

# INTERIM REPORT JANUARY-SEPTEMBER 2022



## THIRD QUARTER – JULY-SEPTEMBER 2022

- ▶ Revenue amounted to SEK 14,361 thousand (4,626).
- ▶ Operating loss amounted to SEK -1,487 thousand (-6,787).
- ▶ Net financial items amounted to SEK 53,964 thousand (-8,095).
- ▶ Result before tax amounted to SEK 52,477 thousand (-43,684) and result after tax amounted to SEK 66,442 thousand (-38,832), corresponding to SEK 0.14 (-0.08) per share.

## NINE MONTH PERIOD – JANUARY-SEPTEMBER 2022

- ▶ Revenue amounted to SEK 33,280 thousand (15,188).
- ▶ Operating loss amounted to SEK 16,758 thousand (-18,558).
- ▶ Net financial items amounted to SEK 101,473 thousand (-6,953).
- ▶ Profit before tax amounted to SEK 100,965 thousand (-71,643), and profit after tax amounted to SEK 99,225 thousand (-64,244), corresponding to SEK 0.21 (-0.13) per share.

## KEY EVENTS DURING THE REPORTING PERIOD JANUARY-SEPTEMBER 2022

- ▶ On 3 March 2022, Crown Energy announced that the joint venture Block 2B offshore in South Africa has signed an agreement for a semi-submersible rig, Island Innovator, to drill a well at Gazania-1 by October 2022.
- ▶ Crown Energy announced on 21 April 2022, that the second instalment of USD 8 million has been credited to the Company's account in accordance with the agreement for the disposal of the majority of its oil and gas assets signed on 20 October 2021. The total amount received in accordance with the agreement since October 2021 amounts to USD 83 million.
- ▶ In September 2022 the Company has announced that the Island Innovator rig is mobilised and on its way to the drilling site.

## EVENTS AFTER THE REPORTING PERIOD

- ▶ Crown Energy announced on 21st October 2022 that the third instalment of USD 8 million has been credited to the Company's account in accordance with the terms of the Sale and Purchase agreement dated 20th October 2021. The total received in accordance with the Agreement since October 2021 amounts to USD 91 million.
- ▶ After the period end the Company announced that the Island Innovator rig had arrived in South Africa and had commenced drilling activities on the Gazania-1 well on Block 2 B in October. The well did not encounter hydrocarbons in any commercial quantities and is being plugged and abandoned as planned. The Operator is assessing the technical information revealed by the well and will be reporting to the JV in due course. The Operator also applied in November on behalf of the JV to move into the next phase of the Licence which is the Production Right.
- ▶ On 29th of November, Board of Crown Energy announced that it no longer believes it is beneficial to the Company from a commercial or environmental standpoint to try to renegotiate and continue with the Madagascar Licence thus the asset will be impaired in Q4 2022.

## CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Group	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	FULL YEAR 2021
<b>All amounts in SEK thousands</b>					
Operating income	14,361	4,626	33,280	15,192	20,764
Operating expenses	-15,847	-11,413	-50,038	-33,750	-47,859
Operating profit/loss	-1,487	-6,787	-16,758	-18,558	-27,089
Net financial items	53,964	-8,095	101,473	-6,953	-11,419
Net profit/loss for the period. after tax	66,442	-38,832	99,225	-64,244	-63,600
Earnings per share	0.14	-0,08	0.21	-0,13	-0,13
Equity per share	1.93	1,17	1.93	1,17	1,25
Change in cash and cash equivalents	34,605	21,934	181,783	22,866	606,361

## CEO statement

### DEAR SHAREHOLDERS AND INVESTORS,

During the third quarter, Crown Energy has, with undiminished strength, worked towards the company's long-term goal of making a responsible, and for our shareholders financially beneficial, exit from the oil and gas industry.

Crown remains in a very positive and strong cash position with approximately 842 MSEK, 150 MSEK in fixed income investments and a secure income of \$16m per annum in accordance with our Sale and Purchase Agreement of October 2021. Crown is therefore very well positioned financially to pursue new projects.

As previously communicated, we intend to use this liquidity to make investments in fast-growing segments such as, medical technology, telemedicine and CO2 capture. We expect that a first investment in one of these areas will take place in the near future.

### ASSET DEVELOPMENT AND MANAGEMENT

Following a difficult year for office rentals in Angola in 2021, where almost all companies renegotiated their rents and avoided costs of moving, there are some positive signs for the market in 2022. The elevated price of oil and the entry of new rigs in the country being important factors playing into the prospects of a brighter future.

Although price pressures remain, we are seeing low vacancy rates in our properties and expect demand to remain solid given the attractiveness of the locations of these properties.

### ENERGY

During the period, the primary focus has been to, in cooperation with our joint venture partners, start drilling in the Gazania-1 well in Block 2B in South Africa. Preparations went according to plan with some delays due to bad weather and drilling commenced in the first half of October.

Unfortunately, the outcome was not what our JV had expected, and no commercially viable amount of oil could be found. Once the Operator has provided further advice and information on the well results, we will, together with our partners, decide if and how our involvement in this project should continue. We would like to remind you that we were fully carried for the costs of the well. Though the result was disappointing, the financial costs and effects on Crown have been minimal.

Regarding our Manja Licence in Block 3108 in Madagascar, we have decided not to renegotiate the licence as it makes no commercial sense for Crown. This is a direct result of the highly increased costs related to the project and the fact that we are moving away from projects that we believe have a negative environmental impact.

