

# HALF YEAR REPORT JANUARY-JUNE 2022



## SECOND QUARTER REPORT – APRIL-JUNE 2022

- ▶ Revenue amounted to SEK 10,334 thousand (5,683).
- ▶ Operating loss amounted to SEK -7,467 thousand (-8,461).
- ▶ Net financial items amounted to SEK 2,328 thousand (5,925).
- ▶ Unrealised changes in property values amounted to SEK 2,931 thousand (-5,891).
- ▶ Result before tax amounted to SEK -2,207 thousand (-8,426) and result after tax amounted to SEK -17,509 thousand (-8,669), corresponding to SEK -0.04(-0.02) per share.

## HALF YEAR REPORT – JANUARY-JUNE 2022

- ▶ Revenue amounted to SEK 17,647 thousand (10,562).
- ▶ Operating loss amounted to SEK -15,149 thousand (-11,770).
- ▶ Net financial items amounted to SEK -46,479 thousand (1,142).
- ▶ Unrealised changes in property values amounted to SEK 11,653 thousand (-17,330).
- ▶ Profit before tax amounted to SEK -49,975 thousand (-27,958), and profit after tax amounted to SEK -11,107 thousand (-25,412), corresponding to SEK -0.13 (-0.05) per share.

## KEY EVENTS DURING THE REPORTING PERIOD JANUARY-JUNE 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.

## EVENTS AFTER THE REPORTING PERIOD

- ▶ After the period end the Company has announced that the Island Innovator rig is mobilised and on its way to the drilling site.

## CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Group	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	FULL YEAR 2021
<b>All amounts in SEK thousands</b>					
Operating income	10,394	5,688	18,988	10,567	20,764
Operating expenses	-17,860	-14,149	-34,137	-22,337	-47,859
Operating profit/loss	-7,467	-8,461	-15,149	-11,770	-27,089
Net financial items	2,328	5,925	-46,479	1,142	-11,419
Net profit/loss for the period. after tax	-17,509	-8,669	-61,082	-25,412	-63,600
Earnings per share	-0,04	-0,02	-0,13	-0,05	-0,13
Equity per share	1.51	1.17	1.51	1.17	1,25
Change in cash and cash equivalents	142,891	6,246	147,178	932	606,361

## CEO statement

### DEAR SHAREHOLDERS AND INVESTORS,

During the second quarter of 2022, Crown Energy has continued to work towards its long-term mission statement, that is, to make a well-timed exit from the oil and gas industry and to move into a more socially responsible direction. The company's short-term focus remains on developing the current oil and gas assets in order to make this exit as economically beneficial as possible to the company and its shareholders.

Crown Energy's cash balance improved further during the quarter as the Company received a first instalment of USD 8 million in April in accordance with the agreement signed with the purchaser in October 2021. Crown Energy will continue to receive payments of USD 97 million over the next five years, with the possibility of receiving considerable further milestone payments in earn-out consideration into the Company. As of the end of the second quarter, Crown Energy had a free cash balance of in excess of SEK 807 million.

### ASSET DEVELOPMENT AND MANAGEMENT

Crown Energy continues to see an improving and more stable economic situation in Angola, which should continue during 2022. Occupancy rates of our properties are increasing, and the Angolan kwanza has remained firmer against the US dollar. All this has positive consequences for Crown Energy's operations in Angola which strengthens the economic prospects for the business area.

During second quarter of 2022, sales revenue increased by 102% percent compared to the same period last year. That is both due to a 6 per cent increase in revenue nominated in local currency and the strengthening of Angolan kwanza to SEK. At the same time property costs for the reporting period have also increased and amounted to SEK -10,858 thousand (-4,254). The period's operating result is SEK -15,149 thousand (-11,734).

### ENERGY

Oil and gas prices remain at elevated levels given the uncertainty surrounding Russia and potential supply disruptions going forward. The price of crude oil has come down from the peak levels seen earlier this year, but we expect continued high energy prices for the foreseeable future.

During the quarter, there has been positive operational updates regarding Crown Energy's joint venture Block 2B in South Africa from the operator Eco Atlantic. We look forward to starting the drilling of the Gazania-1 well, which is expected to spud in September 2022, with drilling expected to last for 25 days.

### BUSINESS TRANSITION UPDATE

Crown Energy is looking to grow its business within socially responsible areas and eventually exit its oil and gas operations. The strategy is to grow into fast growing segments such as CO2 capturing, MedTech, and tele-medicine.

