

INTERIM REPORT JANUARY-JUNE 2020



SECOND QUARTER – APRIL-JUNE 2020

- ▶ Revenue amounted to SEK 8,247 thousand (12,492).
- ▶ Operating profit amounted to SEK 24 thousand (1,861).
- ▶ Net financial items amounted to SEK 19,676 thousand (15,427).
- ▶ Unrealised changes in property values amounted to SEK -2,529 thousand (133,974).
- ▶ Profit before tax amounted to SEK 17,171 thousand (151,262), and profit after tax amounted to SEK 13,730 thousand (108,572), corresponding to SEK 0.03 (0.23) per share.

HALF-YEAR – JANUARY-JUNE 2020

- ▶ Revenue amounted to SEK 17,355 thousand (25,538).
- ▶ Operating loss amounted to SEK -5,826 thousand (4,863).
- ▶ Net financial items amounted to SEK 49,261 thousand (39,621).
- ▶ Unrealised changes in property values amounted to SEK -8,715 thousand (103 913).
- ▶ Profit before tax amounted to SEK 34,720 thousand (148,397), and profit after tax amounted to SEK 25,033 thousand (86,333), corresponding to SEK 0.05 (0.18) per share.

KEY EVENTS DURING THE REPORTING PERIOD JANUARY-JUNE 2020

- ▶ Progress in the South African license Block 2B - Crown Energy's partner Africa Energy has signed two farm-out agreements.
- ▶ From January 2020 until the release of this interim report, the spread of the COVID-19 virus has had major effects on the global world economy. The effects are still difficult to review and conditions change daily. The pandemic has not affected the Group's results during the reporting period.
- ▶ From 1 January 2020, the Angolan accounts are no longer adjusted for inflation (in accordance with IAS29). This is a result of the fact that Angola is no longer considered a hyper inflationary economy.
- ▶ On June 15, Crown Energy announced the signing of a promissory sale and purchase agreement for 10 apartments over approximately a total of 1,000 sqm in the "Ocean Corner" building in prime residential and business area in the capital of Angola, Luanda.

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Group	APR- JUN 2020	APR- JUN 2019	JAN- JUN 2020	JAN- JUN 2019	FULL YEAR 2019
All amounts in SEK thousands					
Operating income	8,494	12,865	17,581	26,318	51,516
Operating expenses	-8,470	-11,004	-23,407	-21,454	-52,512
Operating profit/loss	24	1,861	-5,826	4,863	-996
Net financial items	19,676	15,427	49,261	39,621	112,981
Net profit/loss for the period. after tax	13,730	108,572	25,033	86,333	133,599
Earnings per share	0.03	0.23	0.05	0.18	0.28
Equity per share	1.35	1.79	1.35	1.79	1.47
Change in cash and cash equivalents	-4,053	-14,850	-19,937	-24,425	-15,083

CEO statement

DEAR SHAREHOLDERS AND INVESTORS,

As indicated in our previous interim report, we are looking into opportunities in the Angolan market, for our Asset Development and Management business. This resulted in the signing of a promissory sale and purchase agreement for a suite of apartments in the capital of Angola, Luanda. This was announced on 15 June. For now, we will continue to concentrate our new business efforts to the Angolan market, as this is where the historic expertise lies and this is where we have our investment capital following the sale of C-View building during 2019. Considering the COVID-19 pandemic situation, new business efforts in new geographic locations have become more difficult to pursue of course.

ASSET DEVELOPMENT AND MANAGEMENT

Although the Angolan government has imposed severe lockdown restrictions on people to move freely, as a result of the outbreak of COVID-19, real estate operations have continued during the report period relatively unchanged compared to before the pandemic outbreak. This is due to Crown Energy finding solutions to maintain full service to its tenants while complying with the Angolan health and safety rules.

During the interim period, net sales revenue decreased by 32 percent compared to the same period last year, SEK 17,355 (25,538). This is mainly due to the weakening of the Angolan currency during the period. However, net sales in local currency increased by 8 percent for the same period. Total costs for second quarter (property, other external and personnel) amounted to SEK -8,052 (-10,791), a decrease of -25.4 percent compared with second quarter 2019.

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 the day of this report, a total of 25.5 percent of the agreed purchase price has been paid.

ENERGY

The sharp drop in oil prices during the first quarter of this year, has during the second quarter flattened out and partly increased and the Brent oil price has stabilised above 40 USD per barrel from June and up to the release of this report. It is believed to be a result of balance between demand and supply, where the shale oil production suffers from poor profitability at lower oil prices, and therefore output from shale oil production has decreased. Demand is still in general lower because of the COVID-19 pandemic, but supply has met the demand better during the second quarter. Of course, we take into account all such circumstances in our management of existing assets within the Energy business area. South Africa has introduced major shutdowns in society as a result of COVID-19. Our partner and licensing operator Africa Energy has however informed us that the application to enter the next exploration phase for the Block 2B license, which includes drilling the exploration well, Gazania-1, expected to spud during first quarter 2021, and the processing of the deployment where two new partners enter the license is now with the authorities in South Africa for review and approval. Furthermore, we have now also been notified by our partners in the Block P license in Equatorial Guinea (Vaalco Energy and Atlas Petroleum) that the Ministry of Mines and Hydrocarbons, due to the negative pressure caused by the COVID-19 pandemic, grants all oil companies operating in Equatorial Guinea, an extension of their exploration licenses by two years.

