

INTERIM REPORT JANUARY-MARCH 2021



Q1 – JANUARY-MARCH 2021

- ▶ Revenue amounted to SEK 4,879 thousand (9,108).
- ▶ Operating loss amounted to SEK -3,310 thousand (-5,851).
- ▶ Net financial items amounted to SEK -4,783 thousand (29,585).
- ▶ Unrealised changes in property values amounted to SEK -11,440 thousand (-6,186).
- ▶ Result before tax amounted to SEK -19,533 thousand (17,549), and result after tax amounted to SEK -16,743 thousand (11,303), corresponding to SEK -0.04 (0.02) per share.

KEY EVENTS DURING THE REPORTING PERIOD JANUARY-MARCH 2021

- ▶ Michail Shatkus started as the Company's CFO on 1 January. Shatkus has been acting CFO since Jenny Björk left the Company in June 2020.

EVENTS AFTER THE END OF THE REPORTING PERIOD

- ▶ On 13 April, Crown Energy announced that payments had been received that exceed one-third of the contracted sale price for the C-View Smart Business Park in Luanda, Angola. According to the contract, the Angolan state via the Ministry of Finance is entitled to access the economic rights after achieving this milestone.
- ▶ On 15 April, the Company announced that it is relinquishing its entire five per cent working interest in the Block P licence in Equatorial Guinea. The Board has determined that the economic outlook for the project does not meet Crown Energy's expectations for potential returns compared to the estimated risk. This will result in a write-down of approximately SEK five million, which will impact profit and the financial report for the second quarter of 2021.
- ▶ On 19 April, the Company announced that a memorandum of understanding had been signed with Wildcat Petroleum Plc, an oil company listed on the London Stock Exchange (LSE: WCAT) that develops block chain technology and cryptocurrency for financing oil and gas projects.
- ▶ On 20 April, the Company announced that its partner Africa Energy Corp had received official approval to conclude its two farm-out agreements for Block 2B in South Africa. This means that the new licence partners are Azinam Limited and Panoro Energy ASA, where Azinam Limited will also take over operatorship from Africa Energy.

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Group All amounts in SEK thousands	JAN-MAR 2021	JAN-MAR 2020	FULL YEAR 2020
Operating income	4,879	9,108	29,985
Operating expenses	-8,190	-14,958	-46,068
Operating profit/loss	-3,310	-5,851	-16,083
Net financial items	-4,783	29,585	60,524
Net profit/loss for the period, after tax	-16,743	11,303	45,046
Earnings per share	-0.04	0.02	0.09
Equity per share	1.23	1.47	1.17
Change in cash and cash equivalents	-5,333	-15,584	-54

CEO statement

DEAR SHAREHOLDERS AND INVESTORS,

Crown Energy continue to develop business in both the Energy, and the Asset Development and Management segments. Lately, this has resulted in a number of interesting events that we have been disclosing to the market and to you, our shareholders. We continue to receive payments under the sales and purchase agreement for the C-View property in Angola, and we have signed an interesting Memorandum of Understanding with Wildcat Petroleum Plc, an oil company listed on the London Stock Exchange that develops block chain technology and cryptocurrency for financing oil and gas projects. At the same time, we have withdrawn from our interest in Block P, Equatorial Guinea, as we didn't see enough potential returns compared to the estimated risk. This will result in a write-down of approximately SEK 5 million, which will impact profit and the financial report for the second quarter of 2021. Instead, we concentrate our resources and efforts into our remaining projects within the Energy business, where our South African project now stands before very exciting times ahead. The regulatory approvals for two new partners just came through and where Azinam will become new operator, ahead of the planned drilling of exploration well Gazania-1 later this year.

ASSET DEVELOPMENT AND MANAGEMENT

During the first quarter of 2021, net sales revenue, mainly due to the long-term weakening of the Angolan currency, decreased by 46 percent compared to the same period last year. On the positive side is that property costs for the reporting period decreased by 41 percent and amounted to SEK -2,200 thousand (-3,751). Other external expenses amounted to SEK -3,107 thousand (-7,867), which is also a significant decrease of 61 percent compared to the same period last year. The sharp decrease is partly due to a provision that was made last year for uncertain accounts receivable, of SEK 3,319 thousand. The reserve is attributable to two clients in the C-View property, where some payment uncertainty prevailed.

The buyer of the C-View property, the Angolan Ministry of Finance, has continued to pay our subsidiary in Angola. The first instalment of a total of six payments was received in full earlier this year and after that additional payments have been made. Up to March 31 this year, a total of 33.1 percent of the agreed purchase price has been paid. After the reporting period additional 7.8 percent has been paid.

ENERGY

The oil price has continued to be favourable to companies operating in the oil and gas industry. Despite recent increase in oil price, it still is a cumbersome situation due to the COVID-19 pandemic situation, mainly resulting in overall delays to project developments. South Africa has continued its shutdowns in society. It is therefore extremely welcome that despite the lock-down situation regulatory approvals came in for our partner Africa Energy on their farm-outs for part of their interest in Block 2B. This means that we welcome two new partners to the licence, Azinam and Panoro, where the first become new operator. This also means that work can now be concentrated towards the planned exploratory drilling campaign, with well "Gazania-1" for later this year. The operator has estimated the prospect size at up to 349 million barrels. The well, Gazania-1, will target two prospects in relatively low-risk oil-bearing structures up-dip from the discovery A-J1 borehole drilled in 1988. Crown Energy holds a 10 per cent interest and the licence partner Africa Energy will bear all costs associated with the next drilling within the licence area, including additional well testing.

As for Madagascar, the current licensing period expired in November 2019. Crown has applied for an extension and is discussing this with the authorities. Crown will await feedback from the authorities before deciding on the best way forward for the Company regarding this license. At today's oil price levels, our Energy assets look attractive, including finding a partner/buyer to our Iraqi project.

New business remains the Company's most important objective. However, with the ongoing COVID-19 pandemic, this is still taking longer than we hoped. For this reason, management and the board of directors continue to focus on reducing costs, both in ongoing operative business and in overhead.

Andreas Forssell
CEO, Crown Energy

Crown Energy's position regarding COVID-19

During the first months of 2020, the world was hit by the worldwide virus COVID-19. Since March 11 2020, the epidemic has been classified by the WHO as a pandemic, which has entailed extensive restrictions and shutdowns of communities and businesses worldwide. The pandemic has had major effects on the global world economy. Among other things, there are extensive layoffs potential and bankruptcies and the oil prices and stock exchange levels around the world have fluctuated a lot. The effects are difficult to foresee at present and conditions change daily. Crown Energy is monitoring the course of events surrounding the spread of the virus and is following the recommendations of the authorities. The situation is unpredictable, and Crown Energy cannot currently quantify any effects that the virus has or could have on the Group's operations. Crown Energy does however not believe that the pandemic had any effect on the Group's profit during the first quarter of 2021. Below is a summary of the Group's two business areas until this interim report is released and how the outbreak of COVID-19 has affected and may affect them.

