	117	-	**117**
Acc. Depr/impairment 31 Mar. 2019	117	-	**117**
Book value 31. Mar. 2019	1 268	112 317	**113 585**
Amortisation rates	10 %	Impairment	
Amortisation plan	Linear	test	

Goodwill
Endúrs goodwill originates from the business combination in February 2019.

Goodwill has been allocated to the Group's cash generating units as follows:

NOK'000	31.03.2019
Maritime - Endúr Maritime AS	57 360
Aquaculture - Endúr Sjøsterk AS	47 950
Energy - Endúr AAK AS	7 007
Total Goodwill	112 317

Cash generating units have not been tested for impairment as no indications of impairment have been identified.

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT

NOK'000	Land, buildings	Right of use asset	Plant, equipment	Operating equipment	Total
Acquisition cost 1 Jan. 2019	883	21 355	593	5 741	**28 572**
Acquisitions	18	-	-	204	**222**
Business combination	13 682	24 770	4 700	1 067	**44 219**
Disposals	-	-3 384	-133	-	**-3 517**
Acc. acquisition cost 31 Mar. 2019	14 583	42 741	5 160	7 012	**69 496**
Acc. Depr/impairment 1 Jan. 2019	292	5 133	149	5 473	**11 047**
Depreciation	119	2 191	143	190	**2 643**
Acc. Depr/impairment 31 Mar. 2019	411	7 324	292	5 663	**13 690**
Book value 31. Mar. 2019	14 172	35 417	4 868	1 349	**55 806**

EIENDOM, ANLEGG OG UTSTYR

NOK'000	Land, buildings	Right of use asset	Plant, equipment	Operating equipment	Total
Acquisition cost 1 Jan. 2018	883	21 355	81	5 531	**27 850**
Acquisitions	-	-	512	310	**822**
Disposals	-	-	-	-100	**-100**
Acc. acquisition cost 31 Mar. 2018	883	21 355	593	5 741	**28 572**
Acc. Depr/impairment 1 Jan. 2018	-	-	-	4 888	**4 888**
Depreciation	292	5 133	149	585	**6 159**
Acc. Depr/impairment 31 Mar. 2018	292	5 133	149	5 473	**11 047**
Book value 31. Mar. 2018	591	16 223	444	268	**17 526**
Amortisation rates	0 - 5 %	15 - 50 %	10 - 33 %	10 - 33 %	
Amortisation plan	Linear	Linear	Linear	Linear	

NOTE 7 - CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS

NOK'000	31.03.2019	31.12.2018	01.01.2018
Cash and bank deposits - unrestricted funds	**45 008**	12 540	31 103
Cash and bank deposits - restricted funds	**-**	4 003	4 116
Total	**45 008**	16 543	35 219

Endúr ASA

NOTE 8 - SHARE CAPITAL AND SHAREHOLDER INFORMATION

In connection with the business combination in February 2019, a capital reduction was completed in Endúr ASA in that the par value was reduced to NOK 0.01 per share. A capital increase was also carried out by the fact that Endúr ASA's share capital was increased by NOK 1,186,500 by issuing 118 650,000 new shares, each with a par value of NOK 0.01.

At 31 March 2019, the share capital of Endúr ASA was NOK 2 126 410, divided into 212 641 018 shares, each with a nominal value of NOK 0.01.

Shareholders as of 31 March 2019

	Number of shares	% of total
HANDELAND INDUSTRI AS	59 325 000	27,9 %
ARTEMES GROUP AS	37 572 500	17,7 %
BRIAN CHANG HOLDINGS	28 918 110	13,6 %
AS FLYFISK	22 397 940	10,5 %
TATOMI INVEST AS	19 775 000	9,3 %
EIKELAND HOLDING AS	5 823 024	2,7 %
STEIN RUNE H. SMØRSGÅRD	1 977 500	0,9 %
BERGEN KOMM. PENSJONSKASSE	1 500 000	0,7 %
EAGLE AS	1 417 000	0,7 %
PROFOND AS	1 241 111	0,6 %
FRANK ROBERT SUNDE	1 069 716	0,5 %
SPECTATIO FINANS AS	1 016 394	0,5 %
BERGEN EIENDOM INVEST A/S	1 000 000	0,5 %
SØR-VARANGER INVEST AS	916 774	0,4 %
NORDNET LIVSFORSIKRING AS	880 116	0,4 %
MØVIK INVEST AS	857 987	0,4 %
FJ HOLDING AS	833 000	0,4 %
SOTRA KRAN AS	819 826	0,4 %
SVEIN ATLE ULVESETER	773 701	0,4 %
FRIELE CAPITAL AS	740 740	0,3 %
Total 20 largest shareholders	**188 855 439**	**88,8 %**
Other shareholders	23 785 579	11,2 %
Total	**212 641 018**	**100 %**

NOTE 9 - LOANS AND BORROWINGS

LOANS AND BORROWINGS

NOK'000	**31.03.2019**	31.12.2018	01.01.2018
Non-current loans and borrowings			
Secured bank loans	**13 875**	-	-
Lease liabilities	**28 844**	11 734	16 685
Current loans and borrowings			
Secured bank loans	**750**	-	-
Convertible loan	**17 078**	-	-
Credit - purchase of shares in Endúr Energy Solutions AS	**6 988**	-	-
Lease liabilities	**13 676**	4 951	4 671
Sum	**81 211**	16 685	21 355