Of course, it is very difficult to predict the oil price going forward, since it has been largely affected by the ongoing COVID-19 pandemic, and no one knows how long it is likely to last, or what impact it will continue to have on the markets. Most analysts, however, believe in an oil price around USD 50 to 60 per barrel in the slightly longer term. Oil prices at these levels can continue to stimulate the market to invest in projects such as Crown Energy's. As for Madagascar, the current licensing period expired in November 2019. Crown Energy has applied for an extension and is discussing this with the authorities. However, Crown Energy continues to evaluate the value of the license. Crown Energy will await feedback from the authorities before deciding on the best way forward for the Company regarding this license.

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 2020, the world was hit by the worldwide virus COVID-19. Since March 11, 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 economy. Among other things, there are extensive layoffs, potential bankruptcies and the oil prices and stock exchange levels internationally 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 half-year of 2020. Below is a summary of the Group's two business areas up to the date 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 subject to 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 half-year of 2020, we have not noticed any effects on leases due to COVID-19, but in times like these, we have started reviewing our cost structure and are working to reduce it.

Energy

During first quarter 2020, oil prices have come down dramatically, from around USD 60 to just under USD 30 USD per barrel. During second quarter and up to the release of this report the oil price has partly recovered and trades around 45 USD per barrel (Brent). The fall in the price of oil can be explained by several events. Initially, demand from China dropped in January as a result of both COVID-19 and a general decline in the country's growth. Around the same time, a price war began between some major players in the oil market since there are different opinions on supply and demand and since they are all defending their market share. In February and March, travel restrictions were introduced in large parts of the world and factories etc. had to be closed as a result of COVID-19, which directly affected general demand for oil and energy. During the second quarter, supply and demand found a better balance and the oil price stabilised as a result. As stated in the Group's risks (see Note 3 Operational risks and Note 4 Financial risk management in the Annual Report 2019), a long-term decline in oil prices may affect the valuation of the Group's exploration assets. If the exploration projects can no longer be considered economically viable, the assets must be written down.

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. As for Block P in Equatorial Guinea, our partners have been notified that the Ministry of Mines and Hydrocarbons, as a result of the COVID-19 pandemic, is granting all oil companies operating in Equatorial Guinea an extension of their exploration licenses by two years.

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

15

Properties

19,623

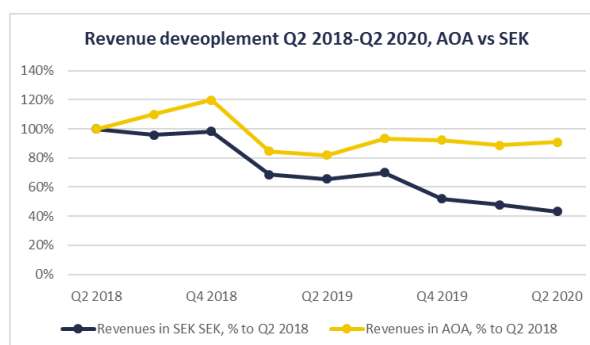
Leasable area, sqm

THE PROPERTY MARKET AND CURRENCY IN ANGOLA

Angola's real estate market is strongly linked to the oil sector. The effects of the oil sector decline, have the effect that the tenants within the office segment look for office size optimisation and cost reductions, which in turn has led to renegotiations and relocations to smaller spaces. The recent development is that companies try to avoid long-term commitments. This means that the landlord must offer flexible contracts; shorter duration or adjustable for immediate needs. Alternative concepts to traditional leasing system, such as business centers, are emerging in the market. A need for residential spaces for the office activity, in which Crown Energy has its residential segment, can still be seen and follows the same development as the office segment in general. (Source: Zreport – Angola Property market-Overview/Outlook 2019/2020.)

Following the depreciation in kwanza in November 2019, the currency has continued to weaken during the first half-year 2020, the currency devalued by about 20 percent against the Swedish krona.

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 SEK. The graph below shows the development of revenue since the second quarter of 2018.



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 20.8 percent in April 2020. (Source: Banco Nacional de Angola). This is the highest rate of inflation since May 2018.

SUMMARY OF PROPERTY-RELATED KEY RATIOS

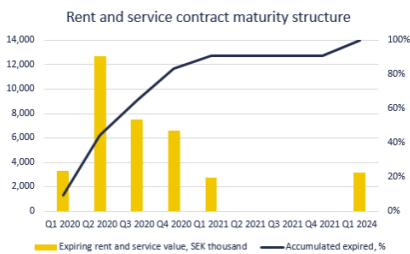
For definitions of key ratios please see pages 21-22.

ALL AMOUNTS IN SEK THOUSANDS	2020-06-30	2020-03-31
Revenue backlog, SEK thousand	24,322	32,281
Rent backlog, SEK thousand	18,544	25,323
Contracted annual rental and service revenues, SEK thousand	29,265	36,095
Contracted annual rental revenues, SEK thousand	20,857	26,070
Area occupancy rate, %	71%	74%
Economic occupancy rate, %	52%	61%
WAULT rent and service, months	10.7	11.7
Market value of portfolio, SEK thousand	181,443	159,551
Market value C-View, SEK thousand	320,614	372,781

SEK 24 M
Revenue backlog

11 months
WAULT

71%
Area occupancy rate



COMMENTS ON PROPERTY-RELATED KEY RATIOS

Changes in the second quarter of 2020

Below is a list of changes in revenue and rent backlog for the second quarter of 2020.