Asset Development and Management

The business area currently only operates in Angola and according to official information there has only been a few reported cases of COVID-19. The government in Angola has imposed strict restrictions in the country in order to reduce and contain the possible spread of the COVID-19 virus. As a result of travel restrictions, a lower oil price (see more on this below) and a general downturn in the global economy, there is a risk that international companies will have to scale down their operations temporarily or even long term in Angola. Angola is a country that is highly dependent on international companies and depending on the effects of the COVID-19 outbreak on these companies, the Group's property operations could also be affected going forward. For example, there is the risk that when short-term leases expire, current tenants may hesitate to extend them. Such a situation can affect both the Group's income and the valuation of property assets in the short and long term. Property operations are crucial to the Group as that is what currently generates cash flow. If business slows as a result of the effects of COVID-19, it could affect the Group's ability to raise financing.

Crown Energy has, despite the restrictions in Angola, managed to find applicable solutions to maintain full service to tenants while complying with Angolan health and safety regulations whilst at the same time continuing to provide its clients with a full suite of support and management services. Client feedback shows that satisfaction with our services remains high. To this point there has been no disruption or interruption to our local business activities and rental and service revenues continue to be received as normal. In the first quarter of 2021, we have not noticed any effects in the leasing due to COVID-19, but in times like these, we have started reviewing our cost structure and are trying to reduce it.

Energy

South Africa has introduced major lockdowns as a result of COVID-19. This is however not something that has directly affected the Group so far, as no major work is performed currently on the license. There have been no activities really on the Madagascar license, whereby we see no direct effects here. The same goes for our Iraqi project. Crown Energy has not taken any specific measures so far but will continuously review the underlying financial calculations that form the basis for the valuation of each exploration asset.

Asset Development and Management business area

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Properties

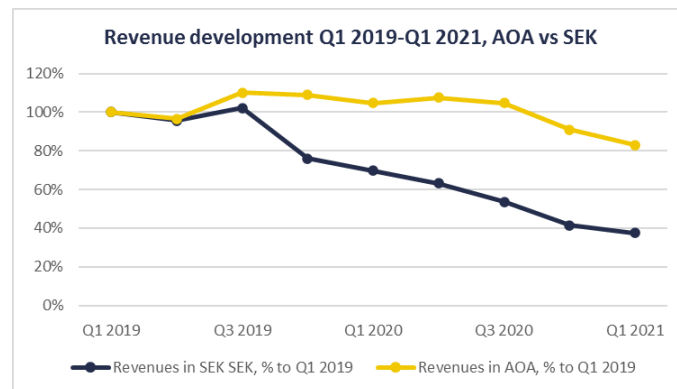
20 thousand

Leasable area, sqm

THE PROPERTY MARKET AND CURRENCY IN ANGOLA

Angola's real estate market is strongly linked to the oil and gas sector. The decline during 2020, has had the effect that tenants within the office segment tend to look for office size optimisation and cost reductions, which in turn has led to some renegotiations and relocations to smaller spaces. The recent development is that companies are aiming more to avoid long-term commitments. This has been ongoing for quite some time now, and means that the landlord must offer flexible contracts; shorter duration or adjustable for immediate needs. Alternative concepts to a traditional leasing system, such as business centers, are emerging in the market. In 2021 demand from the oil industry is expected to be marginally higher than 2020. This will boost the rental market and have a positive effect in the sales market, whether for the users own use or for placement on the investment market (Source: Reseach, Property Market Rport 2021 Angola, Abacus).

The Angolan kwanza strengthened during the first quarter 2021, which is the opposite from past years trend. The weakening of the kwanza over the past years has had consequences on the reported revenue in Swedish SEK. Although revenue in local currency has declined somewhat over the past two years, the decline is not as significant as in the reporting currency SEK. The graph below shows the development of revenue since the first quarter of 2019.



As a result of continued devaluation and the virus outbreak of COVID-19, annual inflation in Angola rose. From lying around 16.9 percent in December 2019, it rose to about 25 percent in March this year. (Source: Banco Nacional de Angola). This is the highest rate of inflation since May 2018, and it can not be ruled out that Angola will be considered a hyperinflation economy again, and that IAS 29 *Financial Reporting in Hyperinflationary Economies* should be applied to the financial accounts in the future.

SUMMARY OF PROPERTY-RELATED KEY RATIOS

For definitions of key ratios please see pages 20-21.

ALL AMOUNTS IN SEK THOUSANDS	2021-03-31	2020-12-31
Revenue backlog, SEK thousand	16,320	13,698
Rent backlog, SEK thousand	12,127	10,217
Contracted annual rental and service revenues, SEK thousand	17,037	17,896
Contracted annual rental revenues, SEK thousand	11,256	11,846
Area occupancy rate (excl. C-View) %	64%	71%
Economic occupancy rate (excl. C-View), %	34%	47%
WAULT rent and service, months	12.9	10.1
Market value of portfolio (excl. C-View), SEK thousand	178 128	176,261
Market value C-View, SEK thousand	277,152	247,736

SEK 16 M

Revenue backlog

13 months

WAULT

64%

Area occupancy rate

COMMENTS ON PROPERTY-RELATED KEY RATIOS**Changes in the first quarter of 2021**

Below is a list of changes in revenue and rent backlog for the first quarter of 2021.

ALL AMOUNTS IN SEK THOUSANDS	REVENUE BACKLOG	RENT BACKLOG
Backlog at 31 December 2021	13,698	10,217
Changes in the first quarter 2021:		
Contracted revenue	-4,599	-2,977
New/extended contracts	5,907	3,881
Contracts terminated early	-230	-176
Exchange rate effects	1,545	1,181
Backlog at 31 March 2021	16,320	12,127

Contracted rental value and service value of extended and new contracts amount to SEK 3,881 thousand and SEK 2,026 thousand, totalling SEK 5,907 thousand. Three contracts were terminated prematurely, which means that the revenue backlog decreased by a total of SEK -230 thousand. In total 58 lease agreements remain. Due to exchange rate effects, the Group's revenue backlog and rent backlog have increased with SEK 1,545 thousand and SEK 1,181 thousand respectively.

The distribution between USD and AOA contracts amounts to 21 and 79 per cent, respectively.

The Company's WAULT has increased since the fourth quarter 2020 from 10.1 to 12.9 months. Both the area occupancy rate and economic occupancy rate have decreased in first quarter 2021 respectively 64 (71) per cent and 34 (47) per cent. The decrease is mainly attributable to the fact that Ocean Corner property is now available for the rental.