Yoav Ben Eli  
CEO, Crown Energy

## Asset Development and Management business area

14

Properties

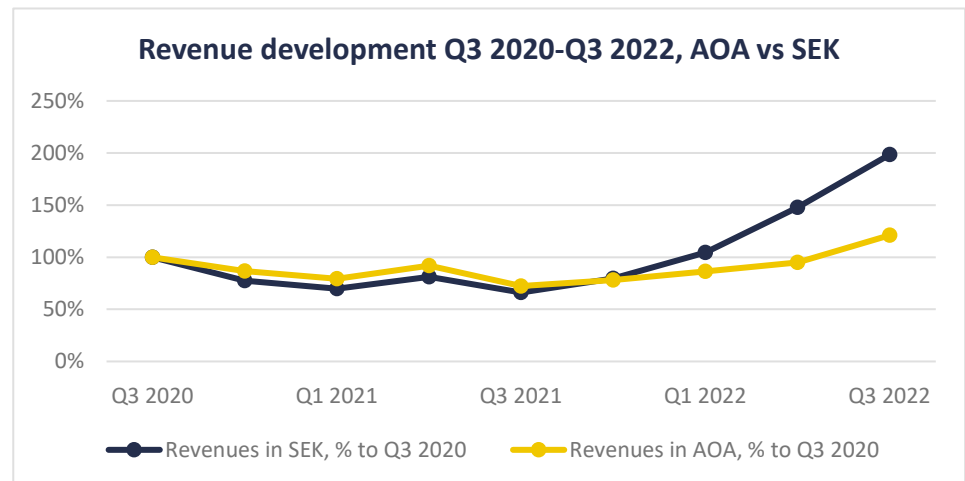
20 thousand

Leasable area, sqm

### THE PROPERTY MARKET AND CURRENCY IN ANGOLA

Angola's real estate market is strongly linked to the oil and gas sector. Some companies are aiming more to reduce long-term commitments. This means that in some circumstances the landlord will offer more flexible contracts; shorter duration or adjustable terms. Alternative concepts to a traditional leasing system, such as business centers, have started to emerge in the market

The Angolan kwanza has continued to appreciate over the reporting period, which is an improvement from the previous few years. The strengthening of the kwanza in recent quarters has had consequences on the reported revenue in Swedish SEK. The graph below shows the development of revenue since the third quarter of 2020.



Annual inflation rate in Angola fell to about 18,16 percent in June this year lowest inflation rate since early 2020. (Source: Banco Nacional de Angola). 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.

**SEK 39 M**  
Revenue backlog

**10,2 months**  
WAULT

**76%**  
Area occupancy rate

#### SUMMARY OF PROPERTY-RELATED KEY RATIOS

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

ALL AMOUNTS IN SEK THOUSANDS	2022-09-30	2022-06-30
Revenue backlog, SEK thousand	39,420	27,149
Rent backlog, SEK thousand	31,261	23,437
Contracted annual rental and service revenues, SEK thousand	45,989	37,534
Contracted annual rental revenues, SEK thousand	36,603	29,841
Area occupancy rate (excl. C-View) %	76%	68%
Economic occupancy rate (excl. C-View), %	78%	65%
WAULT rent and service, months	10.2	9.4
Market value of portfolio (excl. C-View), SEK thousand	237,752	213,277
Market value C-View, SEK thousand	509,505	473,899

#### COMMENTS ON PROPERTY-RELATED KEY RATIOS

##### Changes in the third quarter of 2022

Below is a list of changes in revenue and rent backlog for the third quarter of 2022.

ALL AMOUNTS IN SEK THOUSANDS	REVENUE BACKLOG	RENT BACKLOG
<b>Backlog at 30 June 2022</b>	27,149	23,437
Changes in the third quarter 2021:		
Contracted revenue	-10,368	-8,365
New/extended contracts	20,783	14,564
Contracts terminated early	-	-
	194	142
Exchange rate effects	2,050	1766
<b>Backlog at 30 September 2022</b>	<b>39,420</b>	<b>31,261</b>

Contracted rental value and service value of extended and new contracts amount to SEK 14,564 thousand and SEK 6,219 thousand, totalling SEK 20.783 thousand. Two contracts were terminated prematurely, which means that the revenue backlog decreased by a total of SEK 194 thousand. In total 88 lease agreements remain. Due to exchange rate effects, the Group's revenue backlog and rent backlog have increased with 2,050 SEK thousand and SEK 1,766 thousand respectively.

The distribution between USD and AOA contracts amounts to 11 and 89 per cent, respectively.

The Company's WAULT has increased since the second quarter 2022 from 9.4 to 10.2 months. Both the area occupancy rate and economic occupancy rate have changed since the fourth quarter 2021 respectively to 76 (56) per cent and 78 (38) per cent. The increase compared to previous Year is mainly attributable to the fact that Soho and Ocean Corner property is leased out to a large extending 2022.

Crown Energy's view is that the Luanda property market is improving and that it is less of "the tenant's market" than it was before. Crown Energy has continued to extend and renew contracts in recent quarters, which has resulted in that the backlog has continued to increase.

Due to better conditions on the market, Crown Energy has recorded a value adjustment for the investment properties. Three new apartments in Manhattan property were purchased. See more on page 9.

**80-90 USD/bbl**  
Oil price in Q3 2022

**3**

Exploration licences

## Energy Business Area

### MARKET

During 2022 we have been seeing an oil price in the USD \$80's and a strongly increasing gas price. During the first half of 2022 the oil price went over \$100 and the gas price also increased significantly. The main factors causing this continued increase are: the invasion of and ongoing conflict in Ukraine; the reduced effects of the Covid 19 pandemic; increases in Energy demand.

### EXPLORATION PROJECTS

For South Africa, Eco Atlantic acquired Azinam and thus Operatorship of the Block and the project. We are very happy that Eco has joined our JV and taken control of the Operatorship. The Island Innovator rig was contracted to drill the Gazania-1 well. It mobilised from Norway to South Africa during the summer and arrived in South Africa in the later part of September with drilling to commence in October. The Gazania-1 well targeted 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 our licence partner Africa Energy is bearing all costs associated with the Gazania-1 drilling within the licence area. This remains a very important carry matter as the costs of operating in the oil and gas industry and are going up significantly this year.

After the period end, the Company has announced that the Island Innovator rig had arrived in South Africa and had commenced drilling activities on the Gazania-1 well on Block 2 B in October. The well have did not encountered hydrocarbons in any commercial quantities and is being plugged and abandoned as planned. The Operator is assessing the technical information revealed by the well and will be reporting to the JV in due course. The Operator has also applied in November on behalf of the JV to move into the next phase of the Licence which is the Production Right.

The market, in 2022, has remained strong, with high prices seen for oil and gas. We have the a successful Agreement entered into entered in October 2021 under which Crown will dispose of (or grant pre-emption rights over), its upstream oil and gas assets excluding Block 2 B in South Africa, for a consideration of up to \$450 million, before the deduction of transaction costs. This remains a great deal for Crown's shareholders.