We are currently focusing on a small number of new and exciting investment opportunities in these new areas as we continue to be confident that they will provide great growth and financially rewarding opportunities for Crown Energy

Yoav Ben Eli  
CEO, Crown Energy

## Asset Development and Management business area

14

Properties

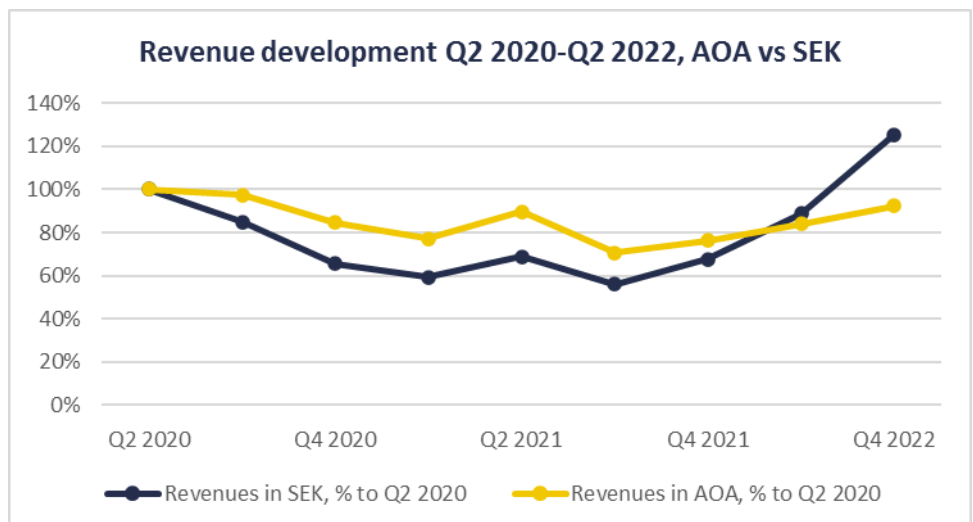
20 thousand

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. In first quarter 2022 demand from the oil industry itself has increased. Crown Energy has experienced the rise in occupancy rates, which will have a full effect on the Company's revenue in Q2 2022.

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 second quarter of 2020.



Annual inflation rate in Angola fell to about 23 percent in June this year lowest inflation rate since July 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 27 M**

Revenue backlog

**9,4 months**

WAULT

**68%**

Area occupancy rate

**SUMMARY OF PROPERTY-RELATED KEY RATIOS**

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

ALL AMOUNTS IN SEK THOUSANDS	2022-06-30	2022-03-31
Revenue backlog, SEK thousand	27,149	29,329
Rent backlog, SEK thousand	23,437	22,879
Contracted annual rental and service revenues, SEK thousand	37,534	37,119
Contracted annual rental revenues, SEK thousand	29,841	28,071
Area occupancy rate (excl. C-View) %	68%	69%
Economic occupancy rate (excl. C-View), %	65%	65%
WAULT rent and service, months	9,4	9,8
Market value of portfolio (excl. C-View), SEK thousand	213,277	174,129
Market value C-View, SEK thousand	473,899	411,957

**COMMENTS ON PROPERTY-RELATED KEY RATIOS****Changes in the second quarter of 2022**

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

ALL AMOUNTS IN SEK THOUSANDS	REVENUE BACKLOG	RENT BACKLOG
<b>Backlog at 31 March 2022</b>	<b>29 329</b>	<b>22 879</b>
Changes in the third quarter 2021:		
Contracted revenue	-10 844	-8 202
New/extended contracts	7 613	7 111
Contracts terminated early	-3 261	-1 741
Exchange rate effects	4 312	3 391
<b>Backlog at 30 June 2022</b>	<b>27 149</b>	<b>23 437</b>

Contracted rental value and service value of extended and new contracts amount to SEK 7,111 thousand and SEK 502 thousand, totalling SEK 7,613 thousand. Five contracts were terminated prematurely, which means that the revenue backlog decreased by a total of SEK -3,261 thousand. Mainly due to termination of contract in Natalia Guest house. In total 75 lease agreements remain. Due to exchange rate effects, the Group's revenue backlog and rent backlog have increased with 4,312 SEK thousand and SEK 3,391 thousand respectively.

The distribution between USD and AOA contracts amounts to 13 and 87 per cent, respectively.