Crown Energy's view is that there is still low demand in the Luanda property market and that it is currently "the tenant's market". Crown Energy has continued to extend and renew contracts in recent quarters, which has resulted in that the backlog has started to increase again. How recent exchange rate developments will affect rental levels and demand remains to be seen.

Energy business area

50-70
USD/bbl

Oil price in Q1 2021

MARKET

At the beginning of 2020, before the COVID-19 pandemic outbreak, the price of Brent oil, the international benchmark, was around USD 60 per barrel and global demand and consumption was still very firm. The past 12 months has been shaky, and the oil price has fluctuated drastically. Since start of 2021, however, prices have stabilised around 60-70 USD per barrel.

EXPLORATION PROJECTS

South Africa has continued its shutdowns in society. It is therefore extremely welcome that despite the lock-down situation regulatory approvals came in for our partner Africa Energy on their farm-outs for part of their interest in Block 2B. This means that we welcome two new partners to the licence, Azinam and Panoro, where the first become new operator. This also means that work can now be concentrated towards the planned exploratory drilling campaign, with well "Gazania-1" for later this year. The operator has estimated the prospect size at up to 349 million barrels. The well, Gazania-1, will target two prospects in relatively low-risk oil-bearing structures up-dip from the discovery A-J1 borehole drilled in 1988. Crown Energy holds a 10 per cent interest and the licence partner Africa Energy will bear all costs associated with the next drilling within the licence area, including additional well testing.

Oil prices at today's levels can continue to stimulate the market into investing in projects such as those being initiated by Crown Energy. As regards Madagascar, the current licencing period expired in November 2019. Discussions have been ongoing since then and an application for extension has been submitted. The authorities have confirmed receipt of the Company's proposed change to the licence terms and conditions to better adapt to the prevailing circumstances for oil exploration, especially for early stages. This includes extending the licence period, changing the fee structure and adjusting the conditions for undertaking the work. The Company has been informed by the general director of OMNIS that they are considering how to meet Crown Energy's requests. The Company currently has no doubt that we can come to an agreement on these changes and thus renew the licence again. In the meantime, we continue to look for a project partner, which has also been communicated to OMNIS. Crown Energy will await further feedback from the authorities before deciding on the best way forward for the Company regarding this licence.

As we announced in the press release of 15 April this year, the Company is relinquishing its stake in Equatorial Guinea since we see no potential or upside in the project in relation to the costs and risks involved. This will result in a write-down of approximately SEK 5 million, which will impact profit and the financial report for the second quarter of 2021. The Company will now focus funds on the projects remaining in the Energy business area, which are currently thought to have better value potential for Crown Energy and our shareholders in relation to cost and risk. We wish nothing but the best for our prior licence partners and to the Republic of Equatorial Guinea. At current oil prices, our projects appear to be attractive, including our prospects of finding a partner/buyer for our asset in Iraq

For a detailed description of the assets, see the 2020 Annual Report and the Company's website.

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Exploration licences

Financial overview

KEY EVENTS DURING THE REPORTING PERIOD JANUARY-MARCH 2020

Michail Shatkus started as the Company's CFO on 1 January. Shatkus has been acting CFO since Jenny Björk left the Company in June 2020. Shatkus joined Crown Energy in 2018 as business controller, and his previous positions include business controller and deputy CEO at Petrogrand AB along with other positions.

COMMENTS ON FINANCIAL PERFORMANCE

Operating profit/loss

During the first quarter of 2021 ("the reporting period"), net sales decreased by 46 percent compared to same period last year. The decrease is due to the depreciation of the Angolan currency in 2020. Please see more information about this in the section Asset Development and Management.

Property costs for the reporting period amounted to SEK -2,200 thousand (-3,751). A decrease of 41 percent compared to last year.

Other external costs totalled SEK -3,107 thousand (-7,867), which is a decrease increase of 61 per cent compared to same period previous year. The sharp increase is partly due to a provision for doubtful accounts receivables that was done last year of SEK -3,319 thousand.

Net financial items

Net financial items during the reporting period amounted to SEK -4,783 thousand (29,585). The net exchange rate effects amount to SEK -4,957 thousand (27,742). The currency effects are a result of re-valuations of both internal and external balances in foreign currency. In addition, the property valuations are made in USD and recalculated into AOA.

Changes in value

Changes in value during the reporting period amount to SEK -11,440 thousand (-6,186) and refers during the first quarter to unrealised changes in investment property. The changes in investment property are attributable to updates of the property valuations as 31 March 2021.

Other comprehensive income

Other comprehensive income includes translation differences of SEK 43,755 thousand (-10,333), which arose as a result of revaluation of the subsidiaries' assets and liabilities from local currencies to SEK.

COMMENTS ON CONSOLIDATED FINANCIAL POSITION

Assets

The carrying amount of investment properties totalled SEK 179,935 thousand. Net change since year-end 2020 totalled SEK 561 thousand. See note 3 for a summary of the period's changes.

The C-View property is classified as a property asset held for sale. C-View is reported to a fair value amounting to AOA 19,853 million, which corresponds to the agreed purchase price, discounted over the payment period of three years. This corresponds to a value of SEK 277,152 as per 31 March 2021. The increase of SEK 29,416 thousand since year-end 2020 is attributable to FX rate effects. For more information about the C-View sale and the accounting of the transaction, see note 7.

Exploration and evaluation assets totalled SEK 208,649 thousand. The change compared to the annual accounts for 2020 amounts to SEK 6,875 thousand and refers mainly to exchange rate effects. See Note 4 for a summary of the changes.

Financial assets reported at amortised costs refers to investments in Angolan government bonds indexed against the USD.

Prepaid costs and deferred income amount to SEK 33,162 thousand and has increased by SEK 2,202 thousand since year-end 2020.

Liabilities

The Group's long-term leasing liability amounts to SEK 1,807 thousand and refers to the leased investment property. The Group's short-term leasing liability amounts to SEK 210 thousand and is

for the remaining lease contract for the head office premises in Stockholm. There are only minor changes since year-end 2020.

Contract liabilities relate normally only to revenues, invoiced in advance. In December 2019, the Group started to receive payments from the Angolan finance ministry (MINFIN), for the C-View sale, which also are included in the contract liabilities. These payments are accounted for as contract liabilities, until the economic control is transferred to MINFIN, which can occur after one third of the price is fully paid. The contract liability related to the C-View sale amounts as per 31 March 2021 to SEK 100,479 thousand, which is an increase of SEK 10,665 thousand since year-end 2020. For more information about the C-View sale and the accounting of this, see note 7.

COMMENTS ON CASH FLOWS

The cash flow for the period amounts to SEK -8,782 (-15,199) thousand. The negative cash flow is explained by a negative cash flow from operating activities and due to investments, mainly in Angolan governmental bonds. Net investments in bonds amount to SEK 10,373 thousand.