In Madagascar, the current licencing period expired in November 2019. We have had discussions with the authorities, and they had confirmed receipt of the Company's proposed change to any future licence terms and conditions to better adapt to the prevailing circumstances for oil exploration, especially for what is frontier exploration in its early stages. The Company is aware that costs have been starting to increase for exploration projects. Under these circumstances, the Board of Crown no longer believes it is beneficial to our Company from a commercial or environmental standpoint to try to renegotiate and continue with the Madagascar Licence. The licence and all research performed by Crown Energy will remain in the hand of the Madagascar Government, thus the asset will be impaired in Q4 2022.

As of 30 September 2022, for the purposes of the impairment, the value of the licence is 114,991 TSEK. The deferred tax liability is estimated at -19,307 TSEK. The total effect of the write down of the Licence value will be shown in Q4 report. Parent Company's accounts will also be effected, as the value of Intercompany Liabilities may be impaired.

For a detailed description of the assets, see the 2021 Annual Report and the Company's website.

# Financial overview

## KEY EVENTS DURING THE REPORTING PERIOD JANUARY-SEPTEMBER 2022

On 3 March 2022, Crown Energy announced that the joint venture Block 2B offshore in South Africa has signed an agreement for a semi-submersible rig, Island Innovator, to drill a well at Gazania-1 by October 2022.

Crown Energy announced on 21 April 2022, that the second instalment of USD 8 million has been credited to the Company's account in accordance with the agreement for the disposal of the majority of its oil and gas assets signed on 20 October 2021. The total amount received in accordance with the agreement since October 2021 amounts to USD 83 million.

In September 2022 the Company has announced that the Island Innovator rig is mobilised and on its way to the drilling site.

## COMMENTS ON FINANCIAL PERFORMANCE

### Operating profit/loss

During the first nine month of 2022 ("the reporting period"), net sales increased by 107 per cent compared to same period last year. Please see more information about this in the section Asset Development and Management.

Property costs for the reporting period amounted to SEK -16,109 thousand (-8,236). The increase is due to the Kwanza exchange rate and lease contracts with variable rents. This amount also includes a one-time payment of stamp duty.

Other external costs totalled SEK -21,966 thousand (-12,629). Associated mainly with additional internal and external consulting costs in Angola.

The employee benefit expenses has increased to -11,056 (-6,476) mainly due to onetime payment in Angola, and lower value of SEK.

### Net financial items

Net financial items during the reporting period amounted to SEK 101,473 thousand (-8,095). The net exchange rate effects amount to SEK 83,883 thousand (-10,271). 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, which had a negative impact on financial items in 2022.

During Q3, it was noted that currency translation was incorrectly made in Q1 and Q2 of the advance compensation received for the future disposal of oil and gas assets. When a company receives compensation in advance in a foreign currency, this is recorded as a non-monetary liability in the balance sheet. Non-monetary liabilities shall not be translated at the closing rate in subsequent financial statements but shall be accounted for at the translation rate in that applied when the advance payment was received. The inaccuracy has led to exchange differences being recognized on this non-monetary liability in the Q1 and Q2 reports among financial income and expenses. The error has been corrected by recalculating the relevant items in the income statement for the previous periods by a total of SEK 93,988 thousand. For more information please see note 1.

### Changes in value

Changes in value during the reporting period amount to SEK -16,251 thousand (-46,132) and refers to unrealised changes in investment property. The changes in investment property are attributable to updates of the property valuations as of 30 September 2022.

### Other comprehensive income

Other comprehensive income includes translation differences of SEK 225,071 thousand (60,515), 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 237,752 thousand. Net change since year-end 2021 totalled SEK 75,502 thousand. The change in value is mainly attributable to adjustment of the Manhattan property where Crown Energy made an investment in three more apartments during the Q2 2022 and as well as the exchange rate differences. 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 at 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 509,505 thousand as per 30 September 2022. The increase of SEK 185,985 thousand since year-end 2021 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 235,199 thousand. In November crown energy has announced that the negotiations regarding prolonging the licence in Madagascar will be stopped. This effect will be shown in Q4 report to be published in February 2023. The asset amounts to 115 MSEK. See Note 4 for a summary of these changes.

Financial assets reported at amortised costs refers to investments in Angolan government bonds indexed against the Inflation totalling 150 MSEK as of 30 September 2022.

Prepaid costs and deferred income amount to SEK 136,632 thousand and has increased by SEK 33,658 thousand since year-end 2021. The increase is mainly explained by a weaker SEK to both USD and Kwanza which effects the prepaid transactional costs for sales of C-View.

#### **Liabilities**

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 30 September 2022 to SEK 369,567 thousand. As of September 2022, the buyer did not assume control of the building due to changes in the purpose of further exploitation of the property. For more information about the C-View sale and the accounting of this, see note 7.

Accrued Expenses and deferred income includes a payment for exploration assets amounting to SEK 754,222 thousand.

#### **COMMENTS ON CASH FLOWS**

The cash flow for the period amounts to SEK 168,816 (15,962) thousand. Mainly due the payment of 8 MUSD in April 2022 and payments for C-View property. Net investments in Angolan Government bonds amount to -SEK -17,487 thousand.

#### **PARENT COMPANY**

The Parent Company's revenue for January-September 2022 amounted to SEK 1,411 thousand (2,175). Revenue related to re-invoicing of costs and management fees to subsidiaries. The decrease is due to lower personnel and administrative costs in the parent company.

Other external expenses of SEK -2,672 thousand (-2,187).