The Company's WAULT has decreased since the first quarter 2022 from 9.8 to 9.4 months. Both the area occupancy rate and economic occupancy rate have changed since the fourth quarter 2021 respectively to 68 (56) per cent and 65 (38) per cent. The increase compared to previous Year is mainly attributable to the fact that Soho property is leased out to a large extend since March 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 Mahattan property were purchased and are expected to be occupied in Q3. See more on page 9.

**80-100 USD/bbl**  
Oil price in Q2 2022

**3**

Exploration licences

## Energy business area

### MARKET100UDS/BBL

By the end of 2021 we were seeing an oil price in the USD \$80's and a strongly increasing gas price. During the course of Q1 of 2022 the oil price has gone over \$100 and the gas price has continued to go up. 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 has been contracted to drill the Gazania-1 well. It will be mobilised from Norway to South Africa during the summer and we understand that drilling will commence by Q3/Q4 of this year. The Operator has now stated that the gross best estimate prospect size is up to 491 million barrels. The Gazania-1 well will target two prospects in relatively low-risk oil-bearing structures up-dip from the discovery A-J1 borehole drilled in 1988. Crown Energy holds a 10 per cent interest and our licence partner Africa Energy will bear all costs associated with the Gazania-1 drilling within the licence area, including any additional well testing.

The market, in the first quarter of 2022, has remained very strong, with high prices seen for oil and gas. Crown Energy has always stated that its projects are attractive to the energy industry. This belief has been proven by the successful Agreement entered into in October 2021 under which Crown will dispose of (or grant pre-emption rights over), its upstream oil and gas assets, covering Madagascar and Iraq and excluding Block 2 B in South Africa, for a consideration of up to \$450 million, before the deduction of transaction costs – a fantastic deal for Crown's shareholders. In Madagascar, the current licencing period expired in November 2019. However, discussions have been ongoing since then and an application for extension has been submitted. The authorities have confirmed receipt of the Company's proposed change to the licence terms and conditions to better adapt to the prevailing circumstances for oil exploration, especially for early stages. This includes extending the licence period, changing the fee structure and adjusting the conditions and terms for undertaking the work. The Company has been informed by the general director of OMNIS that they are considering how to meet Crown Energy's requests. The Company currently hopes that we can come to an agreement on these changes and thus renew and extend the licence. Crown Energy continues to liaise with the authorities before deciding on the best way forward for the Company regarding this licence. It should be noted that Crown is now in a much stronger financial position than before, and thus has the capacity to be able to progress with this project, subject to further agreement with the authorities.

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-JUNE 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. The drill is mobilised and is on its way at the time of the publishing of this report.

## COMMENTS ON FINANCIAL PERFORMANCE

### Operating profit/loss

During the first quarter of 2022 ("the reporting period"), net sales increased by 102 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 -10,858 thousand (-4,254). 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 -14,140 thousand (-7,704). Associated mainly with additional internal and external consulting costs in Angola.

The employee benefit expenses has increased to -8,468 (-4,299) Mainly due to one time payment in Angola, and lower value of SEK.

### Net financial items

Net financial items during the reporting period amounted to SEK -46,479 thousand (1,142). The net exchange rate effects amount to SEK -57,117 thousand (433). 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.

### Changes in value

Changes in value during the reporting period amount to SEK 11,653 thousand (-17,330) and refers to unrealised changes in investment property. The changes in investment property are attributable to updates of the property valuations as of 30 June 2022.

### Other comprehensive income

Other comprehensive income includes translation differences of SEK 182,063 thousand (21,229), 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 213,277 thousand. Net change since year-end 2021 totalled SEK 51,025 thousand. The change in value is mainly attributable to adjustment of the Manhattan property where Crown energy and investment in 3 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 473,899 thousand as per 30 June 2022. The increase of SEK 150,379 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 222,721 thousand. 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 Inflation.

Prepaid costs and deferred income amount to SEK 136,214 thousand and has increased by SEK 21,920 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 and Exploration assets.

**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 June 2022 to SEK 343,860 thousand. As of June 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 842,210 .

**COMMENTS ON CASH FLOWS**

The cash flow for the period amounts to SEK 136,168 (-932) 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 -17,487.

**PARENT COMPANY**

The Parent Company's revenue for January-June 2022 amounted to SEK 987 thousand (1,796). 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 -1,630 thousand (-1,428).

There were 4 persons (3.5) employed by the Parent Company at the end of the period.