Cash flow from financing activities refers to payments of rent to landlords and amount to SEK -1,721 (-2,314) thousand.

PARENT COMPANY

The Parent Company's revenue for first quarter of 2021 amounted to SEK 974 thousand (2,788). Revenue related to re-invoicing of costs and management fees to subsidiaries.

Other external expenses of SEK -686 thousand (-1,820) decreased slightly from previous year. The decrease is mainly attributable to lower consulting costs.

There were 4 persons (5) employed by the Parent Company at the end of the period.

Consolidated statements of comprehensive income

ALL AMOUNTS IN SEK THOUSANDS	NOTE	JAN-MAR 2021	JAN-MAR 2020	FULL YEAR 2020
INCOME STATEMENT				
Revenue, of which		4,879	9,108	29,759
<i>Rental revenues</i>	2	3,224	6,706	21,163
<i>Service revenues</i>	2	1,655	2,402	8,596
Other operating income	2	-	0	226
Property-related expenses		-2,200	-3,751	-12,183
Other external costs		-3,107	-7,867	-21,968
Employee benefit expenses		-2,213	-2,758	-9,875
Depreciation		-250	-561	-1,025
Other operating expenses		-420	-22	-1,017
Operating profit/loss		-3,310	-5,851	-16,083
Financial income		4,961	30,615	77,607
Financial expenses		-9,744	-1,030	-17,082
Net financial items		-4,783	29,585	60,524
Profit/loss before tax and changes in value		-8,093	23,735	44,441
Changes in value, of which		-11,440	-6,186	2,114
<i>Property, unrealised</i>	3	-11,440	-6,186	2,114
<i>Assets held for sale, unrealised</i>	7	-	-	-
Earnings before tax		-19,533	17,549	46,554
Income tax		-	138	252
Deferred tax		2,789	-6,384	-1,760
Net profit/loss for the period		-16,743	11,303	45,046
Earnings per share and share related data				
Average number of basic and diluted shares, thousands		477,315	477,315	477,315
Basic and diluted earnings per share, SEK		-0.04	0.02	0.09
COMPREHENSIVE INCOME				
Net profit/loss for the period		-16,743	11,303	45,046
Other comprehensive income:				
Translation differences		43,775	-10,333	-185,427
Total items that can be reclassified to profit or loss		43,775	-10,333	-185,427
Other comprehensive income, net of tax		43,775	-10,333	-185,427
Total comprehensive income for the year		27,031	970	-140,381
Comprehensive income for the period attributable to Parent Company shareholders		27,031	970	-140,381

Condensed consolidated statements of financial position

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2021-03-31	2020-03-31	2020-12-31
ASSETS				
Non-current assets				
Investment property	3	179,935	162,963	179,375
Property assets held for sale	7	277,152	372,781	247,736
Equipment, tools, fixtures and fittings		1,441	1,239	1,428
Intangible assets	4	309	2,179	412
Exploration and evaluation assets		208,649	225,568	201,774
Financial assets valued at amortised cost		14,781	49,049	3,415
Deferred tax asset		1	1	1
Total non-current assets		682,268	813,779	634,142
Current assets				
Trade receivables		10,887	12,969	7,974
Other receivables	5	36,773	38,728	39,132
Prepaid expenses and accrued income		33,162	34,338	30,960
Cash and cash equivalents		37,190	26,992	42,522
Total current assets		118,012	113,028	120,588
TOTAL ASSETS		800,280	926,807	754,730
EQUITY AND LIABILITIES				
EQUITY				
Total equity attributable to Parent Company shareholders		587,703	702,020	560,670
LIABILITIES				
Non-current liabilities				
Non-current lease liability		1,807	631	3,114
Deferred tax liabilities		82,904	120,438	77,436
Other provisions		3,490	3,953	3,275
Total non-current liabilities		88,201	125,023	83,826
Current liabilities				
Current lease liability		210	4,651	314
Accounts payable		7,652	10,052	7,354
Other current liabilities		7,544	3,939	6,677
Accrued expenses and deferred income		2,967	4,165	2,759
Contract liabilities		106,004	76,956	93,130
Total current liabilities		124,377	99,763	110,235
TOTAL EQUITY AND LIABILITIES		800,280	926,807	754,730

Condensed consolidated statement of changes in equity

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2021-03-31	2020-03-31	2020-12-31
Reported opening balance		560,671	701,051	701,051
Net profit/loss for the period		-16,743	11,303	45,046
Other comprehensive income, net of tax		43,775	-10,333	-185,427
Comprehensive income for the period		27,031	970	-140,381
Closing balance attributable to parent company shareholders		587,703	702,021	560,670

Condensed consolidated statements of cash flows

ALL AMOUNTS IN SEK THOUSANDS	NOTE	JAN-MAR 2021	JAN-MAR 2020	FULL YEAR 2020
Cash flow from operating activities before change in working capital		1,468	-895	-16,438
Changes in working capital		1,857	-5,058	39,830
Cash flow from operating activities		3,325	-5,953	23,392
Capital expenditures on investment properties		-	-485	-42,883
Capital expenditures on exploration and evaluation assets		-13	-98	-495
Capital expenditures on other fixed assets		-	-914	-1,885
Investments in financial assets (government bonds)		-10,373	-5,436	36,363
Paid tax on dividends		-	-	-1,230
Cash flow from investing activities	3, 4	-10,386	-6,932	-10,130
Cash flow from financing activities		-1,721	-2,314	-3,680
Cash flow for the period		-8,782	-15,199	9,582
Cash and cash equivalents at start of period		42,522	42,576	42,576
Cash flow for the period		-8,782	-15,199	9,582
Exchange losses on cash and cash equivalents		3,449	-385	-9,636
Cash and cash equivalents at end of period		37,190	26,992	42,522

Consolidated key ratios

For definitions of key ratios, see pages 20-21.