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

## Consolidated statements of comprehensive income

ALL AMOUNTS IN SEK THOUSANDS	NOTE	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	FULL YEAR 2021
<b>INCOME STATEMENT</b>						
Revenue, of which		13,882	4,626	31,528	15,188	20,764
<i>Rental revenues</i>	<b>2</b>	13,076	3,300	26,080	9,746	14,041
<i>Service revenues</i>	<b>2</b>	805	1,326	5,448	5,442	6,723
Other operating income	<b>2</b>	479	-	1,751	5	6
Property-related expenses		-5,251	-3,982	-16,109	-8,236	-10,982
Other external costs		-7,704	-4,925	-21,966	-12,629	-20,783
Employee benefit expenses		-2,588	-2,177	-11,056	-6,476	-8,915
Depreciation		-271	-265	-683	-767	-1,056
Other operating expenses		-34	-64	-225	-5,642	-6,124
<b>Operating profit/loss</b>		<b>-1,487</b>	<b>-6,787</b>	<b>-16,758</b>	<b>-18,558</b>	<b>-27,089</b>
Financial income		53,994	8,474	168,959	14,383	25,539
Financial expenses		-30	-16,569	-67,486	-21,336	-36,957
<b>Net financial items</b>		<b>53,964</b>	<b>-8,095</b>	<b>101,473</b>	<b>-6,953</b>	<b>-11,419</b>
<b>Profit/loss before tax and changes in value</b>		<b>52,477</b>	<b>-14,882</b>	<b>84,715</b>	<b>-25,511</b>	<b>-38,507</b>
Changes in value, of which		4,598	-28,802	16,251	-46,132	-32,596
<i>Property, unrealised</i>	<b>3</b>	4,598	-28,802	16,251	-46,132	-32,596
<i>Assets held for sale, unrealised</i>	<b>7</b>		-		-	-
<b>Earnings before tax</b>		<b>57,075</b>	<b>-43,684</b>	<b>100,965</b>	<b>-71,643</b>	<b>-71,103</b>
Income tax			-		-	-
Deferred tax		9,367	4,852	-1,740	7,398	-7,504
<b>Net profit/loss for the period</b>		<b>66,442</b>	<b>-38,832</b>	<b>99,225</b>	<b>-64,244</b>	<b>-63,600</b>
<b>Earnings per share and share related data</b>						
Average number of basic and diluted shares, thousands		477,315	477,315	477,315	477,315	477,315
Basic and diluted earnings per share, SEK		0.14	-0.01	0.21	-0.05	-0.13
<b>COMPREHENSIVE INCOME</b>						
<b>Net profit/loss for the period</b>		<b>66,442</b>	<b>-38,832</b>	<b>99,255</b>	<b>-64,244</b>	<b>-63,600</b>
Other comprehensive income:						
Translation differences		43,008	39,286	225,071	60,515	101,588
<b>Total items that can be reclassified to profit or loss</b>		<b>43,008</b>	<b>39,286</b>	<b>225,071</b>	<b>60,515</b>	<b>101,588</b>
<b>Other comprehensive income, net of tax</b>		<b>43,008</b>	<b>39,286</b>	<b>225,071</b>	<b>60,515</b>	<b>101,588</b>
<b>Total comprehensive income for the year</b>		<b>109,450</b>	<b>39,286</b>	<b>324,296</b>	<b>60,515</b>	<b>37,988</b>
<b>Comprehensive income for the period attributable to Parent Company shareholders</b>		<b>109,450</b>	<b>455</b>	<b>324,296</b>	<b>-3,729</b>	<b>37,988</b>



## Condensed consolidated statements of financial position

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-09-30	2021-09-30	2021-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment property	3	237,752	143,545	162,250
Property assets held for sale	7	509,505	291,291	323,520
Equipment, tools, fixtures and fittings		8,433	1,420	1,523
Intangible assets		51	103	-
Exploration and evaluation assets	4	235,199	204,633	207,107
Financial assets valued at amortised cost		150,374	36,373	83,442
Deferred tax asset		0	-	-
<b>Total non-current assets</b>		<b>1,141,314</b>	<b>677,366</b>	<b>777,841</b>
<b>Current assets</b>				
Trade receivables		19,269	10,694	12,991
Other receivables	5	75,758	37,256	41,519
Prepaid expenses and accrued income		136,632	33,462	102,974
Cash and cash equivalents		842,091	65,388	660,308
<b>Total current assets</b>		<b>1,073,751</b>	<b>146,801</b>	<b>817,792</b>
<b>TOTAL ASSETS</b>		<b>2,215,065</b>	<b>824,167</b>	<b>1,595,633</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
<b>Total equity attributable to Parent Company shareholders</b>		<b>922,956</b>	<b>556,942</b>	<b>598,660</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Non-current lease liability		1,484	698	575
Deferred tax liabilities		136,745	81,520	89,176
Other provisions		4,449	3,516	3,617
<b>Total non-current liabilities</b>		<b>142,678</b>	<b>85,734</b>	<b>93,368</b>
<b>Current liabilities</b>				
Current lease liability		-	-	-
Accounts payable		6,553	7,060	6,124
Other current liabilities		8,085	7,650	8,656
Accrued expenses and deferred income		757,933	3,841	682,763
Contract liabilities		376,861	162,939	206,063
<b>Total current liabilities</b>		<b>1,149,432</b>	<b>181,491</b>	<b>903,606</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,215,065</b>	<b>824,167</b>	<b>1,595,633</b>

## Condensed consolidated statement of changes in equity

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-09-30	2021-09-30	2021-12-31
Reported opening balance		598,659	560,670	560,671
Net profit/loss for the period		99,225	-64,244	-63,600
Other comprehensive income, net of tax		225,071	60,515	101,588
<b>Comprehensive income for the period</b>		<b>324,296</b>	<b>-3,729</b>	<b>37,988</b>
Closing balance attributable to parent company shareholders		922,955	556,942	598,659

## Condensed consolidated statements of cash flows

ALL AMOUNTS IN SEK THOUSANDS	NOTE	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	FULL YEAR 2021
<b>Cash flow from operating activities before change in working capital</b>		<b>46,231</b>	<b>-2,152</b>	<b>98,111</b>	<b>-7,020</b>	<b>-12,292</b>
Changes in working capital		-8,674	21,175	-1,539	52,914	95,480
<b>Cash flow from operating activities</b>		<b>37,557</b>	<b>19,024</b>	<b>96,572</b>	<b>45,894</b>	<b>83,189</b>
Capital expenditures on investment properties		-65	-545	21,906	-545	-545
Capital expenditures on exploration and evaluation assets		-710	-162	-1,224	-318	458
Capital expenditures on other fixed assets		-3579	-206	-6,045	-228	-363
Advance payments sale of exploration and evaluation assets			-	75,945	-	645,270
Investments in financial assets (government bonds)		-	-	-17,487	-25,742	-60,691
Paid tax on dividends			-	-	-	-
Advance payments costs associated with sale of Exploration assets				-		-57,656
<b>Cash flow from investing activities</b>	<b>3, 4</b>	<b>-4,355</b>	<b>-913</b>	<b>73,095</b>	<b>-26,834</b>	<b>526,472</b>
<b>Cash flow from financing activities</b>		<b>-554</b>	<b>-1,215</b>	<b>-851</b>	<b>-3,098</b>	<b>-3,299</b>
<b>Cash flow for the period</b>		<b>32,647</b>	<b>16,896</b>	<b>168,816</b>	<b>15,962</b>	<b>606,361</b>
Cash and cash equivalents at start of period		807,486	43 454	660,308	42,522	42,522
Cash flow for the period		32,647	16 896	168,816	15,962	606,361
Exchange losses on cash and cash equivalents		1,957	5 038	12,967	6,094	11,424
<b>Cash and cash equivalents at end of period</b>		<b>842,091</b>	<b>65,388</b>	<b>842,091</b>	<b>65,388</b>	<b>660,308</b>

## Consolidated key ratios

For definitions of key ratios, see pages 21-22.

