

Crown Energy AB: Three month report, January- March 2023

PRESS RELEASE 31/05/2023

FIRST QUARTER – JANUARY-MARCH 2023

- ▶ Revenue amounted to SEK 10,685 thousand (7,313).
- ▶ Operating loss amounted to SEK -18,511 thousand (-7,682).
- ▶ Net financial items amounted to SEK 13,718 thousand (-32,276).
- ▶ Unrealised changes in property values amounted to SEK -7,990 thousand (13,536).
- ▶ Result before tax amounted to SEK -12,784 thousand (-31,237) and result after tax amounted to SEK -14,054 thousand (-27,043), corresponding to SEK -0.03 (-0.06) per share.

KEY EVENTS DURING THE FIRST QUARTER

- ▶ On January 10th, 2023 Crown entered a Letter of Intent to acquire 85% of a company group within the Medtech sector.
- ▶ On February 3rd, Crown acquired 85% of SmarTee S.a.r.l., the parent holding company of AccYouRate Group which focuses on wearable medical technologies, for a consideration of Euros 163 million of which Euros 75 million was paid upon signing.

EVENTS AFTER THE FIRST QUARTER

- ▶ On April 27th Crown announced receipt of a further \$8 million taking the total received amount under the October 2021 Sale and Purchase Agreement to \$99 million.
- ▶ On April 27th the company stated that AccYouRate has taken a step forward in the production of its 'smart T-shirt' using printed polymeric ink.
- ▶ Crown also announced on May 11th that it is withdrawing from the South African Block 2 B Licence and returning its equity to the other joint venture partners.

CEO STATEMENT

DEAR SHAREHOLDERS AND INVESTORS,

We are working hard to implement and build on the major change we have made in the corporate direction of Crown since the start of 2023 and during this year. In January, we signed a Letter of Intent followed, at the beginning of February, by a Share Purchase Agreement whereby we have acquired 85% of SmarTee S.a.r.l., a Luxembourg company which is the parent holding company of the Italian registered AccYouRate Group. The total acquisition price is Euros 163 million of which we have now paid Euros 75 million and with the balance payable in 8 instalments every six months.

The AccYouRate Group focuses on medical grade wearable technologies and holds various patents focused on advanced and cutting-edge technologies. AccYouRate is able to produce wearable textiles, currently in the form of a 'smart T-shirt' enabling monitoring of the wearer's bio signals and transmission of those to the cloud, where a comprehensive biomedical database is hosted.

We see great value in our technology, from the smart garments that can be produced, the health monitoring services that can be provided, the medical information that can be gathered through our algorithmic analyses, the medical predictions that can be extrapolated from that data, and the substantial database of medical information that AccYouRate is building up.

This is a very exciting step forward and a material change of direction for Crown into the rapidly expanding and socially responsible world of medical technologies. We now have established a solid starting point for further execution on our new vision to move Crown into more socially and environmentally sustainable businesses. I am truly proud to report

that we now embarked on our journey to transform our company for the benefit of both the planet and our shareholders. Our Board continues to look at various options for Crown's new business and for our remaining existing businesses. We are reviewing our current listing to ensure that Crown, now focusing on investing in high growth technologies, is strategically positioned to grow and create value for our shareholders going forward.

ASSET DEVELOPMENT AND MANAGEMENT

The gentle improvement in the market for office and residential rentals in Angola continues. The higher sustained price of oil as well as the growth in economic activities in the country have been important factors in firming up the market. The strengthening of the Kwana exchange rate has also been to our benefit.

Although price pressures continue to remain, we still see lower vacancy rates in our properties and expect demand to remain relatively firm given the attractiveness of the locations of these properties.

ENERGY

Our income from the Sale and Purchase Agreement of October 2021 continues to come in regularly. We have now received as of April this year a total of USD \$99 million with another \$81 million securely due to come in by October 2026.

In May we announced that we have withdrawn from the South African Licence. This ends our active participation in the oil and gas industry. I am confident in the way Crown now operates our current business areas while moving into our new more sustainable business direction, and I am truly looking forward to continuing this journey and to make the most of what the future has to offer.

Please also refer to the AccYouRate Group website for additional information

www.en.accyourate.com

Yoav Ben-Eli

CEO, Crown Energy

This disclosure contains information that Crown Energy is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 31 of May 2023 at 20:15 CET.

MORE INFORMATION

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ABOUT CROWN ENERGY

Crown Energy is an international group with a history within customised solutions for housing, offices and associated services, as well as oil and gas exploration. The group is now dedicated to its transformation into the new and more socially and environmentally responsible business direction contributing to a positive change, with a focus on the medical technology industry and on improving our green footprint. For more information, please visit www.crownenergy.se.