QUARTERLY SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
EARNINGS								
Rental and service revenues	4,879	5,411	6,993	8,247	9,108	9,923	13,327	12,492
Other operating income	-	-614	-403	248	-	1,260	689	374
Operating profit/loss	-3,310	-8,974	-1,283	24	-5,851	-8,388	2,528	1,861
Net profit/loss for the period after tax	-16,743	24,743	-4,731	13,730	11,303	18,696	28,569	108,572
PROPERTY-RELATED KEY RATIOS								
Rental revenues	3,224	3,652	4,953	5,852	6,706	7,295	9,407	8,496
Service revenues	1,655	1,760	2,040	2,394	2,402	2,628	3,920	3,995
Property-related expenses	-2,200	-2,518	-2,544	-3,371	-3,751	-3,906	-4,924	-4,689
Operating net	2,679	2,893	4,449	4,876	5,357	6,017	8,403	7,803
Operating surplus, property portfolio, %	55%	53%	64%	59%	59%	61%	63%	62%
Revenue backlog	16,320	13,698	16,231	24,322	32,281	31,145	37,829	43,795
Rent backlog	12,127	10,217	12,421	18,544	25,323	25,519	31,460	34,504
Contracted annual rental and service revenues	17,037	17,896	25,076	29,265	26,070	34,503	45,327	46,046
Contracted annual rental revenues	11,256	11,846	17,461	20,857	36,095	25,302	33,711	30,782
FINANCIAL KEY RATIOS								
EBITDA	-3,060	-9,368	-844	444	-5,290	-8,186	2,742	2,075
EBITDA margin, %	neg.	neg.	neg.	5%	neg.	neg.	20%	16%
RATIOS PER SHARE								
Basic and diluted shares outstanding, thousand	477,315	477,315	477,315	477,315	477,315	477,315	477,315	477,315
Average number of shares, thousand	477,315	477,315	477,315	477,315	477,315	477,315	477,315	477,315
Diluted earnings per share, SEK	-0.04	0.05	-0.01	0.03	0.02	0.04	0.06	0.23
EMPLOYEES								
Average number of employees	17.0	18.0	18.0	19.0	19.0	18.3	18.0	18.0

PERIODIC SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	Q1 2021	Q1 2020	FYLL YEAR 2020	FULL YEAR 2019	FULL YEAR 2018	FULL YEAR 2017
EARNINGS						
Rental and service revenues	4,879	9,108	29,759	48,788	76,633	110,483
Other operating income	-	-	226	2,728	214	811
Operating profit/loss	-3,310	-5,851	-16,083	-996	22,075	-105,254
Operating profit/loss before items affecting comparability	-3,310	-5,851	-16,083	-996	22,075	69,332
Net profit/loss for the period, after tax	-16,743	11,303	45,046	133,599	186,909	-67,275
PROPERTY-RELATED KEY RATIOS						
Rental revenues	3,224	6,706	21,163	34,155	53,349	67,160
Service revenues	1,655	2,402	8,596	14,633	23,284	43,323
Property-related expenses	-2,200	-3,751	-12,183	-17,121	-23,883	-21,089
Operating net	2,679	5,357	17,575	31,667	52,750	89,394
Operating surplus, property portfolio, %	55%	59%	59%	65%	69%	81%
Revenue backlog	16,320	32,281	13,698	31,145	51,222	*
Rent backlog	12,127	25,323	10,217	25,519	32,646	*
Contracted annual rental and service revenues	17,037	26,070	17,896	34,503	78,865	*
Contracted annual rental revenues	11,256	36,095	11,846	25,302	60,374	*
Area occupancy rate, %***	64%	74%	71%	73%	55%	73%
Economic occupancy rate, %***	34%	61%	47%	60%	44%	*
WAULT rent and service, months**	12.9	11.7	10.1	12.1	6.7	14.3
Market value of portfolio	178,128	159,551	176,261	149,860	603,703	618,344
Leasable area, thousands of square meters	19.9	20.0	19.9	19.6	31.7	40.1
Number of properties at end of period	14	15	14	15	16	16
FINANCIAL KEY RATIOS						
Return on equity (ROE), %	-2.6%	1.6%	7.1%	2.5%	22%	neg.
Return on assets (ROA), %	-2.0%	1.23%	5.4%	2.0%	18%	neg.
EBITDA	-3,060	-5,290	-15,058	-8,186	22,349	-105,212
Adjusted EBITDA	-3,060	-5,290	-15,058	-8,186	22,349	69,374
EBITDA margin, %	neg.	neg.	neg.	neg.	19%	neg.
Adjusted EBITDA margin, %	neg.	neg.	neg.	neg.	19%	62%
Equity/assets ratio, %	73%	76%	74%	77%	83%	82%
RATIOS PER SHARE						
Basic and diluted shares outstanding, thousand	477,315	477,315	477,315	477,315	477,315	477,315
Average number of basic and diluted shares, thousands	477,315	477,315	477,315	477,315	477,315	401,297
Basic and diluted earnings per share, SEK	-0.04	0.02	0.09	0.28	0.39	-0.17
Equity per share, SEK	1.23	1.47	1.17	1.47	1.70	1.83
EMPLOYEES						
Average number of employees	17.0	19.0	18.4	18.1	16.8	15.5

*From the third quarter of 2018, several new key ratios were calculated and produced. The time spent and cost of producing data for periods farther back was weighed against the added value of presenting the information. The assessment is that it is more relevant for the Group to calculate these key ratios from Q3 2018 onwards and that time spent and cost were not reasonable for calculating these key ratios.

**WAULT means a weighted average unexpired lease period. For periods before Q3 2018, the average remaining contract length is not weighted. Key ratio for 2016 has not been calculated.

*** For 2019, the C-View property is not included in key ratios area/economic occupancy rate and leasable area.

Parent Company

CONDENSED INCOME STATEMENT – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	JAN-MARCH 2021	JAN-MARCH 2020	FULL YEAR 2020
Revenue	5	974	2,788	6,756
Other operating income		-	70	86
Other external costs		-686	-1,820	-9,858
Employee benefit expenses		-1,354	-1,697	-5,975
Depreciation/amortisation		-	-9	-18
Other operating expenses		-41	-38	-3
Operating profit/loss		-1,107	-706	-9,012
Write-down of participations in Group companies		-	-	-923,704
Interest income and similar items		216	1,428	-936
Interest income, intercompany	5	795	1,112	3,891
Interest expenses and similar items		-	-	-
Earnings before tax		-95	1,834	-929,761
Tax		-	-	-
Net profit/loss for the period		-95	1,834	-929,761

CONDENSED BALANCE SHEET – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2021-03-31	2020-03-31	2020-12-31
ASSETS				
Non-current assets				
Participations in Group companies		466,410	1,387,998	466,410
Intangible assets		-	9	-
Receivables from Group companies		215,251	220,191	213,780
Total non-current assets		681,660	1,608,198	680,189
Current assets				
Receivables from Group companies		2,526	2,885	1,945
Current receivables		736	5,131	716
Cash and bank balances		3,689	5,558	6,037
Total current assets		6,949	13,573	8,697
TOTAL ASSETS		688,610	1,621,772	688,886
EQUITY AND LIABILITIES				
Total equity		684,125	1,615,816	684,221
Total liabilities		4,485	5,957	4,667
TOTAL EQUITY AND LIABILITIES		688,610	1,621,772	688,886

CONDENSED STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2021-03-31	2020-03-31	2020-12-31
Opening equity		684,221	1,613,982	1,613,982
Net profit/loss for the period		-95	1,834	-929,761
Other comprehensive income for the period		-	-	-
Comprehensive income for the period		-95	1,834	-929,761
Total equity		684,125	1,615,816	684,221

Other information

COMPANY INFORMATION

The Parent Company, Crown Energy AB (publ), with corporate ID 556804-8598, is a limited company registered in Sweden and domiciled in Stockholm. The street address of the main office is Brahegatan 30, 114 37 Stockholm.