### QUARTERLY SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
<b>EARNINGS</b>								
Rental and service revenues	13 882	10,334	7 313	5 577	4 626	5 683	4 879	5 411
Other operating income	479	60	1 282	1	-	5	-	-614
Operating profit/loss	-1 487	-7,467	-7 682	-8 567	-6 787	-8 461	-3 310	-8 974
Net profit/loss for the period after tax	66 442	59 949	-27 043	609	-38 832	-8 669	-16 743	24 743
<b>PROPERTY-RELATED KEY RATIOS</b>								
Rental revenues	13 076	7,725	5 279	4 295	3 300	3 222	3 224	3 652
Service revenues	805	2,609	2 034	1 282	1 326	2 461	1 655	1 760
Property-related expenses	-5 251	-4,866	-5 992	-2 746	-3 982	-2 054	-2 200	-2 518
Operating net	8 631	5,468	1 321	2 830	644	3 629	2 679	2 893
Operating surplus, property portfolio, %	62%	53%	18%	51%	14%	64%	55%	53%
Revenue backlog	39 420	27,149	29 329	16 680	14 442	15 167	16 320	13 698
Rent backlog	31 261	23,437	22 879	12 885	10 927	12 138	12 127	10 217
Contracted annual rental and service revenues	45 989	37,534	37 119	24 552	20 644	18 341	17 037	17 896
Contracted annual rental revenues	36 603	29,841	28 071	17 217	14 273	12 517	11 256	11 846
<b>FINANCIAL KEY RATIOS</b>								
EBITDA	-1,216	-7,201	-7 587	-26 033	-17 791	-8 209	-3 060	-9 368
EBITDA margin, %	Neg.	Neg.	Neg.	Neg.	neg.	neg.	neg.	neg.
<b>RATIOS PER SHARE</b>								
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	0,14	-0,13	-0,09	-0,08	-0,02	-0,04	0,05	-0,01
<b>EMPLOYEES</b>								
Average number of employees	17,0	17,0	17,0	16,5	17,0	18,0	18,0	19,0

## PERIODIC SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	JAN-SEP 2022	JAN-SEP 2021	FULL YEAR 2021	FULL YEAR 2020	FULL YEAR 2019	FULL YEAR 2018
<b>EARNINGS</b>						
Rental and service revenues	31,528	15,188	20,764	29,759	48,788	76,633
Other operating income	1,751	5	6	226	2,728	214
Operating profit/loss	-16,758	-18,558	-27,089	-16,083	-996	22,075
Operating profit/loss before items affecting comparability	-16,758	-18,558	-27,089	-16,083	-996	22,075
Net profit/loss for the period, after tax	99,225	-64,244	-63,600	45,046	133,599	186,909
<b>PROPERTY-RELATED KEY RATIOS</b>						
Rental revenues	26,080	9,745	14,041	21,163	34,155	53,349
Service revenues	5,448	5,442	6,723	8,596	14,633	23,284
Property-related expenses	-16,109	-8,236	-10,982	-12,183	-17,121	-23,883
Operating net	15,420	6,952	9,782	17,575	31,667	52,750
Operating surplus, property portfolio, %	49%	46%	47%	59%	65%	69%
Revenue backlog	39,420	14,442	16,680	13,698	31,145	51,222
Rent backlog	31,261	10,927	12,885	10,217	25,519	32,646
Contracted annual rental and service revenues	45,989	20,644	24,552	17,896	34,503	78,865
Contracted annual rental revenues	36,603	14,273	17,217	11,846	25,302	60,374
Area occupancy rate, %***	76%	53%	56%	71%	73%	55%
Economic occupancy rate, %***	77%	38%	44%	47%	60%	44%
WAULT rent and service, months**	10,2	9,2	9,0	10,1	12,1	6,7
Market value of portfolio	236,050	142,847	161,674	176,261	149,860	603,703
Leasable area, thousands of square meters	19,9	19,9	19	19,9	19,6	31,7
Number of properties at end of period	14	14	14	14	15	16
<b>FINANCIAL KEY RATIOS</b>						
Return on equity (ROE), %	17.7%	neg.	neg.	7.1%	2.5%	22%
Return on assets (ROA), %	6.7%	neg.	neg.	5.4%	2.0%	18%
EBITDA	-16,076	-17,791	-26,033	-15,058	-8,186	22,349
Adjusted EBITDA	-16,076	-17,791	-26,033	-15,058	-8,186	22,349
EBITDA margin, %	neg.	neg.	neg.	neg.	neg.	19%
Adjusted EBITDA margin, %	Neg.	neg.	neg.	neg.	neg.	19%
Equity/assets ratio, %	42%	68%	38%	74%	77%	83%
<b>RATIOS PER SHARE</b>						
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	477,315
Basic and diluted earnings per share, SEK	0.21	-0.13	-0.13	0.09	0.28	0.39
Equity per share, SEK	1.93	1.17	1.25	1.17	1.47	1.70
<b>EMPLOYEES</b>						
Average number of employees	17	17	17	18.4	18.1	16.8