## Consolidated statements of comprehensive income

ALL AMOUNTS IN SEK THOUSANDS	NOTE	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	FULL YEAR 2021
<b>INCOME STATEMENT</b>						
Revenue, of which		10,334	5,683	17,647	10,562	20,764
<i>Rental revenues</i>	<b>2</b>	7,725	3,222	13,004	6,446	14,041
<i>Service revenues</i>	<b>2</b>	2,609	2,461	4,643	4,116	6,723
Other operating income	<b>2</b>	60	5	1,342	5	6
Property-related expenses		-4,866	-2,054	-10,858	-4,254	-10,982
Other external costs		-9,800	-4,598	-14,140	-7,704	-20,783
Employee benefit expenses		-2,726	-2,087	-8,468	-4,299	-8,915
Depreciation		-265	-252	-412	-502	-1,056
Other operating expenses		-204	-5,158	-260	-5,578	-6,124
<b>Operating profit/loss</b>		<b>-7,467</b>	<b>-8,461</b>	<b>-15,149</b>	<b>-11,770</b>	<b>-27,089</b>
Financial income		34,791	8,704	40,427	13,665	25,539
Financial expenses		-32,463	-2,779	-86,906	-12,523	-36,957
<b>Net financial items</b>		<b>2,328</b>	<b>5,925</b>	<b>-46,479</b>	<b>1,142</b>	<b>-11,419</b>
<b>Profit/loss before tax and changes in value</b>		<b>-5,139</b>	<b>-2,535</b>	<b>-61,628</b>	<b>-10,628</b>	<b>-38,507</b>
Changes in value, of which		2,931	-5,891	11,653	-17,330	-32,596
<i>Property, unrealised</i>	<b>3</b>	2,931	-5,891	11,653	-17,330	-32,596
<i>Assets held for sale, unrealised</i>	<b>7</b>	-	-	-	-	-
<b>Earnings before tax</b>		<b>-2,207</b>	<b>-8,426</b>	<b>-49,975</b>	<b>-27,958</b>	<b>-71,103</b>
Income tax		-	-	-	-	-
Deferred tax		-15,301	-243	-11,107	2,546	-7,504
<b>Net profit/loss for the period</b>		<b>-17,509</b>	<b>-8,669</b>	<b>-61,082</b>	<b>-25,412</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		-0.04	-0.02	-0.13	-0.05	-0.13
<b>COMPREHENSIVE INCOME</b>						
<b>Net profit/loss for the period</b>		<b>-17,509</b>	<b>-8,669</b>	<b>-61,082</b>	<b>-25,412</b>	<b>-63,600</b>
Other comprehensive income:						
Translation differences		73,062	-22,546	182,063	21,229	101,588
<b>Total items that can be reclassified to profit or loss</b>		<b>73,062</b>	<b>-22,546</b>	<b>182,063</b>	<b>21,229</b>	<b>101,588</b>
<b>Other comprehensive income, net of tax</b>		<b>73,062</b>	<b>-22,546</b>	<b>182,063</b>	<b>21,229</b>	<b>101,588</b>
<b>Total comprehensive income for the year</b>		<b>55,553</b>	<b>-31,215</b>	<b>120,981</b>	<b>-4,184</b>	<b>37,988</b>
<b>Comprehensive income for the period attributable to Parent Company shareholders</b>		<b>55,553</b>	<b>-31,215</b>	<b>120,981</b>	<b>-4,184</b>	<b>37,988</b>



## Condensed consolidated statements of financial position

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-06-30	2021-06-30	2021-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment property	3	213,277	170,948	162,250
Property assets held for sale	7	473,899	261,545	323,520
Equipment, tools, fixtures and fittings		4,725	1,233	1,523
Intangible assets		102	206	-
Exploration and evaluation assets	4	222,771	200,865	207,107
Financial assets valued at amortised cost		139,818	29,799	83,442
Deferred tax asset		0	1	-
<b>Total non-current assets</b>		<b>1,054,592</b>	<b>664,596</b>	<b>777,841</b>
<b>Current assets</b>				
Trade receivables		16,392	10,734	12,991
Other receivables	5	65,971	35,594	41,519
Prepaid expenses and accrued income		136,214	32,486	102,974
Cash and cash equivalents		807,486	43,454	660,308
<b>Total current assets</b>		<b>1,026,063</b>	<b>122,268</b>	<b>817,792</b>
<b>TOTAL ASSETS</b>		<b>2,080,656</b>	<b>786,864</b>	<b>1,595,633</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
<b>Total equity attributable to Parent Company shareholders</b>		<b>719,641</b>	<b>556,487</b>	<b>598,660</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Non-current lease liability		519	2,976	575
Deferred tax liabilities		135,824	78,961	89,176
Other provisions		4,088	3,404	3,617
<b>Total non-current liabilities</b>		<b>140,430</b>	<b>85,340</b>	<b>93,368</b>
<b>Current liabilities</b>				
Current lease liability		52	105	-
Accounts payable		6,529	7,292	6,124
Other current liabilities		8,040	7,095	8,656
Accrued expenses and deferred income		851,403	2,700	682,763
Contract liabilities		354,561	127,846	206,063
<b>Total current liabilities</b>		<b>1 220 586</b>	<b>145,037</b>	<b>903,606</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2 080 656</b>	<b>786,864</b>	<b>1,595,633</b>