ALL AMOUNTS IN SEK THOUSANDS	REVENUE BACKLOG	RENT BACKLOG
Backlog at 31 March 2020	32,281	25,323
Changes in the second quarter 2020:		
Contracted revenue	-7,717	-5,550
New/extended contracts	3,764	1,757
Contracts terminated early	-321	-261
Exchange rate effects	-3,684	-2,725
Backlog at 30 June 2020	24,322	18,544

During the second quarter of 2020, 19 contracts were signed or renewed. Contracted rental value and service value of extended and new contracts amount to SEK 1 757 thousand and SEK 2,008 thousand, totalling SEK 3,764 thousand. Five contracts were terminated prematurely, which means that the revenue backlog decreased by a total of SEK -321 thousand. In total 70 lease agreements remain. Due to exchange rate effects, the Group's revenue backlog and rent backlog have decreased with SEK -3,684 thousand and SEK -2,725 thousand respectively.

The distribution between USD and AOA contracts amounts to 41 and 59 per cent, respectively.

Due to new signings and renewals of previous contracts, many of the key ratios have not changed much during the second quarter 2020 compared to the first quarter 2020. The Company's WAULT has decreased since the first quarter 2020 only from 11.7 to 10.7 months. Area occupancy rate and economic occupancy rate have been stable in first half-year 2020 at 71 (74) per cent. However, the economic occupancy rate has decreased from 60 per cent at the beginning of 2020 to 52 per cent in second quarter, mainly due to Exchange rate effect on current leasing agreements.

The chart on the left illustrates the value of the expiring contracts over time and the accumulated expiring in per cent, as it appears on June 30, 2020. The value of the expiration in each period represents the respective expiring contract's annual rental and service revenue.

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". Although a couple of larger contracts expired without renewal during the second quarter, Crown Energy has continued to extend and renew contracts in recent quarters. How recent exchange rate developments will affect rental levels and demand remain to be seen.

25-41
USD/bbl
Oil price in Q2 2020

4
Exploration licences

Energy business area

MARKET

The sharp drop in oil prices during the first quarter of this year, has during the second quarter flattened out and partly increased and the Brent oil price has stabilised above 40 USD per barrel from June and up to the release of this report. The prices have varied between USD 25-41 per barrel and the average was around USD 30-35. The price of WTI oil, the US benchmark, has been affected to a greater level than Brent.

The fall in the price of oil can be explained by several significant events. Initially, demand from China dropped in January/February as a result of both COVID-19 and a general decline in the country's growth. Around the same time, a price war erupted between some major producers in the oil market who had different opinions on how supply and demand should be treated and on how to maintain their own market shares of production. In February and March, travel, lockdowns and other very significant restrictions were introduced in large parts of the world and factories etc. had to be closed as a result of COVID-19, in order to try and control and reduce the spread of the pandemic. This huge reduction in all forms of activity across the world directly and heavily affected general demand for both oil and all other forms of energy in general and an excess of supply of oil onto the market. The recent stabilisation of the oil price is believed to be a result of improved balance between supply and demand, where e.g. the shale oil production suffers from poor profitability at lower oil prices, and therefore output from shale oil production has decreased. Demand is still in general lower because of the COVID-19 pandemic, but supply has met the demand better during the second quarter.

EXPLORATION PROJECTS

In South Africa we received the positive news that our partner Africa Energy successfully farmed out a part of their share in the Block 2B Licence to two new partners, Azinam and Panoro Energy during the month of February. Africa Energy also submitted the applications to the South African authorities - first to take our joint venture into the next extension phase of the Licence for a further two years with the intention to drill a well and; secondly to formally bring our new partner companies onto the Licence. The applications are progressing with the Governmental authorities in SA, in spite of extensive COVID-19 related restrictions in the country, and we hope to receive further feedback after the summer recess is over. Azinam will become the Operator of the Licence and will operate the planned drilling of the well, the location of which has now been proposed formally. Additionally, Africa Energy have an estimated first well prospect size of up to 349 million barrels, which is very encouraging. The Company will be carried through the next exploration well, Gazania-1, expected to spud in the first quarter of 2021. Gazania-1 will target two prospects in a relatively low-risk rift basin oil play up-dip from the discovery A-J1 borehole drilled in 1988.

In Equatorial Guinea we have been working with our partners Vaalco and Atlas to assist them in taking over a portion of the Operator GEPetrol's equity in the Licence as well as supporting Vaalco in taking on a greater role in the operational management of the Licence. We expect the Licence period to be extended by the Government as a result of the pandemic, as Government is applying this policy to all Licence holders in country.

In Madagascar, Crown Energy have been in contact with the authorities about the future of the Licence and have requested an extension. However, since the outbreak of the COVID-19 pandemic, we had not progressed these communications. Crown Energy will await feedback from the authorities before deciding on the best way forward for the Company, in relation to the continuation of this licence.

Iraq has been quite heavily affected by the COVID-19 pandemic and activities there have been very restricted. We remain in contact with the relevant authorities and continue to manage our Licence.

No other significant changes have occurred in Crown Energy's exploration projects during the reporting period. For a detailed description of the assets, see the 2019 Annual Report and the Company's website.