\*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	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	FULL YEAR 2021
Revenue	5	425	379	1,411	2,175	2,162
Other operating income		5	-	64	-	1
Other external costs		-919	-759	-2,672	-2,187	-6,271
Employee benefit expenses		-882	-1,309	-2,837	-3,935	-5,272
Depreciation/amortisation					-	-
Other operating expenses		-34	-22	-84	-49	-88
<b>Operating profit/loss</b>		<b>-1,405</b>	<b>-1,711</b>	<b>-4,117</b>	<b>-3,996</b>	<b>-9,468</b>
Dividend from subsidiary		-	8,206	-	8,206	14,454
Write-down of participations in Group companies		-	-5,411	-	-5,411	-5,411
Interest income and similar items		38,426	68	132,888	285	915
Interest income, intercompany	5	1,443	779	3,628	2,351	3,115
Interest expenses and similar items		-	-	-1,939	-140	-140
<b>Earnings before tax</b>		<b>38,464</b>	<b>1,931</b>	<b>130,459</b>	<b>1,295</b>	<b>3,465</b>
Tax			-	-	-	-
<b>Net profit/loss for the period</b>		<b>38,464</b>	<b>1,931</b>	<b>130,459</b>	<b>1,295</b>	<b>3,465</b>

### CONDENSED BALANCE SHEET – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-09-30	2021-09-30	2021-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Participations in Group companies		467,320	467,320	467,320
Intangible assets		-	-	-
Receivables from Group companies		218,172	211,768	212,322
<b>Total non-current assets</b>		<b>685,492</b>	<b>679,088</b>	<b>679,642</b>
<b>Current assets</b>				
Receivables from Group companies		17,136	3,310	6,516
Current receivables		58,136	793	58,156
Cash and bank balances		812,971	6,436	622,899
<b>Total current assets</b>		<b>888,243</b>	<b>10,539</b>	<b>687,571</b>
<b>TOTAL ASSETS</b>		<b>1,573,735</b>	<b>689,627</b>	<b>1,367,213</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Total equity</b>		<b>818,145</b>	<b>685,516</b>	<b>687,685</b>
<b>Total liabilities</b>		<b>755,590</b>	<b>4,111</b>	<b>679,529</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,573,735</b>	<b>689,627</b>	<b>1,367,213</b>

### CONDENSED STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-09-30	2021-09-30	2021-12-31
Opening equity		685,516	684,221	684,219
Net profit/loss for the period		130,459	1,295	3,466
<b>Comprehensive income for the period</b>		<b>130,459</b>	<b>1,295</b>	<b>3,466</b>
<b>Total equity</b>		<b>818,145</b>	<b>685,516</b>	<b>687,685</b>

## 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 Skeppargatan 27, 114 52 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%
<b>Total number of shares</b>	<b>477,315,350</b>	<b>100.0%</b>	<b>477,315,350</b>	<b>100.0%</b>

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 2021 Annual Report. During 2022 the inflation and major demand for oil exploration have increased the costs of exploration, which effects risk assessment on Manja and Block 2b Explorations licences.

## 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 2021 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 2021 financial year and as described in the 2021 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 2021 Annual Report.

### CORRECTION OF ERRORS RELATING TO THE RECALCULATION OF DEFERRED INCOME

During Q3, it was noted that currency translation was incorrectly made in Q1 and Q2 of the advance payment received for future disposal of oil and gas assets. When an enterprise receives compensation in advance in a

foreign currency, this is recorded as a non-monetary liability in the balance sheet. Non-monetary liabilities shall not be translated at the closing rate in subsequent financial statements but shall be accounted for at the translation rate in force at the time the advance payment was received. The inaccuracy has led to the exchange of differences being recognized on this non-monetary liability in the Q1 and Q2 reports among financial income and expenses. The inaccuracy has been corrected by recalculating the relevant items in the profit and loss account for the previous periods as follows:

OPERATING SEGMENTS, SEK THOUSANDS	Group Jan-Mar			Parent Company Jan-Mar		
	2022	Adjustments	2022	2022	Adjustments	2022
Operating result	-7,682	-	-7,682	-1,011	-	-1,011
Financial Income	5,380	16,530	21,910	889	16,530	17,419
Financial Expenses	-54,186		-54,186	-1,688		-1,688
<b>Profit/loss before tax</b>	<b>-47,767</b>	<b>16,530</b>	<b>-31,237</b>	<b>-1,810</b>	<b>16,530</b>	<b>14,720</b>
Tax	4,194	-	4,194	-	-	-
<b>Result for the Period</b>	<b>-43,573</b>	<b>16,530</b>	<b>-27,043</b>	<b>-1,810</b>	<b>16,530</b>	<b>14,720</b>
<i>Result per share</i>	<i>-0.09</i>	<i>0.03</i>	<i>-0.06</i>			

OPERATING SEGMENTS, SEK THOUSANDS	Group Apr-Jun			Parent Company Apr-Jun		
	2022	Adjustments	2022	2022	Adjustments	2022
Operating result	-7,467	-	-7,467	-1,579	-	-1,579
Financial Income	34,791	77,458	112,249	1,770	77,458	79,228
Financial expenses	-32,463		-32,463	-251		-251
<b>Profit/loss before tax</b>	<b>-2,207</b>	<b>77,458</b>	<b>75,251</b>	<b>-60</b>	<b>77,458</b>	<b>77,398</b>
Tax	-15,301	-	-15,301	-	-	0
<b>Result for the Period</b>	<b>-17,509</b>	<b>77,457</b>	<b>59,948</b>	<b>-60</b>	<b>77,458</b>	<b>77,398</b>
<i>Result per share</i>	<i>-0.04</i>	<i>0.16</i>	<i>0.13</i>			

## 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 2021.

REVENUE CATEGORIES, AMOUNTS IN SEK THOUSANDS	Energy	Asset Development and Management	Other and eliminations	Total
<b>Nine Month Period 2022</b>				
Rental revenue	-	26,080	-	26,080
Service revenue	-	5,448	-	5,448
Other revenue	-	1,751	-	1,751
<b>Total revenue</b>	-	33,280	-	33,280
<b>Of which revenue from contracts with customers, subject to IFRS 15</b>	-	5,448	-	5,448
<b>Nine month period 2021</b>				
Rental revenue	-	9,746	-	9,746
Service revenue	-	5,442	-	5,442
Other revenue	-	5	-	5
<b>Total revenue</b>	-	15,192	-	15,192
<b>Of which revenue from contracts with customers, subject to IFRS 15</b>	-	5,442	-	5,442

