

YEAR-END REPORT 2020



FOURTH QUARTER – OCTOBER-DECEMBER 2020

- ▶ Revenue amounted to SEK 4,798 thousand (11,182).
- ▶ Operating loss amounted to SEK -8,974 thousand (-8,388).
- ▶ Net financial items amounted to SEK 4,697 thousand (45,999).
- ▶ Unrealised changes in property values amounted to SEK 19,683 thousand (-10,511).
- ▶ Profit before tax amounted to SEK 15,405 thousand (27,100), and profit after tax amounted to SEK 24,743 thousand (18,696), corresponding to SEK 0.05 (0.04) per share.

FULL YEAR – JANUARY-DECEMBER 2020

- ▶ Revenue amounted to SEK 28,968 thousand (51,516).
- ▶ Operating loss amounted to SEK -16,083 thousand (-996).
- ▶ Net financial items amounted to SEK 60,524 thousand (112,981).
- ▶ Unrealised changes in property values amounted to SEK 2,114 thousand (94,198).
- ▶ Profit before tax amounted to SEK 46,554 thousand (206,183), and profit after tax amounted to SEK 45,046 thousand (133,599), corresponding to SEK 0.09 (0.28) per share.

KEY EVENTS DURING THE REPORTING PERIOD JANUARY-DECEMBER 2020

- ▶ Progress in the South African license Block 2B - Crown Energy's partner Africa Energy has signed two farm-out agreements and applied for an additional extension phase in order to drill a well in second quarter 2021.
- ▶ From January 2020 until the release of this Year-End 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.
- ▶ From 1 January 2020, the Angolan accounts are no longer adjusted for inflation (in accordance with IAS 29). This is a result of the fact that Angola is no longer currently 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.
- ▶ Crown Energy continues to receive the deferred payments from the sale of C-View property that was signed in 2019. Up to year-end, a total of 33.1 percent has been received.

CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Group	OCT- DEC 2020	OCT- DEC 2019	FULL YEAR 2020	FULL YEAR 2019
All amounts in SEK thousands				
Operating income	4,798	11,182	28,968	51,516
Operating expenses	-13,772	-19,570	-45,052	-52,512
Operating profit/loss	-8,974	-8,388	-16,083	-996
Net financial items	4,697	45,999	60,524	112,981
Net profit/loss for the period. after tax	24,743	18,696	45,046	133,599
Earnings per share	0.05	0.04	0.09	0.28
Equity per share	1.17	1.47	1.17	1.47
Change in cash and cash equivalents	7,046	4,748	-54	-15,083

CEO statement

DEAR SHAREHOLDERS AND INVESTORS,

As a consequence of the COVID-19 pandemic situation, focus for 2020 has been much about retaining existing business, caring for our employees and clients, and preparing for upcoming business development. Having said that, we are satisfied to have been able to capitalise on opportunities in the Angolan market, for our Asset Development and Management business during the year. This resulted in the acquisition of a suite of high quality apartments in the capital of Angola, Luanda. We will continue to concentrate our new business efforts on the Angolan market, as this is where the historic expertise lies and this is where we hold the bulk of our investment capital received from the sale of C-View building signed in 2019. Since the COVID-19 pandemic situation started, new business efforts in additional geographic locations have become more difficult to pursue of course. During the year, prudent financial management dictated that some ongoing projects and new business efforts have been suspended. We have undergone general and useful cost savings, all of which have led to some lump sum write-downs and other extraordinary costs attaching to the financial result in year-end 2020. As an example, it has been decided to close our fiscal structure in the Netherlands, which will have an end result of valuable cost savings going forward.

ASSET DEVELOPMENT AND MANAGEMENT

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, but downward pressure has been seen in the market the longer the pandemic has been carrying on. Crown Energy has been able to find solutions to maintain full service to its tenants while complying with the Angolan health and safety rules, and at the same time protecting all our employees' and customers health and safety.