The number of employees in the Group at the end of the reporting period is 17; 13 linked to the operations in Angola, four employed in the Parent Company in Sweden.

OWNERSHIP STRUCTURE

The number of shares registered in Crown Energy AB's share register (as per Euroclear) as of publication of this report is 477,315,350 with a quotient value of SEK 0.03 per share.

The Company's ordinary shares are listed on NGM Main Regulated and are traded under the ticker name CRWN with ISN code SE0004210854.

SHAREHOLDERS	NUMBER OF SHARES	SHARES (%)	NUMBER OF VOTES	VOTES (%)
Yoav Ben-Eli, via company 1)	343,817,971	72.0%	343,817,971	72.0%
Cement Fund SCSp	63,000,000	13.2%	63,000,000	13.2%
Alan Simonian, privately and via family	3,429,521	0.7%	3,429,521	0.7%
Other shareholders	67,067,858	14.1%	67,067,858	14.1%
Total number of shares	477,315,350	100.0%	477,315,350	100.0%

1) The shares are owned by YBE Ventures Ltd, which is controlled by Yoav Ben-Eli.

SEASONAL VARIATIONS

We estimate that there are not any significant seasonal variations in any of the Group's business areas or in Crown Energy as an individual company.

RISKS AND UNCERTAINTIES

A detailed description of the Group's and Parent Company's risks and risk management can be found in Crown Energy's 2020 Annual Report. During 2021 and until this interim report is released, no decisive changes to significant risks or uncertainties have occurred compared to that stated in the annual report. Regarding the development during 2020/2021 of the COVID-19 virus, this is separately described in the section *Crown Energy's position regarding COVID-19* on page 3.

Notes

1 ACCOUNTING POLICIES

This interim report was prepared pursuant to IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act, and RFR 1 Supplementary Accounting Regulations for Groups. As with the 2020 annual accounts, the consolidated accounts were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The financial statements of the Parent Company were prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 2 Accounting for Legal Entities.

The same accounting policies were used during the period as were used for the 2020 financial year and as described in the 2020 Annual Report. None of the new or revised standards, interpretations, or amendments adopted by the EU have influenced the Group's earnings or position.

This interim report does not contain all the information and disclosures contained in the Annual Report, so the interim report should be read alongside the 2020 Annual Report.

Note 1 Accounting policies (continued)**OTHER****IAS 29 Financial Reporting in Hyperinflationary Economies**

2018 Angola was classified as a hyper-inflationary economy. IMF data now shows that the three-year cumulative inflation rate was below 100% in 2019. Also the development during 2020, shows that the qualitative indicators suggest that Angola is no longer hyper-inflationary. Crown Energy has therefore ceased the accounting of inflation adjustments in accordance with IAS 29. The amounts reported in the financial statements in year-end 2020 are considered to be the carrying amounts for the subsequent financial statements – that is, the restated amounts are the cost bases of any non-monetary items from 1 January 2020. However, official annual inflation in Angola rose to 25 percent in March 2021. This is the highest rate of inflation since May 2018, and it can not be ruled out that Angola will be considered a hyperinflation economy again, and that IAS 29 should be applied to the financial accounts in the future

2 REVENUE CATEGORIES

The Group has two revenue streams: rental revenue from leases and revenue from service contracts with tenants. Rental revenue, which makes up most of the Group's revenue, is covered by IFRS 16, Leases, which is why it is excluded from IFRS 15 and its disclosure requirements.

Regarding accounting principles and risks linked to these revenues, see the Annual Report 2020.

REVENUE CATEGORIES, AMOUNTS IN SEK THOUSANDS	Asset Development and Other and			Total
	Energy	Management	eliminations	
Q1 2021				
Rental revenue	-	3,224	-	3,224
Service revenue	-	1,655	-	1,655
Other revenue	-	-	-	-
Total revenue	-	4,879	-	4,879
Of which revenue from contracts with customers, subject to IFRS 15	-	1,655	-	1,655
Q1 2020				
Rental revenue	-	6,706	-	6,706
Service revenue	-	2,402	-	2,402
Other revenue	-	-	-	-
Total revenue	-	9,108	-	9,108
Of which revenue from contracts with customers, subject to IFRS 15	-	2,402	-	2,402

3 INVESTMENT PROPERTY

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	JAN-MAR 2021	JAN-MAR 2020	FULL YEAR 2020
Opening carrying amount	179,375	154,395	154,395
+ Capital expenditures for the period	-	485	485
+ Acquisitions for the period	-	-	42,398
- Disposals for the period	-	-	-
+/- Unrealised changes in value	-10,889	-2,976	6,319
+/- Change leasing liability	-550	-3,209	-4,206
Changes in leasing contracts, no effect on result	-	932	2,255
+/- Exchange rate effects	12,000	13,336	-22,272
Closing carrying amount	179,935	162,963	179,375

Note 3 Investment property (continued)

The valuation of the investment properties has been prepared internally as per 31 March 2021. Required returns were determined for housing and office premises and are set at 7.8 percent, before tax. The weighted average cost of capital (WACC) for the market (Luanda, Angola) was estimated at 14 percent for the period, after tax.

Lease costs for rights of use are included in the fair value, which means that the lease liability is reversed to avoid double counting these costs:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	JAN-MAR 2021	JAN-MAR 2020	FULL YEAR 2020
Fair value, investment properties	179,128	159,551	176,261
Reversal of lease costs recognised as lease liabilities	1,807	3,412	3,114
Carrying amount at end of reporting period	179,935	162,963	179,375

4 EXPLORATION AND EVALUATION ASSETS

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	JAN-MAR 2021	JAN-MAR 2020	FULL YEAR 2020
Opening carrying amount	201,774	215,741	215,741
Capital expenditures for the period	13	98	495
Translation and revaluation effects	6,861	9,729	-14,461
Closing accumulated cost of acquisition	208,649	225,568	201,774

5 TRANSACTIONS WITH RELATED PARTIES**PURCHASES AND SALES WITHIN THE GROUP**

Of the Parent Company's revenue for the first quarter of 2021, 100 per cent (100) represents re-invoicing and management fees to other companies within the Group. Of the Parent Company's total interest income, 100 per cent (100) relates to other entities within the Group.

PURCHASE OF SERVICES

Since 1 February 2021, Yoav Ben-Eli, Board member and largest shareholder in the Company, is remunerated by the Group's subsidiary in Angola through a consulting agreement. The agreement amounts to EUR 20,000 per month, which corresponds to SEK 403 thousand for the period February-March 2021. Yoav Ben-Eli received a salary of SEK 50 thousand for January 2021 from the Group subsidiary in the Netherlands.

