

# Crown Energy: Operational and COVID-19 update

**PRESS RELEASE 12/05/2020**

**Crown Energy AB (publ)** ("The Company", "Crown Energy") would like to provide an operational update on its Asset Development and Energy activities to the market, including information on how the Company deals with the COVID-19 pandemic and to confirm that the company is following the best international practice and following Swedish and international Health and Safety requirements.

## **Asset Development and Management**

In Angola the Government has imposed a lockdown nationally to reduce and contain the possible spread of the corona virus. Restrictions include a lockdown of people staying at home and away from work and limitations on travel. Crown Energy is pleased to report that it has taken appropriate action to adjust the provision of its services to maintain complete compliance with in country health and safety requirements, 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.

Payments for the sale of the C-View building are continuing to be received from the buyer, Angolan Ministry of Finance in accordance with the terms of our sale and purchase agreement and the first instalment of the sales amount was completed earlier this year. Up to first quarter this year, additional payments has been received from Ministry of Finance totaling 20.2 percent of the agreed purchase price.

Furthermore, prices in the Luanda property market are starting to look attractive. Crown Energy is now considering the option to dispose of, or refurbish certain lower revenue generating elements of its portfolio, whilst at the same time looking to take advantage of its strong cash position in Angola to identify and possibly acquire certain newer properties with the potential to generate higher rental incomes, and thus strengthen its portfolio at the same time. Such disposals and acquisitions will be dependent on the right market conditions being in place.

## **Energy**

We are all aware of the recent reduction in the oil price resulting from the drop in consumption across the world caused by the pandemic and compounded by international political pressures. We are therefore taking this situation into account with the management of our Licences. In South Africa, there is a national lockdown in place now. However, our Operator Africa Energy has confirmed that the applications to move into the next phase of the Licence, including the drilling of the well, and the admission of our new partners onto the Licence, is with the Petroleum Authority of South Africa to be processed and approved. In Equatorial Guinea, we have been advised by our partners on the P Block Licence, Vaalco and Atlas Petroleum that the Ministry of Mines and Hydrocarbons, in recognition of the pressures caused by the pandemic, will be granting all oil companies operating in EG an extension of two years to the Licences.

## **Going Forward**

The Board and Management recognise that we are going through very challenging times at the moment and we wish to reassure our shareholders that we are running the company with prudence. We are examining and initiating measures to reduce the company's cost base at a corporate and operational level to preserve our cash balances. We are also looking at deferring future costs where appropriate for the rest of this year and going into 2021.

*This information is information that Crown Energy AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted for publication through the agency of the contact person below on 12 May 2020 at the time stated by Crown Energy's news distributor Cision at the of publication of this press release.*

**MORE INFORMATION**

Please contact Andreas Forssell, CEO, Crown Energy AB  
+46 8 400 207 20  
+46 760 15 15 95

**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](http://www.crownenergy.se)