During 2020, net SEK sales revenue decreased by 39 percent, SEK 29,759 (48,788) thousand, compared to the same period last year. This is mainly due to the weakening of the Angolan currency during that period. Total costs (property, other external and personnel) of SEK -44,027 (-51,677) a decrease of -15 percent compared with 2019. Total costs for 2020 includes however extraordinary costs of SEK -8,196 thousand for provisions for doubtful accounts receivables (SEK -3,819 thousand) and lump-sum write downs of project development costs in our Dutch structure (SEK -4,377 thousand). The buyer of the C-View property, the Angolan Ministry of Finance, has continued to pay to our subsidiary in Angola (selling entity). The first instalment of a total of six payments was received in full earlier this year and subsequent to that additional payments have continued to be made. Up to the day of this report, a total of 33.1 percent of the agreed purchase price is paid.

ENERGY

The sharp drop in oil prices during the first quarter of 2020, has been reversed over the second half of 2020 and the Brent oil price has stabilised well above 50 and even 60 USD per barrel up to the time of release of this report. Demand is still in general lower because of the COVID-19 pandemic, but supply has met the demand better during the second half of 2020. Of course, we consider all such circumstances in our management of existing assets within the Energy business area. South Africa has introduced major shutdowns in society because 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 third quarter 2021, and the processing of the arrangement where two new partners enter the license is now well progressed with the authorities in South Africa for formal approval. With the oil price over 60 USD per barrel, the margins for us look extremely attractive, should the project prove commercial following a successful exploration well later in 2021 (a well for which Crown Energy is fully carried for drilling and testing).

Oil prices at today's levels should 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 continue to discuss terms with the authorities. Crown Energy will await further feedback from the authorities before deciding on the best way forward for the Company regarding this license. But with an attractive increase in oil price lately, the prospects look brighter towards new frontier exploration assets as well as for our continuous efforts to find a partner and/or acquirer for our Iraqi asset.

New business remains the Company's most important objective. However, with the ongoing COVID-19 pandemic, achieving this goal 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 overheads.

Andreas Forssell,
CEO, Crown Energy

Crown Energy's position regarding COVID-19

During 2020, the world was hit by the global 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. Crown Energy is fully committed to the health and safety of all its employees, clients and contractors and has carefully monitored 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. Some new business efforts have been forced to be put on hold, or decisions to terminate certain ongoing activities have been accelerated by the pandemic situation. This has both led to some extraordinary costs taken in the year-end, but at the same time, also has led to cost savings because of now having a less burdensome fiscal organisation, and reduction of travel and other costs etc. Below is a summary of the Group's two business areas up to the date this Year-End report is released and how the outbreak of COVID-19 has affected them.

Asset Development and Management

The business area currently only operates in Angola and according to official information there have been limited reported cases of COVID-19. The government in Angola has imposed strict restrictions in the country to reduce and contain the possible spread of the COVID-19 virus. As a result of travel restrictions, a lower oil price during most of 2020 and a general downturn in the global economy, there is a risk that transnational companies will have to scale down their operations temporarily or even long term in Angola. So far, however, we have only seen little of this, and as a matter of fact, the oil and gas industry has been very active during the year, possibly following the recent increase in oil price. 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.

However, 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 and continue to take proactive steps to manage any disruption in its business caused by COVID-19 and to protect the health and safety of its employees. Client feedback shows that satisfaction with our services remains high. We can report that there has been no disruption or interruption to our local business activities and rental and service revenues continue to be received as normal. During 2020, we have not noticed any effects on leases due to COVID-19, but it is not unlikely that activity may slow down if the pandemic situation continues.

Energy

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. Although ministerial and authority approval are becoming delayed. 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. No operational activities have taken place on our Madagascar project, whereby no direct effects can be seen to the asset as such. The same goes for our Iraqi asset, however, the efforts of discussing with potential partners can be seen to have slowed or could continue to be delayed as a result of the pandemic.