## 3 INVESTMENT PROPERTY

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	FULL YEAR 2021
<b>Opening carrying amount</b>	<b>213,277</b>	<b>170,949</b>	<b>162,250</b>	<b>179,375</b>	<b>179,375</b>
+ Capital expenditures for the period	-319	543	21,983	543	545
+ Acquisitions for the period	-	-	-	-	-
- Disposals for the period	-	-	-	-	-
+/- Unrealised changes in value	4,914	-29,005	12,656	-45,667	-31,946
+/- Change leasing liability	876	-2,427	838	-2,734	-2,921
Changes in leasing contracts, no effect on result	-	-	-	-	-
+/- Exchange rate effects	19,004	3,485	40,054	12,027	17,197
<b>Closing carrying amount</b>	<b>237,752</b>	<b>143,545</b>	<b>237,752</b>	<b>143,545</b>	<b>162,250</b>

The valuation of the investment properties has been prepared internally as per 30 September 2022. Required returns were determined for housing and office premises and are set at 7 and 8,5 percent, before tax. The weighted average cost of capital (WACC) for the market (Luanda, Angola) was estimated at 13,6 percent for the period, after tax.



**Note 3 Investment property (continued)**

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	2022-09-30	2021-09-30	2021-12-31
Fair value, investment properties	236,050	142,847	176,261
Reversal of lease costs recognised as lease liabilities	1,702	698	3,114
Carrying amount at end of reporting period	237,752	143,545	179,375

**4 EXPLORATION AND EVALUATION ASSETS**

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	JUL-SEP 2022	JUL-SEP 2021	JAN-SEP 2022	JAN-SEP 2021	FULL YEAR 2021
Opening carrying amount	222,771	200,865	207,107	201,774	201,774
Capital expenditures for the period	710	162	1,224	318	442
Write Down of E&E assets	-	-	-	-5,192	-6,091
Translation and revaluation effects	11,718	3,606	26,869	7,732	10,981
Closing accumulated cost of acquisition	235,199	204,633	235,199	204,633	207,107

On our other Energy assets, as previously reported on 20th October 2021, Crown Energy has successfully entered into an agreement with a buyer who has the right to acquire Crown Energy's upstream oil and gas assets, including Iraq and Madagascar, for a total consideration of up to USD 450 million before the deduction of transaction costs. In accordance with IFRS 15 no write up of the assets was performed, until the control over the assets is transferred to the buyer, which is expected after a full consideration of 180 MUSD is paid, scheduled in October 2026.

Madagascar, the current licencing period expired in November 2019. Under the current circumstances, the Board of Crown no longer believes it is beneficial to our Company from a commercial or environmental standpoint to try to renegotiate the Manja Licence. The License and copies of all data acquired by Crown Energy will remain in the hands of the Madagascar authorities, and thus the asset will be impaired in Q4 2022.

As of 30 September 2022, for the purposes of the impairment, the value of the licence is 114,991 TSEK. The deferred tax liability is estimated at -19,307 TSEK. The total effect of the write down of the Licence value will be shown in the Q4 report.

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

Of the Parent Company's revenue for the first three months 2022, 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 and since January 2022 is employed by the parent company. The agreement amounts to EUR 40,500 per month, and the total payments for the period correspond to SEK 4,219 thousand for the period.

Yoav Ben-Eli received a salary of approximately SEK 47 thousand per month from the parent company for the period January-June 2022.

**Note 5 transactions with related parties (continued)**

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 2022.

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 10,295 thousand during the reporting period.

**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 2021. At 30 September 2022, this receivable amounted to the equivalent of SEK 44,579 thousand including interest.

All transactions are performed on normal commercial terms.

**6 OPERATING SEGMENTS**

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q3 2022	Asset Development and Management Q3 2022	Other and eliminations Q3 2022	Total Q3 2022
Operating income	-	14,356	5	14,361
Operating expenses	-41	-13,973	-1,834	-15,847
<b>Operating profit/loss</b>	<b>-41</b>	<b>383</b>	<b>-1,829</b>	<b>-1,487</b>
Net financial items	6,198	9,325	38,441	53,964
<b>Profit/loss before tax and changes in value</b>	<b>6,157</b>	<b>9,708</b>	<b>36,612</b>	<b>52,477</b>
<b>Changes in value</b>				
Property, unrealised	-	4,598	-	4,598
<b>Earnings before tax</b>	<b>6,157</b>	<b>14,306</b>	<b>36,612</b>	<b>57,075</b>
Income tax	-	-	-	-
Deferred tax	-	9,367	0	9,367
<b>Net profit/loss for the period</b>	<b>6,157</b>	<b>23,673</b>	<b>36,612</b>	<b>66,442</b>
Non-current assets at end of period	235,199	906,064	51	1,141,314

	Energy Q3 2021	Asset Development and Management Q3 2021	Other and eliminations Q3 2021	Total Q3 2021
<b>OPERATING SEGMENTS, SEK THOUSANDS</b>				
Operating income	-	4,626	-	<b>4,626</b>
Operating expenses	-73	-9,253	-2,088	<b>-11,413</b>
<b>Operating profit/loss</b>	<b>-73</b>	<b>-4,627</b>	<b>-2,088</b>	<b>-6,787</b>
Net financial items	2,151	-10,338	92	<b>-8,095</b>
<b>Profit/loss before tax and changes in value</b>	<b>2,078</b>	<b>-14,964</b>	<b>-1,996</b>	<b>-14,882</b>
<b>Changes in value</b>				
Property, unrealised	-	-28,802	-	<b>-28,802</b>
<b>Earnings before tax</b>	<b>2,078</b>	<b>-43,766</b>	<b>-1,996</b>	<b>-43,684</b>
Income tax	-	-	-	-
Deferred tax	-	4,853	0	<b>4,852</b>
<b>Net profit/loss for the period</b>	<b>2,078</b>	<b>-38,913</b>	<b>-1,997</b>	<b>-38,832</b>
Non-current assets at end of period	<b>204,633</b>	<b>472,630</b>	<b>103</b>	<b>677,366</b>