## Condensed consolidated statement of changes in equity

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-06-30	2021-06-30	2021-12-31
Reported opening balance		598,659	560,671	560,671
Net profit/loss for the period		-61,082	-25,412	-63,600
Other comprehensive income, net of tax		182,063	21,229	101,588
<b>Comprehensive income for the period</b>		<b>120,981</b>	<b>-4,184</b>	<b>37,988</b>
Closing balance attributable to parent company shareholders		719,640	556,487	598,659

## Condensed consolidated statements of cash flows

ALL AMOUNTS IN SEK THOUSANDS	NOTE	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	FULL YEAR 2021
<b>Cash flow from operating activities before change in working capital</b>		<b>-36,333</b>	<b>-6 336</b>	<b>-42,108</b>	<b>-4,868</b>	<b>-12,292</b>
Changes in working capital		89,337	29 882	101,123	31,738	95,480
<b>Cash flow from operating activities</b>		<b>53,004</b>	<b>23 545</b>	<b>59,015</b>	<b>26,870</b>	<b>83,189</b>
Capital expenditures on investment properties		21,971	-	1,971	-	-545
Capital expenditures on exploration and evaluation assets		-454	-143	-513	-156	458
Capital expenditures on other fixed assets		-451	-22	-2,466	-22	-363
Advance payments sale of exploration and evaluation assets		75,945	-	75,945	-	645,270
Investments in financial assets (government bonds)		-11,328	-15 370	-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>85,683</b>	<b>-15 535</b>	<b>77,450</b>	<b>-25,921</b>	<b>526,472</b>
<b>Cash flow from financing activities</b>		<b>-103</b>	<b>-163</b>	<b>-297</b>	<b>-1,884</b>	<b>-3,299</b>
<b>Cash flow for the period</b>		<b>138,585</b>	<b>7,847</b>	<b>136,168</b>	<b>-935</b>	<b>606,361</b>
Cash and cash equivalents at start of period		664,595	37,190	660,308	42,522	42,522
Cash flow for the period		138,585	7,847	136,168	-935	606,361
Exchange losses on cash and cash equivalents		4,306	-1,583	11,010	1,866	11,424
<b>Cash and cash equivalents at end of period</b>		<b>807,486</b>	<b>43,454</b>	<b>807,486</b>	<b>43,454</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	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
<b>EARNINGS</b>								
Rental and service revenues	10,334	7 313	5 577	4 626	5 683	4 879	5 411	6 993
Other operating income	60	1 282	1	-	5	-	-614	-403
Operating profit/loss	-7,467	-7 682	-8 567	-6 787	-8 461	-3 310	-8 974	-1 283
Net profit/loss for the period after tax	-17,509	-43 573	609	-38 832	-8 669	-16 743	24 743	-4 731
<b>PROPERTY-RELATED KEY RATIOS</b>								
Rental revenues	7,725	5 279	4 295	3 300	3 222	3 224	3 652	4 953
Service revenues	2,609	2 034	1 282	1 326	2 461	1 655	1 760	2 040
Property-related expenses	-4,866	-5 992	-2 746	-3 982	-2 054	-2 200	-2 518	-2 544
Operating net	5,468	1 321	2 830	644	3 629	2 679	2 893	4 449
Operating surplus, property portfolio, %	53%	18%	51%	14%	64%	55%	53%	64%
Revenue backlog	27,149	29 329	16 680	14 442	15 167	16 320	13 698	16 231
Rent backlog	23,437	22 879	12 885	10 927	12 138	12 127	10 217	12 421
Contracted annual rental and service revenues	37,534	37 119	24 552	20 644	18 341	17 037	17 896	25 076
Contracted annual rental revenues	29,841	28 071	17 217	14 273	12 517	11 256	11 846	17 461