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

14

Properties

20 thousand

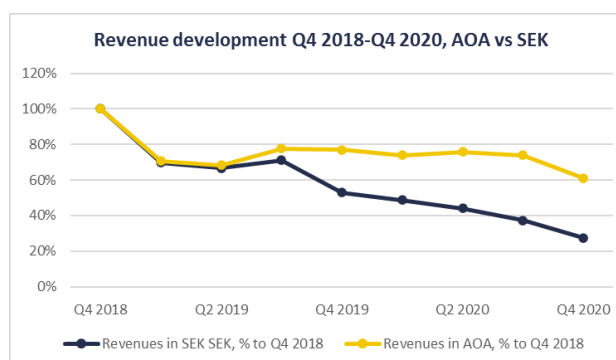
Leasable area, sqm

THE PROPERTY MARKET AND CURRENCY IN ANGOLA

Angola's real estate market is strongly linked to the oil and gas sector. The decline during 2020, has had the effect that tenants within the office segment tend to look for office size optimisation and cost reductions, which in turn has led to some renegotiations and relocations to smaller spaces. The recent development is that companies are aiming more to avoid long-term commitments. This has been ongoing for quite some time now, and means that the landlord must offer flexible contracts; shorter duration or adjustable for immediate needs. Alternative concepts to a traditional leasing system, such as business centers, are emerging in the market. A need for residential spaces to combine with office activity, where 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.). However, during the fourth quarter, and more recently, industry news articles demonstrating increased activities among the oil and gas sector players have been published. Crown Energy can testify to the improvement in commercial activities and shall strive to pick up new business in this revitalised market in 2021.

Following the depreciation in kwanza in November 2019, the currency has continued to weaken during 2020, the currency devalued by about 35 percent against the Swedish krona. Which also depended on Swedish Krona appreciation against other currencies.

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 the reporting currency SEK. The graph below shows the development of revenue since the fourth 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 25.1 percent in December 2020. (Source: Banco Nacional de Angola). This is the highest rate of inflation since May 2018, and 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.

SUMMARY OF PROPERTY-RELATED KEY RATIOS

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

ALL AMOUNTS IN SEK THOUSANDS	2020-12-31	2020-09-30
Revenue backlog	13,698	16,231
Rent backlog	10,217	12,421
Contracted annual rental and service revenues	17,896	25,076
Contracted annual rental revenues	11,846	17,461
Area occupancy rate, %	71%	71%
Economic occupancy rate, %	47%	50%
WAULT rent and service, months	10.1	9.4
Market value of portfolio	176,261	173,131
Market value C-View	247,736	287,722

SEK 13.7 M

Revenue backlog

10.1 mths

WAULT

71%

Area occupancy rate

COMMENTS ON PROPERTY-RELATED KEY RATIOS**Changes in the fourth quarter of 2020**

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

ALL AMOUNTS IN SEK THOUSANDS	REVENUE BACKLOG	RENT BACKLOG
Backlog at 30 September 2020	16,231	12,421
Changes in the fourth quarter 2020:		
Contracted revenue	-4,545	-3,094
New/extended contracts	3,722	2,391
Contracts terminated or changed early	-611	-494
Exchange rate effects	-1,101	-1,008
Backlog at 31 December 2020	13,698	10,217

During the fourth quarter of 2020, 26 contracts were signed or renewed. Contracted rental value and service value of extended and new contracts amount to SEK 2,391 thousand and SEK 1,331 thousand, totalling SEK 3,722 thousand. Six contracts were terminated prematurely, which means that the revenue backlog decreased by a total of SEK -265 thousand. Some minor contracts were renegotiated before maturity resulting in negative SEK -345 thousand impact on backlog. In total 62 lease agreements remain. Due to exchange rate effects, the Group's revenue backlog and rent backlog have decreased with SEK -1,101 thousand and SEK -1,008 thousand, respectively.

The distribution between USD and AOA contracts amounts to 24 and 76 per cent, respectively.