Collateral
The convertible loan is secured by (i) mortgage regarding all shares in Endúr Maritime AS, (ii) collateral in the company's accounts receivables, (iii) collateral in the company's bank accounts; And (iii) security in Endúr Maritime AS's bank accounts, accounts receivable and assets. The bank loan is secured by (i) mortgage regarding all shares in Endúr Sjøsterk AS, (ii) collateral in land and buildings in Endúr Eiendom AS, and (iii) security in Endúr Maritime AS's inventories, receivables and other assets.

NOTE 10 - LEASE

AS A LESSEE

LEASING LIABILITIES

NOK'000	NOTE	31.03.2019	31.12.2018	01.01.2018
Debt analysis - contractual undiscounted cash flows				
Less than 1 year		**15 721**	5 766	5 766
1-5 years		**29 028**	12 495	18 261
Over 5 years		**2 425**	-	-
Total		**47 174**	18 261	24 027
Non-current lease liabilities recognised at 31 March 2019		**28 844**	11 734	16 685
Current lease liabilities recognised at 31 March 2019		**13 676**	4 951	4 671
Total		**42 519**	16 685	21 355

The leasing liability as of March 31, 2019 primarily comprises lease of office space and other property.

LEASE INTEREST EXPENSE RECOGNISED IN P&L

NOK'000	NOTE	Q1 2019	Q1 2018
Interest expense on lease liabilities		**496**	299

AS A LESSOR

The Group subleases property. The Group has classified the sublease as a finance lease because the sublease corresponds to the remaining contract period for the underlying lease agreement.

NET INVETSTMENT IN THE LEASE

NOK'000	NOTE	31.03.2019	31.12.2018	01.01.2018
Analysis - contractual undiscounted cash flows				
Less than 1 year		**1 185**	-	-
1-2 years		**2 592**	-	-
Sum		**3 777**	-	-
Non-current net investment in the lease recognised at 31 March 2019		**2 592**	-	-
Current net investment in the lease recognised at 31 March 2019		**1 025**	-	-
Total		**3 617**	-	-

LEASE INTEREST INCOME RECOGNISED IN P&L

NOK'000	NOTE	Q1 2019	Q1 2018
Interest income on the net investment in the lease		**224**	-

NOTE 11 - FINANCIAL INSTRUMENTS

OVERVIEW OF FINANCIAL INSTRUMENTS IN THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31.03.2019		31.12.2018		01.01.2018	
NOK'000	NOTE	Financial assets at amortised cost	Other financial liabilities	Financial assets at amortised cost	Other financial liabilities	Financial assets at amortised cost	Other financial liabilities
Financial assets							
Trade and other receivables		**71 935**	**-**	32 214	-	36 199	-
Cash and cash equivalents		**45 008**	**-**	16 543	-	35 219	-
		-	**-**	-	-	-	-
Financial liabilities		**-**	**-**	-	-	-	-
Convertible loan		**-**	**17 078**	-	-	-	-
Loans and borrowings		**-**	**21 613**	-	-	-	-
Trade and other payables		**-**	**102 049**	-	40 508	-	31 835
Total		**116 943**	**140 740**	48 757	40 508	71 418	31 835

NOTE 12 - FIRST TIME ADOPTION OF IFRS

This is the Group's first consolidated accounts prepared in accordance with International Financial Reporting Standards (IFRS). The date of transition to IFRS is January 1, 2018. The Group's accounting principles are presented in the notes and are used in the preparation of the financial statements as of March 31, 2019, comparative figures and opening balance at the time of the transition to IFRS. The effects of the transition are explained below.