<b>FINANCIAL KEY RATIOS</b>								
EBITDA	-7,201	-7 587	-26 033	-17 791	-8 209	-3 060	-9 368	-844
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	-0,04	-0,09	-0,08	-0,02	-0,04	0,05	-0,01	0,03
<b>EMPLOYEES</b>								
Average number of employees	17	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-JUN 2022	JAN-JUN 2021	FULL YEAR 2021	FULL YEAR 2020	FULL YEAR 2019	FULL YEAR 2018
<b>EARNINGS</b>						
Rental and service revenues	17,647	10,562	20,764	29,759	48,788	76,633
Other operating income	1,342	5	6	226	2,728	214
Operating profit/loss	-15,149	-11,770	-27,089	-16,083	-996	22,075
Operating profit/loss before items affecting comparability	-15,149	-11,770	-27,089	-16,083	-996	22,075
Net profit/loss for the period, after tax	-61,082	-25,412	-63,600	45,046	133,599	186,909
<b>PROPERTY-RELATED KEY RATIOS</b>						
Rental revenues	13,004	6,446	14,041	21,163	34,155	53,349
Service revenues	4,643	4,116	6,723	8,596	14,633	23,284
Property-related expenses	-10,858	-4,254	-10,982	-12,183	-17,121	-23,883
Operating net	6,789	6,308	9,782	17,575	31,667	52,750
Operating surplus, property portfolio, %	38%	60%	47%	59%	65%	69%
Revenue backlog	27,149	15,167	16,680	13,698	31,145	51,222
Rent backlog	23,437	12,138	12,885	10,217	25,519	32,646
Contracted annual rental and service revenues		18,341				
	37,534		24,552	17,896	34,503	78,865
Contracted annual rental revenues	29,841	12,517	17,217	11,846	25,302	60,374
Area occupancy rate, %***	68%	51%	56%	71%	73%	55%
Economic occupancy rate, %***	65%	29%	44%	47%	60%	44%
WAULT rent and service, months**	9,4	11.6	9.0	10.1	12.1	6.7
Market value of portfolio	212,522	167,972	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), %	-10.9%	-4,3%	neg.	7.1%	2.5%	22%
Return on assets (ROA), %	-3.4%	neg.	neg.	5.4%	2.0%	18%
EBITDA	-14,737	-11,269	-26,033	-15,058	-8,186	22,349
Adjusted EBITDA	-14,737	-11,269	-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, %	35%	71%	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	-0.13	-0.05	-0.13	0.09	0.28	0.39
Equity per share, SEK	1.51	1.17	1.25	1.17	1.47	1.70
<b>EMPLOYEES</b>						
Average number of employees	17	16.5	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	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	FULL YEAR 2021
Revenue	5	484	821	987	1,796	2,162
Other operating income		58	15	60	-	1
Other external costs		-926	-742	-1,630	-1,428	-6,271
Employee benefit expenses		-1,146	-1,272	-1,955	-2,626	-5,272
Depreciation/amortisation		-	821	-	-	-
Other operating expenses		-49	-	-50	-26	-88
<b>Operating profit/loss</b>		<b>-1,579</b>	<b>-1,178</b>	<b>-2,589</b>	<b>-2,285</b>	<b>-9,468</b>
Dividend from subsidiary			-	-		14,454
Write-down of participations in Group companies			-	-	-	-5,411
Interest income and similar items		474		474	216	915
Interest income, intercompany	5	1,296	777	2,185	1,572	3,115
Interest expenses and similar items		-251	-140	-1,940	-140	-140
<b>Earnings before tax</b>		<b>-60</b>	<b>-541</b>	<b>-1,870</b>	<b>-636</b>	<b>3,465</b>
Tax			-	-	-	-
<b>Net profit/loss for the period</b>		<b>-60</b>	<b>-541</b>	<b>-1,870</b>	<b>-636</b>	<b>3,465</b>