Financial overview

KEY EVENTS DURING THE REPORTING PERIOD JANUARY-JUNE 2020

On February 25, Africa Energy Corp ("Africa Energy"), Crown Energy's partner and also the operator of Block 2B in South Africa, announced that they had signed two farm-out agreements, whereby Africa Energy transfers 62.5 percent share in the exploration license, for a carry through the next exploration well, Gazania-1, where drilling is expected to commence at the end of 2020. Africa Energy will retain a 27.5 percent stake in the Block 2B license. Under the terms of the two farm-out agreements concluded with Azinam Limited and Panoro Energy ASA, Africa Energy will pay 50 and 12.5 percent of its shares, respectively, and transfer the operatorship in Block 2B to Azinam Limited. 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.

On June 15, Crown Energy signs a promissory sale and purchase agreement for the purchase of 10 apartments over approximately a total of 1,000 sqm in the "Ocean Corner" building in Luanda's prime residential and business area. The seller is EDI Angola Limitada. The purchase price is corresponding to SEK 42.5 million. The apartments are fully furnished and can be rented out directly after completion of the transaction. The 10 apartments are of various size, ranging from 75 to 137 sqm and are located in the most prime and lucrative area of Luanda, along the ocean shoreline, where the demand and rents for such apartments are high. The apartments are newly built and are fitted out in accordance with our specifications. The completion of the purchase process is expected within the next month, after obtaining regulatory approvals. By end of reporting period, SEK 33.4 million was invested as prepayment.

From January 2020 until the release of this interim report, the spread of the COVID-19 virus has had major effects on the global world economy. The effects are still difficult to review and the conditions change daily, which is why Crown Energy cannot quantify any effects the virus could have on the Group's operations. Crown Energy's assessment is that the Group was not affected financially during the first half-year of 2020. For more information on how Crown Energy handles COVID-19, see the section Crown Energy's position regarding COVID-19 on page 3.

As of January 1, 2020, the Angolan accounts are no longer adjusted in accordance with IAS29. This is because Angola is no longer considered a hyper inflationary economy. More on this in Note 1 *Accounting principles*.

COMMENTS ON FINANCIAL PERFORMANCE

Operating profit/loss

During the reporting period, net sales decreased by 32 percent compared to same period last year. The decrease is due to the devaluation of the Angolan currency, as the net sales in local currency increased by 11 percent in the same period. Please see more information about this in the section Asset Development and Management.

Property costs for the reporting period amounted to SEK -7,121 thousand (-8,300), a decrease of 14 percent compared to last year.

Other external costs totalled SEK -10,002 thousand (-7,376), which is an increase of 36 per cent compared to same period previous year. The increase is partly due to a provision for doubtful accounts receivables, which is SEK 3,319 thousand higher than last year. The provision is attributable to two clients in the C-View property, where there are some payment uncertainties.

Net financial items

Net financial items during the reporting period amounted to SEK 49,261 thousand (39,621). The net exchange rate effects amount to SEK 44,372 thousand (37,798). 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 -8,715 thousand (103,913) and refers during the first half-year to unrealised changes in investment property. The changes in investment property are attributable to updates of the property valuations as at 30 June 2020.

Other comprehensive income

Other comprehensive income includes translation differences of SEK -81,203 thousand (-40,682), which arose as a result of revaluation of the subsidiaries' assets and liabilities from local currencies to SEK. From the first quarter of 2020, there are no longer any inflation adjustments, please see note 1 *Accounting principles* for more information.

COMMENTS ON CONSOLIDATED FINANCIAL POSITION**Assets**

The carrying amount of investment properties totalled SEK 181,443 thousand. Net change since year-end 2019 totalled SEK 27,048 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 320,614 as per 30 June 2020. The decrease of SEK -62,972 thousand since year-end 2019 is solely 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 216,243 thousand. The change compared to the annual accounts for 2019 amounts to SEK 502 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 63,038 thousand and has increased by SEK 36,016 thousand since year-end 2019. The reason are prepaid transaction costs relating to the C-View transaction.

Liabilities

The Group's long-term leasing liability amounts to SEK 644 thousand and refers to the head office premises in Stockholm. The Group's short-term leasing liability amounts to SEK 3,561 thousand and is mainly leased investment property. There are only minor changes since year-end 2019.

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 occurs when the second instalment (of six) is fully paid. The contract liability related to the C-View sale amounts as per 30 June 2020 to SEK 77,142 thousand, which is an increase of SEK 14,217 thousand since year-end 2019. 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 -16,140 (-22,573) thousand. The negative cash flow is explained by investments, mainly in new properties. Net investments in properties amount to SEK -35,814 thousand.

Cash flow from financing activities refers to payments of rent to landlords and amount to SEK -3,600 (-3,254) thousand.

PARENT COMPANY

The Parent Company's revenue for the period January-June 2020 amounted to SEK 4,106 thousand (5,893). Revenue related to re-invoicing of costs and management fees to subsidiaries.

Other external expenses of SEK -3,227 thousand (-5,276) decreased from previous year. The decrease is due to lower consulting costs and other cost savings.

