

Crown Energy AB (publ) has entered into a Letter of Intent to acquire 85% of a company group within the medtech sector

PRESS RELEASE 10/01/2023

INSIDE INFORMATION: Crown Energy AB (publ) ("Crown Energy" or the "Company") has today entered into a Letter of Intent (the "LOI") with a seller to acquire 85 percent of a company group within the medtech sector with operations mainly in Italy (the "Target Group"). Under the LOI, the Company has agreed to make an upfront payment amounting to EUR 16.3 million in cash to the seller within three business days following the execution of the LOI.

MAIN TERMS AND CONDITIONS OF THE LOI

The LOI enables the Company to initiate a due diligence of the Target Group and gives the Company an exclusive right to perform the due diligence and negotiate the transaction (including entering into a share purchase agreement) for two months following the signing of the LOI. The LOI is not a legally binding agreement to acquire the Target Group.

If, for whatever reason, closing of the transaction does not occur, then the seller shall repay the upfront payment to the Company within three business days.

ABOUT THE TARGET GROUP

The Target Group holds advanced patent protected technology in Europe. The patented proprietary software and hardware allows the Target Group to manufacture advanced smart textiles or e-textiles. The Target Group is currently active in Italy and other European countries.

More detailed information about the Target Group will be provided if the Company and the seller agree to enter into a binding share purchase agreement to acquire the Target Group.

Statement from Yoav Ben-Eli, CEO and board member of Crown Energy:

"This is a very important and socially responsible step forward for Crown into the rapidly growing world of medical technology. We are very excited about the prospect of acquiring the Target Group and look forward to being able to report further to our shareholders and the Market on the commercial upside of this acquisition in the very near future."

This information is such information that Crown Energy AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information in this press release has been made public through the agency of the responsible person set out below for publication at the time stated by the Company's news distributor, Cision, at the publication of this press release.

MORE INFORMATION

Yoav Ben-Eli, CEO Crown Energy AB +46 76 312 9793

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. For more information, please visit www.crownenergy.se