### CONDENSED BALANCE SHEET – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-06-30	2021-06-30	2021-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Participations in Group companies		467,320	467,410	467,320
Intangible assets		-	-	-
Receivables from Group companies		215,625	215,454	212,322
<b>Total non-current assets</b>		<b>682,945</b>	<b>682,863</b>	<b>679,642</b>
<b>Current assets</b>				
Receivables from Group companies		13,057	3,069	6,516
Current receivables		65,427	846	58,156
Cash and bank balances		773,796	600,6	622,899
<b>Total current assets</b>		<b>852,278</b>	<b>4,515</b>	<b>687,571</b>
<b>TOTAL ASSETS</b>		<b>1,535,223</b>	<b>687,378</b>	<b>1,367,213</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Total equity</b>		<b>685,816</b>	<b>683,585</b>	<b>687,685</b>
<b>Total liabilities</b>		<b>849,407</b>	<b>3,794</b>	<b>679,529</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,535,223</b>	<b>687,378</b>	<b>1,367,213</b>

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

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2022-06-30	2021-06-30	2021-12-31
<b>Opening equity</b>		<b>687,686</b>	<b>684,219</b>	<b>684,219</b>
Net profit/loss for the period		-1,870	-636	3,466
<b>Comprehensive income for the period</b>		<b>-1,870</b>	<b>-636</b>	<b>3,466</b>
<b>Total equity</b>		<b>685,816</b>	<b>683,583</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 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.

## 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.

## 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>Jan-Jun 2022</b>				
Rental revenue	-	13,004	-	13,004
Service revenue	-	4,643	-	4,643
Other revenue	-	1,342	-	1,342
<b>Total revenue</b>	-	13,004	-	13,004
<b>Of which revenue from contracts with customers, subject to IFRS 15</b>	-	4,643	-	4,643
<b>Jan-Jun 2021</b>				
Rental revenue	-	6,446	-	6,446
Service revenue	-	4,116	-	4,116
Other revenue	-	5	-	5
<b>Total revenue</b>	-	10,567	-	10,567
<b>Of which revenue from contracts with customers, subject to IFRS 15</b>	-	4,116	-	4,116

## 3 INVESTMENT PROPERTY

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	FULL YEAR 2021
Opening carrying amount	174,129	179,935	162,250	179,375	179,375
+ Capital expenditures for the period	9,942	-	22,272	-	545
+ Acquisitions for the period	-	-	-	-	-
- Disposals for the period	-	-	-	-	-
+/- Unrealised changes in value	11,085	-5,773	7,742	-16,662	-31,946
+/- Change leasing liability	235	118	-37	668	-2,921
Changes in leasing contracts, no effect on result	-	-	-	-	-
+/- Exchange rate effects	17,887	-3,332	21,051	7,568	17,197
Closing carrying amount	213,277	170,948	213,277	170,948	162,250

The valuation of the investment properties has been prepared internally as per 30 June 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	2022-06-30	2021-06-30	2021-12-31
Fair value, investment properties	212,522	167,972	176,261
Reversal of lease costs recognised as lease liabilities	755	2,976	3,114
Carrying amount at end of reporting period	213,277	170,948	179,375

**4 EXPLORATION AND EVALUATION ASSETS**

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	FULL YEAR 2021
Opening carrying amount	210 001	208,649	207 107	201,774	201,774
Capital expenditures for the period	454	143	513	156	442
Write Down of E&E assets	0	-5,192	0	-5,192	-6,091
Translation and revaluation effects	12 316	-2,736	15 151	4,126	10,981
Closing accumulated cost of acquisition	222 771	200,865	222 771	200,865	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. However, discussions have been ongoing since then and an application for extension has been submitted. Crown Energy will await further feedback from the authorities before deciding on the best way forward for the Company regarding this licence. The current value of the Madagascar asset is SEK 105,624 thousand.

**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 2,417 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.

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 11 thousand during 2022.

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



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 5,538 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 June 2022, this receivable amounted to the equivalent of SEK 40,477 thousand including interest.

All transactions are performed on normal commercial terms.