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	APR-JUN 2020	APR-JUN 2019	JAN-JUN 2020	JAN-JUN 2019	FULL YEAR 2019
INCOME STATEMENT						
Revenue, of which		8,247	12,492	17,355	25,538	48,788
<i>Rental revenues</i>	2	5,852	8,496	12,559	17,453	34,155
<i>Service revenues</i>	2	2,394	3,995	4,796	8,085	14,633
Other operating income	2	248	374	226	780	2,728
Property-related expenses		-3,371	-4,689	-7,121	-8,300	-17,121
Other external costs		-2,136	-3,299	-10,002	-7,376	-24,054
Employee benefit expenses		-2,545	-2,803	-5,303	-5,359	-10,502
Depreciation		-419	-214	-980	-419	-835
Other operating expenses		-	-	-	-	-
Operating profit/loss		24	1,861	-5,826	4,863	-996
Financial income		29,468	17,863	60,084	40,743	130,198
Financial expenses		-9,792	-2,436	-10,822	-1,122	-17,217
Net financial items		19,676	15,427	49,261	39,621	112,981
Profit/loss before tax and changes in value		19,700	17,288	43,435	44,484	111,985
Changes in value, of which		-2,529	133,974	-8,715	103,913	94,198
<i>Property, unrealised</i>	3	-2,529	-7,903	-8,715	-37,964	-47,679
<i>Assets held for sale, unrealised</i>	7	-	141,877	-	141,877	141,877
Earnings before tax		17,171	151,262	34,720	148,397	206,183
Income tax		-	1,026	138	1,126	3,162
Deferred tax		-3,441	-43,715	-9,825	-63,189	-75,746
Net profit/loss for the period		13,730	108,572	25,033	86,333	133,599
Earnings per share and share related data						
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		0.03	0.23	0.05	0.18	0.28
COMPREHENSIVE INCOME						
Net profit/loss for the period		13,730	108,572	25,033	86,333	133,599
Other comprehensive income:						
Inflation adjustments, IAS 29		-	-1,547	-	-907	-9,544
Translation differences		-70,870	-44,017	-81,203	-40,682	-234,866
Total items that can be reclassified to profit or loss		-70,870	-45,565	-81,203	-41,590	-244,410
Other comprehensive income, net of tax		-70,870	-45,565	-81,203	-41,590	-244,410
Total comprehensive income for the year		-57,140	63,008	-56,170	44,744	-110,811
Comprehensive income for the period attributable to Parent Company shareholders		-57,140	63,008	-56,170	44,744	-110,811

Condensed consolidated statements of financial position

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-06-30	2019-06-30	2019-12-31
ASSETS				
Non-current assets				
Investment property	3	181,443	159,757	154,395
Property assets held for sale	7	320,614	540,938	383,586
Equipment, tools, fixtures and fittings		927	683	456
Intangible assets	4	1,878	483	484
Exploration and evaluation assets		216,243	214,559	215,741
Financial assets valued at amortised cost		24,854	19,854	43,208
Deferred tax asset		4	7	3
Total non-current assets		745,963	936,280	797,872
Current assets				
Trade receivables		9,342	22,522	16,216
Other receivables	5	36,835	31,198	30,655
Prepaid expenses and accrued income		63,038	14,438	27,022
Cash and cash equivalents		22,939	33,234	42,576
Total current assets		132,154	101,392	116,469
TOTAL ASSETS		878,117	1,037,672	914,342
EQUITY AND LIABILITIES				
EQUITY				
Total equity attributable to Parent Company shareholders		644,882	856,806	701,051
LIABILITIES				
Non-current liabilities				
Non-current lease liability		644	-	-
Deferred tax liabilities		108,015	141,048	115,743
Other provisions		3,721	3,482	3,602
Total non-current liabilities		112,380	144,529	119,345
Current liabilities				
Current lease liability		3,561	4,896	4,535
Accounts payable		25,926	8,024	9,899
Tax liabilities		-	-	-
Other current liabilities		6,554	7,702	6,770
Accrued expenses and deferred income		3,198	6,408	3,880
Contract liabilities		81,616	9,506	68,862
Total current liabilities		120,855	36,537	93,945
TOTAL EQUITY AND LIABILITIES		878,117	1,037,672	914,342

Condensed consolidated statement of changes in equity

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-06-30	2019-06-30	2019-12-31
Reported opening balance		701,051	811,900	811,900
Change in accounting policies, IFRS 16 Leases		-	-37	-37
Adjusted opening balance		701,051	811,863	811,863
Net profit/loss for the period		25,033	86,333	133,599
Other comprehensive income, net of tax		-81,203	-41,590	-244,411
Comprehensive income for the period		-56,170	44,744	-110,812
Closing balance attributable to parent company shareholders		644.882	856,607	701,051