Peter Mikkelsen works in his management position under a consultancy agreement. The services are purchased on normal commercial terms and work performed is invoiced regularly. Invoicing from Peter Mikkelsen amounts to SEK 14 thousand during the first quarter of 2021.

The Company's principal shareholder Yoav Ben-Eli owns 100 per cent of ESI Angola Lda and according to a service contract, ESI Angola Lda provides property management and other services to YBE Imobiliária Angola Lda. The Group's purchases of services from ESI Angola Lda amounted to SEK 3,828 thousand during the first quarter of 2021.

ESI Angola

In addition to these ongoing purchases of services, Crown Energy has a receivable from ESI Angola Lda. For more information about the receivable, please see the Annual Report 2020. At 31 March 2021, this receivable amounted to the equivalent of SEK 32,816 thousand including interest.

All transactions are performed on normal commercial terms.

6 OPERATING SEGMENTS

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q1 2021	Asset Development and Management Q1 2021	Other and eliminations Q1 2021	Total Q1 2021
Operating income	-	4,879	-	4,879
Operating expenses	-145	-5,964	-2,079	-8,188
Operating profit/loss	-145	-1,085	-2,079	-3,309
Net financial items	4,120	-9,177	274	-4,783
Profit/loss before tax and changes in value	3,976	-10,262	-1,805	-8,093
Changes in value				
Property, unrealised	-	-11,440	-	-11,440
Earnings before tax	3,976	-21,702	-1,805	-19,532
Income tax	-	-	-	-
Deferred tax	-	2,789	-	2,789
Net profit/loss for the period	3,976	-18,913	-1,806	-16,743
Non-current assets at end of period	208,649	473,309	310	682,268

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q1 2020	Asset Development and Management Q1 2020	Other and eliminations Q1 2020	Total Q1 2020
Operating income	-47	9,101	54	9,108
Operating expenses	-932	-11,509	-2,519	-14,959
Operating profit/loss	-979	-2,407	-2,465	-5,851
Net financial items	5,330	22,743	1,512	29,585
Profit/loss before tax and changes in value	4,351	20,336	-953	23,735
Changes in value:				
Property, unrealised	-	-6,186	-	-6,186
Earnings before tax	4,351	14,150	-953	17,549
Income tax	-	138	-	138
Deferred tax	-	-6,383	-1	-6,384
Net profit/loss for the period	4,351	7,906	-954	11,303
Non-current assets at end of period	225,568	586,031	2,180	813,779

7 SALE OF THE C-VIEW PROPERTY

Background

On 30 April 2019 Crown Energy concluded an agreement for the sale of the C-View property in Angola. Buyer is the Angolan State via the Ministry of Finance ("MINFIN"). The transaction is made in Angolan kwanza and will be paid over three years. The payments will be adjusted with an official inflation rate. The inflation compensation will be determined before the last instalment. For more information about the transaction and how it will be accounted for, please see Note 30 Sale of the C-View Property in the Annual Report 2020.

Accounting during the first quarter 2021

C-View will, up until the economic control is transferred to the buyer, continue to be managed by Crown Energy, which means that it was classified as an asset held for sale. The asset is valued at fair value (in accordance with IAS 40), which corresponds to the agreed purchase price, discounted

Note 7 Sale of the C-View property (continued)

over the repayment period of three years. Transaction costs will be accounted for as a part of the net realised result of the transaction, in connection with the transfer of the economic control. The date of transfer of economic control has not been set yet but it is expected to occur in the second quarter of 2021.

The payments from MINFIN are accounted for as a prepaid revenue (classified as contractual liability), until the economic control is transferred to MINFIN. The contract liability related to the C-View sale amounts as per 31 March 2021 to 100,479 SEK thousand, which in local currency corresponds to 31,1 percent of the total sales price. Based on initial exchanges rates at the time of the signing in April 2019 of the amounts to be received, this would have corresponded to approx. SEK 211 879 thousand, but due to the devaluation of the Angolan kwanza.

8 EVENTS AFTER THE END OF THE REPORTING PERIOD**Payment for the sale of C-View has passed one-third**

On 13 April, Crown Energy announced that payments had been received that exceed one-third of the contracted sale price for the C-View Smart Business Park in Luanda, Angola. According to the contract, the Angolan state via the Ministry of Finance is entitled to access to the economic rights after achieving this milestone. The date of transfer of economic control has not been set yet but it is expected to occur in the second quarter of 2021. At the date of this publication, approximately 38 per cent of the total consideration has been received.

Crown Energy relinquishes its interest in Block P exploration licence in Equatorial Guinea

On 15 April, the Company announced that it is relinquishing its entire five per cent working interest (6.25 per cent cost interest) in the Block P licence in Equatorial Guinea. The Board has determined that the economic outlook for the project does not meet Crown Energy's expectations for potential returns compared to the estimated risk. This will result in a write-down of approximately SEK 5 million, which will impact profit and the financial report for the second quarter of 2021.

Crown Energy signs memorandum of understanding with Wildcat Petroleum

On 19 April, the Company announced that a memorandum of understanding had been signed with Wildcat Petroleum Plc, an oil company listed on the London Stock Exchange (LSE: WCAT) that develops block chain technology and cryptocurrency for financing oil and gas projects.

Crown Energy's partner Africa Energy concludes its two farm-out agreements for the South African Block 2B licence

On 20 April, the Company announced that its partner Africa Energy Corp had received official approval to conclude its two farm-out agreements for Block 2B in South Africa. This means that the new licence partners are Azinam Limited and Panoro Energy ASA, where Azinam Limited will also take over operatorship from Africa Energy.

The Board and CEO hereby certify that this interim report gives a fair overview of the Parent Company's and Group's operations, position, and earnings, and describes significant risks and uncertainty factors to which the Group and its companies are exposed.

This Swedish interim report was not reviewed by the Company's auditors. The English interim report is a translation of the Swedish Interim Report.

Stockholm, 21 May 2021

Pierre-Emmanuel Weil
Chairman of the Board

Yoav Ben-Eli
Board member

Jean Benaim
Board member

Alan Simonian
Board member

Andreas Forssell
CEO

PUBLICATION

This information is information as Crown Energy AB (publ) is required to disclose under the EU Market Abuse Regulation. The information was submitted for publication at 8:30 CET, on May 21.

REPORTING DATES

▶ Annual General Meeting 2021	26 May 2021
▶ Half Year Report 2021	20 August 2021
▶ Nine-month report 2021	19 November 2021

FINANCIAL INFORMATION

All financial information is posted at www.crownenergy.se as soon as it is released. Shareholders, other players in the stock market, and the public are free to subscribe to the Company's press releases and financial reports through Cision's news service, at <http://news.cision.com/se/crown-energy>.