## 6 OPERATING SEGMENTS

	Energy Q2 2022	Asset Development and Management Q2 2022	Other and eliminations Q2 2022	Total Q2 2022
<b>OPERATING SEGMENTS, SEK THOUSANDS</b>				
Operating income	-123	-15,617	-2,120	-17,860
Operating expenses	-123	-5,282	-2,062	-7,467
<b>Operating profit/loss</b>	7,002	-4,911	238	2,328
Net financial items	6,879	-10,193	-1,824	-5,139
<b>Profit/loss before tax and changes in value</b>				
<b>Changes in value</b>				
Property, unrealised	6,879	-7,262	-1,824	-2,207
<b>Earnings before tax</b>	-	-	-	-
Income tax	-	-15,301	0	-15,301
Deferred tax	6,879	-22,563	-1,824	-17,509
<b>Net profit/loss for the period</b>				
	222,771	831,719	102	1,054,592
Non-current assets at end of period	222,771	831,719	102	1,054,592

	Energy Q2 2021	Asset Development and Management Q2 2021	Other and eliminations Q2 2021	Total Q2 2021
<b>OPERATING SEGMENTS, SEK THOUSANDS</b>				
Operating income	-	5,687	-	5,687
Operating expenses	-5,195	-6,956	-1,997	-14,148
<b>Operating profit/loss</b>	-5,195	-1,269	-1,997	-8,461
Net financial items	-1,662	7,752	-165	5,925
<b>Profit/loss before tax and changes in value</b>	-6,857	6,483	-2,162	-2,535
<b>Changes in value</b>				
Property, unrealised	-	-5,891	-	-5,891
<b>Earnings before tax</b>	-6,857	593	-2,162	-8,426
Income tax	-	-	-	-
Deferred tax	-	-243	0	-243
<b>Net profit/loss for the period</b>	-6,857	350	-2,162	-8,669
Non-current assets at end of period	200,865	463,525	207	664,596

	Energy Jan-Jun 2022	Asset Development and Management Jan-Jun 2022	Other and eliminations Jan-Jun 2022	Total Jan-Jun 2022
<b>OPERATING SEGMENTS, SEK THOUSANDS</b>				
Operating income	–	17,649	1,340	18,988
Operating expenses	-233	-28,989	-4,915	-34,137
<b>Operating profit/loss</b>	<b>-233</b>	<b>-11,340</b>	<b>-3,575</b>	<b>-15,149</b>
Net financial items	8,674	-53,495	-1,658	-46,479
<b>Profit/loss before tax and changes in value</b>	<b>8,441</b>	<b>-64,835</b>	<b>-5,233</b>	<b>-61,628</b>
<b>Changes in value</b>				
Property, unrealised	–	11,653	–	11,653
<b>Earnings before tax</b>	<b>8,441</b>	<b>-53,182</b>	<b>-5,233</b>	<b>-49,975</b>
Income tax	–	–	–	–
Deferred tax	–	-11,107	0	-11,107
<b>Net profit/loss for the period</b>	<b>8,441</b>	<b>-64,290</b>	<b>-5,233</b>	<b>-61,082</b>
Non-current assets at end of period	222,771	831,719	102	1,054,592

	Energy Jan-Jun 2021	Asset Development and Management Jan-Jun 2021	Other and eliminations Jan-Jun 2021	Total Jan-Jun 2021
<b>OPERATING SEGMENTS, SEK THOUSANDS</b>				
Operating income	–	10,566	–	10,567
Operating expenses	-5,340	-12,920	-4,075	-22,337
<b>Operating profit/loss</b>	<b>-5,340</b>	<b>-2,354</b>	<b>-4,075</b>	<b>-11,770</b>
Net financial items	2,458	-1,425	109	1,142
<b>Profit/loss before tax and changes in value</b>	<b>-2,882</b>	<b>-3,779</b>	<b>-3,966</b>	<b>-10,628</b>
<b>Changes in value</b>				
Property, unrealised	–	-17,330	–	-17,330
<b>Earnings before tax</b>	<b>-424</b>	<b>-22,534</b>	<b>-3,857</b>	<b>-27,959</b>
Income tax	–	–	–	–
Deferred tax	–	2,546	0	2,546
<b>Net profit/loss for the period</b>	<b>-424</b>	<b>-19,988</b>	<b>-3,858</b>	<b>-25,413</b>
Non-current assets at end of period	200,865	463,525	207	664,596

## 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 June 2022 to SEK 343,860 thousand, which in local currency corresponds to 72% 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 Q2 2022.

## 8 EVENTS AFTER THE END OF THE REPORTING PERIOD

After the reporting periods end the company has announced that Island Innovator rig has been mobilised and is on it's way to the drilling site.

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, 19 August 2022

Pierre-Emmanuel Weil  
Chairman of the Board

Yoav Ben-Eli  
Board member, CEO

Jean Benaim  
Board member

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 19 August 2022.

### REPORTING DATES

Nine-month report 2022

18 November 2022

**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)

## 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.