EFFECT OF TRANSITION - BALANCE SHEET

		1. January 2018			31. December 2018		
NOK'000	NOTE	NGAAP	Effect of transition to IFRS	**IFRS**	NGAAP	Effect of transition to IFRS	**IFRS**
ASSETS							
Deferred tax asset		-	-	**-**	1 772	-	**1 772**
Intangible assets and goodwill		-	-	**-**	-	-	**-**
Property, plant and equipment	12a	1 608	21 355	**22 963**	1 305	16 223	**17 528**
Other receivables		-	-	**-**	4 570	-	**4 570**
Non-current assets		1 608	21 355	**22 963**	7 647	16 223	**23 870**
Inventories		-	-	**-**	-	-	**-**
Contract assets		10 605	-	**10 605**	20 039	-	**20 039**
Trade and other receivables		36 199	-	**36 199**	32 214	-	**32 214**
Cash and cash equivalents		35 219	-	**35 219**	16 543	-	**16 543**
Current assets		82 023	-	**82 023**	68 796	-	**68 796**
Total assets		83 631	21 355	**104 986**	76 443	16 223	**92 666**
EQUITY							
Share capital		22 000	-	**22 000**	52 000	-	**52 000**
Share premium		80 000	-	**80 000**	-	-	**-**
Not registered capital increase		30 000	-	**30 000**	-	-	**-**
Retained earnings		(118 487)	-	**(118 487)**	(47 156)	(462)	**(47 618)**
Equity		13 513	-	**13 513**	4 844	(462)	**4 382**
LIABILITIES							
Loans and borrowings		-	-	**-**	-	-	**-**
Lease liabilities	12a	-	16 685	**16 685**	-	11 734	**11 734**
Other non-current liabilities		-	-	**-**	-	-	**-**
Non-current liabilities		-	16 685	**16 685**	-	11 734	**11 734**
Loans and borrowings		-	-	**-**	-	-	**-**
Lease liabilities	12a	-	4 671	**4 671**	-	4 951	**4 951**
Trade and other payables		31 835	-	**31 835**	40 508	-	**40 508**
Contract liabilities		-	-	**-**	-	-	**-**
Provisions		38 283	-	**38 283**	31 091	-	**31 091**
Current liabilities		70 118	4 671	**74 789**	71 599	4 951	**76 550**
Liabilities		70 118	21 355	**91 473**	71 599	16 685	**88 284**
Total equity and liabilities		83 631	21 355	**104 986**	76 443	16 223	**92 666**

EFFECT OF TRANSITION - PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Q1 2018			2018		
NOK'000	NOTE	NGAAP	Effect of transition to IFRS	**IFRS**	NGAAP	Effect of transition to IFRS	**IFRS**
Operating revenue		33 119	-	**33 119**	176 521	-	**176 521**
Cost of sales		(9 149)	-	**(9 149)**	(57 295)	-	**(57 295)**
Payroll expenses		(22 756)	-	**(22 756)**	(94 135)	-	**(94 135)**
Other operating expenses	12a	(4 789)	1 442	**(3 347)**	(34 530)	5 766	**(28 764)**
Operating profit/loss before depr., impairm. (EBITDA)		(3 575)	1 442	**(2 133)**	(9 439)	5 766	**(3 673)**
Depreciation, amortisation, impairment	12a	(269)	(1 283)	**(1 552)**	(1 026)	(5 133)	**(6 159)**
Operating profit/loss (EBIT)		(3 844)	158	**(3 686)**	(10 465)	634	**(9 831)**
Financial income		32	-	**32**	151	-	**151**
Financial expenses	12a	732	(1 096)	**(363)**	(127)	(1 096)	**(1 223)**
Profit/loss before tax		(3 080)	(937)	**(4 017)**	(10 441)	(462)	**(10 903)**
Income tax expense		-	-	**-**	1 772	-	**1 772**
Profit/loss for the period		(3 080)	(937)	**(4 017)**	(8 669)	(462)	**(9 131)**
Items which may be reclassified in the P&L in subsequent periods		-	-	**-**	-	-	**-**
Items which will not be reclassified in the P&L in subsequent periods		-	-	**-**	-	-	**-**
Total comprehensive income		(3 080)	(937)	**(4 017)**	(8 669)	(462)	**(9 131)**
Total comprehensive income attributable to:							
Owners of the parent Company		(3 080)	(937)	**(4 017)**	(8 669)	(462)	**(9 131)**
Non-controlling interests		-	-	**-**	-	-	**-**
		(3 080)	(937)	**(4 017)**	(8 669)	(462)	**(9 131)**

NOTE 12a - EFFECT OF TRANISTION - LEASE

The effect of the transition is due to differences in the accounting of leases between NGAAP and IFRS. IFRS 16 covers the recognition of leases. At the time of implementation, January 1, 2018, it is recognised a right-of-use (RoU) asset and a leasing liability for each lease that meets the definition of a lease agreement under IFRS 16. At the time of implementation, the lease liability is calculated at the present value of the committed residual payment in the agreement and the RoU is measured at the same value as the lease liability.

Rental payments is reflected as interest cost and reduction of lease liabilities. RoU is depreciated over the shortest of each lease term and the expected life of the asset. In the statement of profit or loss, from the date of implementation, the operating leasing costs have been replaced by depreciation and interest expenses.

NOTE 13 - SUBSEQUENT EVENTS

There have been no subsequent events that have any impact on the accounting figures in this report.

NOTE 14 - RELATED PARTIES

In Q1 2019, there has not been any material transactions or agreements entered into with any related parties.

NOTE 15 - ALTERNATIVE PERFORMANCE MEASURES

Endúr ASA presents alternative performance measures as a supplement to measures regulated by IFRS. The alternative performance measures are presented to provide better insight and understanding of operations, financial position and the basis for future developments.

The definitions of these measures are as follows:

EBITDA - Profit/loss before i) tax, ii) net finance cost, iii) depreciation, amortisation, impairment. Corresponds to "Operating profit/loss before depr., impairm" in the consolidated statement of profit or loss

EBIT - Profit/loss before i) tax, ii) net finance cost,. Corresponds to "Operating profit/loss" in the consolidated statement of profit or loss

Net interest-bearing debt - Total interest-bearing debt, less i) interest-bearing receivables and ii) cash

Equity ratio - Total equity divided by total assets