Condensed consolidated statements of cash flows

ALL AMOUNTS IN SEK THOUSANDS	NOTE	APR-JUN 2020	APR-JUN 2019	JAN-JUN 2020	JAN-JUN 2019	FULL YEAR 2019
Cash flow from operating activities before change in working capital		1,572	2,450	677	7,266	-3,961
Changes in working capital		11,513	-1,997	6,455	-5,735	58,891
Cash flow from operating activities		13,085	453	7,132	1,531	54,930
Capital expenditures on investment properties		-35,330	-221	-35,814	-778	-2,995
Capital expenditures on exploration and evaluation assets		-	-4,707	-98	-6,595	-7,200
Capital expenditures on other fixed assets		52	-11	-862	-11	-11
Investments in financial assets (government bonds)		22,538	-7,451	17,102	-13,465	-36,753
Paid tax on dividends		-	-	-	-	-5,797
Cash flow from investing activities	3, 4	-12,740	-12,390	-19,672	-20,850	-52,755
Cash flow from financing activities		-1,287	-923	-3,600	-3,254	-4,934
Cash flow for the period		-941	-12,860	-16,140	22,573	-2,759
Cash and cash equivalents at start of period		26,992	48,083	42,576	57,659	57,659
Cash flow for the period		-941	12,860	-16,140	-22,573	-2,759
Exchange losses on cash and cash equivalents		-3,112	1,990	-3,497	1,853	-12,324
Cash and cash equivalents at end of period		22,939	33,234	22,939	33,234	42,576

Consolidated key ratios

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

QUARTERLY SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
EARNINGS								
Rental and service revenues	8,247	9,108	9,923	13,327	12,492	13,046	18,713	18,260
Other operating income	248	-	1,260	689	374	407	172	-134
Operating profit/loss	24	-5,851	-8,388	2,528	1,861	3,002	4,248	5,468
Net profit/loss for the period after tax	13,730	11,303	18,696	28,569	108,572	-22,239	16,981	-3,759
PROPERTY-RELATED KEY RATIOS								
Rental revenues	5,852	6,706	7,295	9,407	8,496	8,956	13,128	13,050
Service revenues	2,394	2,402	2,628	3,920	3,995	4,090	5,585	5,211
Property-related expenses	-3,371	-3,751	-3,906	-4,924	-4,689	-3,611	-7,920	-5,082
Operating net	4,876	5,357	6,017	8,403	7,803	9,435	10,793	13,178
Operating surplus, property portfolio, %	59%	59%	61%	63%	62%	72%	58%	72%
Revenue backlog	24,322	32,281	31,145	37,829	43,795	61,594	51,222	64,347
Rent backlog	18,544	25,323	25,519	31,460	34,504	43,044	32,646	44,911
Contracted annual rental and service revenues	29,265	26,070	34,503	45,327	46,046	45,822	78,865	78,918
Contracted annual rental revenues	20,857	36,095	25,302	33,711	30,782	30,040	60,374	60,368
FINANCIAL KEY RATIOS								
EBITDA	444	-5,290	-8,186	2,742	2,075	3,208	4,249	5,583
EBITDA margin, %	5%	neg.	neg.	20%	16%	24%	22%	31%
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	0.03	0.02	0.04	0.06	0.23	-0.05	0.04	-0.01
EMPLOYEES								
Average number of employees	19.0	19.0	18.3	18.0	18.0	18.0	18.0	17.0

FULL-YEAR SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	JAN- JUNE 2020	JAN- JUNE 2019	FULL YEAR 2019	FULL YEAR 2018	FULL YEAR 2017	FULL YEAR 2016
EARNINGS						
Rental and service revenues	17,355	25,538	48,788	76,633	110,483	150,161
Other operating income	226	780	2,728	214	811	-
Operating profit/loss	-5,826	4,863	-996	22,075	-105,254	99,191
Operating profit/loss before items affecting comparability	-5,826	4,863	-996	22,075	69,332	99,191
Net profit/loss for the period, after tax	25,033	86,333	133,599	186,909	-67,275	32,808
PROPERTY-RELATED KEY RATIOS						
Rental revenues	12,559	17,453	34,155	53,349	67,160	99,332
Service revenues	4,796	8,085	14,633	23,284	43,323	50,829
Property-related expenses	-7,121	-8,300	-17,121	-23,883	-21,089	-39,436
Operating net	10,233	17,238	31,667	52,750	89,394	110,725
Operating surplus, property portfolio, %	59%	67%	65%	69%	81%	74%
Revenue backlog	24,322	43,795	31,145	51,222	*	*
Rent backlog	18,544	34,504	25,519	32,646	*	*
Contracted annual rental and service revenues	29,265	46,456	34,503	78,865	*	*
Contracted annual rental revenues	20,857	30,782	25,302	60,374	*	*
Area occupancy rate, %***	71%	65%	73%	55%	73%	87%
Economic occupancy rate, %***	52%	59%	60%	44%	*	*
WAULT rent and service, months**	10.7	13.5	12.1	6.7	14.3	**
Market value of portfolio	178,827	696,121	149,860	603,703	618,344	631,108
Leasable area, thousands of square meters	19.6	20.0	19.6	31.7	40.1	30.2
Number of properties at end of period	15	16	15	16	16	19
FINANCIAL KEY RATIOS						
Return on equity (ROE), %	2.0%	13%	2.5%	22%	neg.	7%
Return on assets (ROA), %	1.53%	neg.	2.0%	18%	neg.	5%
EBITDA	444	2,075	-8,186	22,349	-105,212	99,191
Adjusted EBITDA	444	2,075	-8,186	22,349	69,374	99,191
EBITDA margin, %	5%	16%	neg.	19%	neg.	66%
Adjusted EBITDA margin, %	5%	16%	neg.	19%	62%	66%
Equity/assets ratio, %	73%	83%	77%	83%	82%	72%
RATIOS PER SHARE						
Basic and diluted shares outstanding, thousand	477,315	477,315	477,315	477,315	477,315	353,268
Average number of basic and diluted shares, thousands	477,315	477,315	477,315	477,315	401,297	353,268
Basic and diluted earnings per share, SEK	0.03	0.23	0.28	0.39	-0.17	0.09
Equity per share, SEK	1.35	1.79	1.47	1.70	1.83	1.64
EMPLOYEES						
Average number of employees	19.0	18.0	18.1	16.8	15.5	15.0