**Note 6 Operating Segments (continued)**

	Energy Jan-Sep 2022	Asset Development and Management Jan-Sep 2022	Other and eliminations Jan-Sep 2022	Total Jan-Sep 2022
<b>OPERATING SEGMENTS, SEK THOUSANDS</b>				
Operating income	-	33,215	64	33,280
Operating expenses	-274	-44,172	-5,591	-50,038
<b>Operating profit/loss</b>	<b>-274</b>	<b>-10,957</b>	<b>-5,527</b>	<b>-16,758</b>
Net financial items	14,872	-44,170	130,771	101,473
<b>Profit/loss before tax and changes in value</b>	<b>14,598</b>	<b>-55,127</b>	<b>125,244</b>	<b>84,715</b>
<b>Changes in value</b>				
Property, unrealised	-	16,251	-	16,251
<b>Earnings before tax</b>	<b>14,598</b>	<b>-38,877</b>	<b>125,244</b>	<b>100,965</b>
Income tax	-	-	-	-
Deferred tax	-	-1,740	0	-1,740
<b>Net profit/loss for the period</b>	<b>14,598</b>	<b>-40,617</b>	<b>125,244</b>	<b>99,225</b>
Non-current assets at end of period	235,199	906,064	51	1,141,314

OPERATING SEGMENTS, SEK THOUSANDS	Energy Jan-Sep 2021	Asset Development and Management Jan-Sep 2021	Other and eliminations Jan-Sep 2021	Total Jan-Sep 2021
Operating income	-	15,192	-	15,192
Operating expenses	-5,413	-22,173	-6,164	-33,750
<b>Operating profit/loss</b>	<b>-5,413</b>	<b>-6,981</b>	<b>-6,163</b>	<b>-18,558</b>
Net financial items	4,609	-11,754	192	-6,953
<b>Profit/loss before tax and changes in value</b>	<b>-804</b>	<b>-18,735</b>	<b>-5,971</b>	<b>-25,511</b>
<b>Changes in value</b>				
Property, unrealised	-	-46,132	-	-46,132
<b>Earnings before tax</b>	<b>-804</b>	<b>-64,867</b>	<b>-5,971</b>	<b>-71,643</b>
Income tax	-	-	-	-
Deferred tax	-	7,399	-1	7,398
<b>Net profit/loss for the period</b>	<b>-804</b>	<b>-57,468</b>	<b>-5,971</b>	<b>-64,244</b>
Non-current assets at end of period	<b>204,633</b>	<b>472,630</b>	<b>103</b>	<b>677,366</b>

## 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 2021.

### Accounting during 2022

C-View, up until the economic control is transferred to the buyer, continues 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 over the repayment period of three years. Transaction costs will be accounted as a part of the net realised result of the transaction, in connection with the transfer of the economic control. The client as of 31 December 2021 did not take over economic control of the property, despite reaching the required threshold of 1/3 of purchase price in April 2021, thus the property is still accounted as an asset held for sale. Crown Energy will recognise the profit and costs associated with sale of the asset in accordance with IFRS 15, as soon as the buyer assumes the economic control of the asset.

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 30 September 2022 to SEK 369,567 thousand, which in local currency corresponds to 66% percent of the total sales price. As communicated previously, the property title will be transferred to the buyer after the full purchase price and an inflation compensation is paid to Crown Energy's Angolan subsidiary. Due to an uncertain timeline for this payment and the amount depending on future inflation Crown Energy does not account for the inflation compensation in Q3 2022.

## 8 EVENTS AFTER THE END OF THE REPORTING PERIOD

Crown Energy announced on 21st October 2022 that the third instalment of USD 8 million has been credited to the Company's account in accordance with the terms of the Sale and Purchase agreement dated 20th October 2021. The total received in accordance with the Agreement since October 2021 amounts to USD 91 million.

After the period end the Company announced that the Island Innovator rig had arrived in South Africa and had commenced drilling activities on the Gazania-1 well on Block 2 B in October. The well did not encounter hydrocarbons in any commercial quantities and is being plugged and abandoned as planned. The Operator is assessing the technical information revealed by the well and will be reporting to the JV in due course. The Operator also applied in November on behalf of the JV to move into the next phase of the Licence which is the Production Right.

On 29th of November, Board of Crown Energy announced that it no longer believes it is beneficial to the Company from a commercial or environmental standpoint to try to renegotiate and continue with the Madagascar Licence thus the asset will be impaired in Q4 2022.

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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 reviewed by the Company's auditors. The English interim report is a translation of the Swedish Interim Report.

Stockholm, 29 November 2022

Pierre-Emmanuel Weil  
Chairman of the Board

Jean Benaim  
Board member

Yoav Ben-Eli  
Board member, CEO

Alan Simonian  
Board member, COO

#### **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 22:00 CET, on 29 November 2022.

#### **REPORTING DATES**

Year-End Report 2022	25 February 2023
Annual Report 2022	21 April 2023
Annual General Meeting 2023	19 May 2023
Three-month report 2023	19 May 2023
Half Year Report 2023	18 August 2023
Nine-month report 2023	17 November 2023

#### **FINANCIAL INFORMATION**

All financial information is posted at [www.crownenergy.se](http://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>.

For additional information, contact:  
Yoav Ben-Eli, CEO +46 (0)8 400 207 20

#### **ADDRESS**

Crown Energy AB (publ)

Skeppargatan 27  
SE-114 52 Stockholm, Sweden  
[www.crownenergy.se](http://www.crownenergy.se)

## AUDITOR'S REPORT

Crown Energy AB (publ) reg. no. 556804-8598

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### Introduction

We have reviewed the condensed interim financial information (interim report) of för Crown Energy AB (publ) as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Emphasis of matters

We would like to draw attention to footnote 4 and the section Events after the end of the balance sheet date in the financial statements which describe the effects on the company's assets after the board's decision to suspend the negotiations with the local authority regarding a renewed license attributable to Madagascar. We have not modified our statement in this regard.

We would also like to draw attention to footnote 1 of the financial statements which describes the effects of a correction to the accounting of currency translation of advance payments received during the interim period January to September 2022. We have not modified our statement in this regard.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm 29 November 2022

Öhrlings PricewaterhouseCoopers AB

Bo Lagerström  
Authorized Public Accountant

## 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. Expressed in 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.

NEW VISION – THE CEO announced that Crown will be moving into new areas of responsible business focus. These are in high tech medicine and in environmentally responsible carbon capture projects.

### CURRENT 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 and the capital generated from the Energy Assets can be used towards *Asset Development* and Crown's New Vision. 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.