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ADDRESS

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Glossary and definitions

ALTERNATIVE PERFORMANCE MEASURES

The Company applies the European Securities and Markets Authority's (ESMA) guidelines on alternative performance measures. The alternative key financial performance indicators are defined as financial measures of historical or future earnings trends, financial position, financial performance or cash flows that are not defined or specified in the applicable regulations for financial reporting, IFRS and the Annual Accounts Act. These measures should not be regarded as a substitute for measures defined in accordance with IFRS.

If an alternative performance measure cannot be identified directly from the financial statements, a reconciliation is required.

All indicators are alternative unless stated otherwise.

DEFINITIONS OF KEY RATIOS**Financial key ratios*****Adjusted EBITDA***

Earnings before financial items, tax, depreciation/amortisation and impairment, adjusted for effects of reverse acquisition. EBITDA is used to measure earnings from operating activities, independently of depreciation, amortisation and impairment losses.

Average assets

Calculated as opening balance assets + closing balance assets divided by two. Used to calculate return on capital employed.

Average capital

Calculated as opening capital employed + closing capital employed divided by two. Used to calculate return on equity.

Average equity

Calculated as opening balance equity + closing balance equity divided by two. Used to calculate return on equity.

EBITDA

Earnings before interest, taxes, depreciation and amortisation. EBITDA is used to measure earnings from operating activities, independently of depreciation, amortisation and impairment losses.

EBITDA margin

Measurement of a company's operating profitability as a percentage of its total revenue. The EBITDA margin is used to compare EBITDA in relation to revenue.

Equity, SEK

Equity at end of period.

Equity/assets ratio, %

Equity including the minority as a percentage of total assets. Used to highlight the Company's interest rate sensitivity and financial stability.

Operating profit/loss excl. effect from reverse acquisition

Earnings before financial income and expenses and taxes, adjusted for the effect of the reverse acquisition. Used to measure operating profitability.

Operating profit/loss incl. effect of reverse acquisition

Earnings before financial income and expenses and taxes. Used to measure operating profitability.

Return on assets (ROA), %

This ratio measures profitability relative to total assets. Return on assets is used to highlight a company's ability to generate profit on the group's assets, unaffected by the group's financing.

Return on equity (ROE), %

The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

Total assets

Total assets at the end of the period. Total assets are a measure of the value of assets at the end of the period.

Ratios per share***Earnings per share, SEK****

Earnings after tax divided by average number of shares for the period. Used to show the shareholders share of the Group's earnings per share.

Equity per share, SEK

Equity at end of period divided by number of shares at end of period. Used to highlight the shareholders' portion of the company's total assets per share.

Total number of shares outstanding*

Number of shares outstanding at end of period.

Weighted average number of shares*

Weighted number of shares outstanding during the year.

Employees***Average number of employees*****

Average number of employees during the period.

PROPERTY-RELATED DEFINITIONS AND GLOSSARY***Area occupancy rate*****

Leased area in relation to total leasable area at the end of the period.

Economic occupancy rate**

Calculated by dividing contracted annual rental revenue in relation to the rental value. This figure is used to help facilitate the assessment of rental revenue in relation to the total value of available, unleased area. Note that this calculation does not include service revenues. Relates to contracted annual rent plus assessed market rent for vacant premises.

Leasable area, sqm**

Leased area plus leasable vacant area.

Operating net

Total revenue less property costs.

Rent backlog**

Outstanding rental revenues during remaining contract period. Rent backlog is used to highlight the Group's remaining contract value for rental revenues to be invoiced to the tenant, at a given point in time. Cannot be derived from the Company's financial reporting.

Rental revenue*

Billed rents, rent surcharges and rental guarantees less rent discounts.

Revenue backlog**

Outstanding rental and service revenues during remaining contracted contract period. Revenue backlog is used to highlight the Group's total remaining contract value to be invoiced to the tenant, at a given point in time. Cannot be derived from the Company's financial reporting.

Service revenue*

Service in accordance with client contract. Service may, depending on how the contract is designed, include everything from operating costs to Internet and catering costs.

Surplus ratio**

Operating net divided by total revenue.

Weighted average unexpired lease term (WAULT)**

Used to illustrate the average lease term until expiry for the entire property portfolio, weighted after total contractually agreed rental and service revenues. Calculated by dividing contracted revenue (rent and service) until expiry by annual contracted rents and service. Normally expressed in years, but Crown Energy uses months.

**Key ratio defined by IFRS/IAS.*

***Key ratio not covered by ESMA's guidelines for alternative performance measures (physical, non-financial or not based on information from the financial reports).*

About Crown Energy

Crown Energy is an international group providing customised solutions for housing, offices and associated services, as well as oil and gas exploration in Africa and the Middle East. The Company creates value via two business areas: *Asset Development and Management* and *Energy*.

In the *Asset Development and Management* business area, the Company offers a one-stop-shop concept for housing, offices and associated services to international companies. Crown Energy's offering covers the entire chain from needs-adapted design and construction, to leasing, property management and value-added services.

The *Energy* business area focuses on exploration opportunities with high potential for recoverable reserves. Value is created by developing assets in early stages and then introducing suitable oil and gas industry players to the projects for further development and production.

VISION

To be an established player and an obvious partner in the international energy market, both in exploration and in development of customised residential and office solutions and value-added services.

GOALS

Crown Energy's objective is to generate the highest possible return for shareholders with a balanced risk awareness. The Company aims to have an established service business through property concepts in several geographic markets as well as a balanced portfolio of development and exploration assets.

STRATEGY

Crown Energy's strategy is based on the overall objective of generating the highest possible return for shareholders with a balanced risk awareness. This includes:

- ▶ Establishing service operations in more markets requiring residential and office solutions in the oil and gas industry
- ▶ Carefully selecting exploration areas where the chance of oil and gas discoveries is high
- ▶ Exploiting synergies between the two business areas and reinvesting some of the cash flow from service operations to further develop the exploration assets
- ▶ Offering exploration and production partners tailored residential premises and offices in proximity to the assets
- ▶ Pursuing farm-out opportunities as exit strategies to capitalise as much as possible on the assets
- ▶ Creating a good risk spread through several parallel projects

ADVANTAGES OF COMBINED OPERATIONS

Several advantages are created by the combination of the *Asset Development and Management* business areas, and the *Energy* business area. Together, the business becomes more diversified, which means reduced risk. The cash flow generated within the service business can be used to further develop exploration assets. Establishing customer relationships with some of the world's leading energy companies in *Asset Development and Management* also increases Crown Energy's opportunities to capitalise on existing exploration assets. Crown Energy can also offer exploration and extraction partners related services in the form of customised residential properties and offices close to the assets.