*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	APR-JUN 2020	APR-JUN 2019	JAN-JUN 2020	JAN-JUN 2019	FULL YEAR 2019
Revenue	5	1,319	2,770	4,106	5,893	14,742
Other operating income		56	72	88	94	213
Other external costs		-1,407	-2,660	-3,227	-5,276	-16,926
Employee benefit expenses		-1,582	-1,794	-3,279	-3,606	-6,821
Depreciation/amortisation		-9	-9	-18	-18	-36
Other operating expenses		-	-21	-	-115	-194
Operating profit/loss		-1,624	-1,641	-2,330	-3,027	-9,022
Interest income and similar items		-	-84	91	447	534
Interest income, intercompany	5	1,006	1,009	2,117	2,006	4,059
Interest expenses and similar items		-1,337	-7	-	-24	-28
Earnings before tax		-1,956	-724	2,208	-599	-4,458
Tax		-	-	-	-	-
Net profit/loss for the period		-1,956	-724	-121	-598	-4,458

CONDENSED BALANCE SHEET – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-06-30	2019-06-30	2019-12-31
ASSETS				
Non-current assets				
Participations in Group companies		1,387,998	1,385,798	1,387,998
Intangible assets		-	36	18
Receivables from Group companies		220,593	226,019	223,157
Total non-current assets		1,608,591	1,611,853	1,611,173
Current assets				
Receivables from Group companies		3,958	3,015	2,213
Current receivables		5,204	5,872	5,312
Cash and bank balances		1,899	4,489	4,203
Total current assets		11,060	13,376	11,727
TOTAL ASSETS		1,619,651	1,625,228	1,622,900
EQUITY AND LIABILITIES				
Total equity		1,613,860	1,617,841	1,613,982
Total liabilities		5,792	7,388	8,920
TOTAL EQUITY AND LIABILITIES		1,619,651	1,625,228	1,622,900

CONDENSED STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-06-30	2019-06-30	2019-12-31
Opening equity		1,613,982	1,618,440	1,618,440
Net profit/loss for the period		-121	-598	-4,458
Other comprehensive income for the period		-	-	-
Comprehensive income for the period		-121	-598	-4,458
Total equity		1,613,860	1,617,842	1,613,982

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 Parent Company's ordinary shares are listed on NGM Equity. 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 18; 13 linked to the operations in Angola, four employed in the Parent Company in Sweden and one in the subsidiary Crown Asset Development B.V in Netherlands.

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 Equity 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 no 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 2019 Annual Report. During 2020 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 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 2019 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 2019 financial year and as described in the 2019 Annual Report. New or revised standards, interpretations, or amendments adopted by the EU which influenced the Group's earnings or position, have been described below.

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 2019 Annual Report.

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 2019 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.

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 IAS 17, 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 2019.

REVENUE CATEGORIES, AMOUNTS IN SEK THOUSANDS	Asset Development and Management			Other and eliminations	Total
	Energy	Management			
Q2 2020					
Rental revenue	-	5,852	-	-	5,852
Service revenue	-	2,394	-	-	2,394
Other revenue	68	124	56	-	248
Total revenue	68	8,371	56	-	8,494
Of which revenue from contracts with customers, subject to IFRS 15	-	2,394	-	-	2,394
Q2 2019					
Rental revenue	-	17,453	-	-	17,453
Service revenue	-	8,085	-	-	8,085
Other revenue	13	787	-20	-	780
Total revenue	13	26,325	-20	-	26,318
Of which revenue from contracts with customers, subject to IFRS 15	-	8,085	-	-	8,085

3 INVESTMENT PROPERTY

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	APR-JUN 2020	APR-JUN 2019	JAN-JUN 2020	JAN-JUN 2019	FULL YEAR 2019
Opening carrying amount	162,963	602,086	154,395	653,073	653,073
+ Capital expenditures for the period	35,330	221	35,814	778	2,995
+ Acquisitions for the period	-	-	-	-	-
- Disposals for the period	-	-	-	-	-
+/- Unrealised changes in value	-3,355	-7,199	-6,331	-34,627	-43,279
+/- Change leasing liability	826	-703	-2,383	-3,337	-4,400
Changes in leasing contracts, no effect on result	584	-	1,516	-42,472	-43,052
Re-classification to property assets held for sale*	-	-430,804	-	-430,804	-435,767
+/- Exchange rate effects*	-14,905	-3,844	-1,568	17,145	24,825
Closing carrying amount	181,443	159,757	181,443	159,757	154,395

*Re-classification of property assets held for sale refers to C-View and the value corresponds the fair value in AOA, as per 31 March 2019 and translated into the closing balance rate as per the same date.

Note 3 Investment property (continued)

The valuation of the investment properties has been prepared internally as per 31 March 2020. Required returns were determined separately for housing and office premises and are set at 12 and 13 per cent respectively, before tax. The weighted average cost of capital (WACC) for the market (Luanda, Angola) was estimated at 16.7 per cent 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-JUN 2020	JAN-JUN 2019	FULL YEAR 2019
Fair value, investment properties	178,827	155,183	149,860
Reversal of lease costs recognised as lease liabilities	2,616	4,574	4,535
Carrying amount at end of reporting period	181,443	159,757	154,395

4 EXPLORATION AND EVALUATION ASSETS

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	APR-JUN 2020	APR-JUN 2019	JAN-JUN 2020	JAN-JUN 2019	FULL YEAR 2019
Opening carrying amount	225,568	209,995	215,741	204,151	204,151
Capital expenditures for the period	-	4,707	98	6,595	7,200
Translation and revaluation effects	-9,325	-144	405	3,812	4,390
Closing accumulated cost of acquisition	216,243	214,559	216,243	214,559	215,741

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

Of the Parent Company's revenue for the first quarter of 2020, 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

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 15 thousand during the first half-year of 2020.

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 7,303 thousand during the first half-year of 2020.

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 2019. At 30 June 2020, this receivable amounted to the equivalent of SEK 34,229 thousand including interest.

Since 1 December 2019, Yoav Ben-Eli, Board member and largest shareholder in the Parent Company, is employed by the Group's subsidiary in the Netherlands. Yoav Ben-Elis salary amounts to EUR 5,000 per month, which corresponds to SEK 293 thousand for the period January-June 2020.

All transactions are performed on normal commercial terms.

6 OPERATING SEGMENTS

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q2 2020	Asset Development and Management Q2 2020	Other and eliminations Q2 2020	Total Q2 2020
Operating income	68	8,371	56	8,494
Operating expenses	-49	-6,200	-2,221	-8,470
Operating profit/loss	18	2,171	-2,165	24
Net financial items	-4,834	25,937	-1,427	19,676
Profit/loss before tax and changes in value	-4,815	28,108	-3,592	19,700
Changes in value				
Property, unrealised	-	-2,529	-	-2,529
Earnings before tax	-4,815	25,579	-3,592	17,171
Income tax	-	-	-	-
Deferred tax	-	-3,444	2	-3,441
Net profit/loss for the period	-4,815	22,135	-3,590	13,730
Non-current assets at end of period	216,243	527,837	1,882	745,963

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q2 2019	Asset Development and Management Q2 2019	Other and eliminations Q2 2019	Total Q2 2019
Operating income	18	12,796	51	12,865
Operating expenses	114	-7,761	-3,358	-11,004
Operating profit/loss	132	5,035	-3,306	1,861
Net financial items	-165	15,751	-159	15,427
Profit/loss before tax and changes in value	-33	20,786	-3,465	17,288
Changes in value:				
Property, unrealised	-	133,974	-	133,974
Earnings before tax	-33	154,760	-3,465	151,262
Income tax	-	1,026	-	1,026
Deferred tax	-	-43,713	-2	-43,715
Net profit/loss for the period	-33	112,073	-3,467	108,572
Non-current assets at end of period	214,559	721,232	490	936,280

Note 6 Operating segments (continued)

OPERATING SEGMENTS, SEK THOUSANDS	Energy JAN-JUNE 2020	Asset Development and Management JAN-JUNE 2020	Other and eliminations JAN-JUNE 2020	Total JAN-JUNE 2020
Operating income	21	17,472	88	17,581
Operating expenses	-981	-17,709	-4,717	-23,407
Operating profit/loss	-960	-236	-4,629	-5,826
Net financial items	496	48,680	85	49,261
Profit/loss before tax and changes in value	-464	48,443	-4,544	43,435
Changes in value				
Property, unrealised	-	-8,715	-	-8,715
Earnings before tax	32	88,409	-4,458	34,720
Income tax	-	138	-	138
Deferred tax	-	-9,826	1	-9,825
Net profit/loss for the period	32	78,721	-4,457	25,033
Non-current assets at end of period	216,243	527,837	1,882	745,963

OPERATING SEGMENTS, SEK THOUSANDS	Energy JAN-JUNE 2019	Asset Development and Management JAN-JUNE 2019	Other and eliminations JAN-JUNE 2019	Total JAN-JUNE 2019
Operating income	13	26,325	-20	26,318
Operating expenses	-245	-14,583	-6,627	-21,455
Operating profit/loss	-232	11,742	-6,646	4,863
Net financial items	1,830	37,364	427	39,621
Profit/loss before tax and changes in value	1,599	49,106	-6,219	44,484
Changes in value:				
Property, unrealised	-	103,913	-	103,913
Earnings before tax	3,429	190,382	-5,793	148,397
Income tax	-	1,126	-	1,126
Deferred tax	-	-63,187	-2	-63,189
Net profit/loss for the period	3,429	128,321	-5,795	86,333
Non-current assets at end of period	214,559	721,232	490	936,280

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 2019.

Accounting during the first quarter 2020

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 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.

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

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 June 2020 to SEK 77,142 thousand, which in local currency corresponds to 22 percent of the total sales price.

8 EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred after the end of the reporting period.

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 August 2020

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 constitutes such information as Crown Energy AB (publ) is required to disclose under the EU Market Abuse Regulation. The information was submitted for publication on 21 August 2020 at the time stated by Crown Energy's news distributor Cision at the publication of this information.

REPORTING DATES

► Nine-month report 2020

20 November 2020

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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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*.

The *Asset Development and Management* business 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 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 long-term 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.