The Company's WAULT has increased slightly since the third quarter 2020 from 9.4 to 10.1 months. Area occupancy rate and economic occupancy rate have been stable in in the reporting period 2020 at 71 (71) per cent. However, the economic occupancy rate has decreased from 60 per cent at the beginning of 2020 to 47 per cent in fourth quarter, mainly due to Exchange rate effect on current leasing agreements. In fourth quarter Crown Energy has decided not to extend lease contracts on two guesthouses that were vacated recently.

Crown Energy's view is that demand in the Luanda property market is still quite soft. Although a couple of larger contracts expired or were renegotiated at lower SEK rates, 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.

Energy business area

40-50
USD/bbl
Oil price in Q4 2020

4
Exploration licences

MARKET

The sharp drop in oil prices during the first quarter of the year, has during the second half of 2020 recovered and the Brent oil price has stabilised between 40-50 USD per barrel from September and even above 60 USD per barrel up to the release of this report.

The sharp changes 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 partial reduction in all forms of activity across the world directly and heavily affected general demand for both oil and all other forms of energy and there has been an excess of supply of oil onto the market. The recent stabilisation and increase of the oil price are believed to be a result of improved balance between supply and demand, where e.g. shale oil production suffers from poor profitability at lower oil prices, and therefore output from shale oil production has decreased significantly. Demand is still in general lower because of the COVID-19 pandemic, but supply has met the demand better during the third and fourth quarter. The cold winter of 2020/2021 so far, has also pushed up the demand for energy to support a higher oil price.

EXPLORATION PROJECTS

In South Africa we received, during the year, the positive news that our partner Africa Energy successfully farmed out part of their interest in the Block 2B Licence to two new partners, Azinam and Panoro Energy. In 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 in order to drill a well and; secondly to formally bring our new partner companies onto the Licence. The applications have progressed with the Governmental authorities in SA, in spite of extensive COVID-19 related restrictions in the country, and we hope to receive approvals formally shortly. Azinam will become the Operator of the Licence and will operate the planned drilling of the well, the location of which has now been confirmed. Additionally, Africa Energy have an estimated prospect size of up to 349 million barrels, which is very encouraging. Crown Energy is carried for exploration well, Gazania-1, now expected to spud in the third 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 and they have now taken over a portion of GEPetrol's equity in the Licence and Vaalco has taken over the Operatorship. The Government as a result of the pandemic, is showing good understanding to all Licence holders in country. The JV is looking at options to bring the Venus Field into production as well as at drilling a further prospect to potentially increase the hydrocarbon resources on the Licence.

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 have not progressed these communications significantly. 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. But with an attractive increase in oil price lately, the prospects look brighter towards new frontier exploration assets, such as the Manja project. We have informed the authorities in Madagascar that we keep on marketing the asset to possible partners for further seismic work and then the potential drilling on an exploration well in the licence block.

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. But with the attractive increase in oil price lately, the interest should increase to close a transaction with a potential partner and/or buyer to our Iraqi asset.

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-DECEMBER 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 Agency of South Africa for final approval.

On June 15, Crown Energy signed 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 was corresponding to SEK 42.5 million. 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 economic rights for the property were transferred to YBE Imobiliaria in Q3.

From January 2020 until the release of this Year-End report, the spread of the COVID-19 virus has had major effects on the global 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 to any great extent during 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 IAS 29. This is because Angola is no longer considered a hyper inflationary economy. More on this in Note 1 *Accounting principles*. The official annual inflation rate in Angola has increased to 25.1 percent in December 2020. This is the highest rate of inflation since May 2018, and 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

COMMENTS ON FINANCIAL PERFORMANCE

Operating profit/loss

During the reporting period, net sales decreased by 39 percent in SEK terms compared to same period last year. The decrease is mainly due to the weakening of the Angolan currency against SEK.

Property costs for the reporting period amounted to SEK -12,183 thousand (-17,121), a decrease of 29 percent compared to last year.

Other external costs totalled SEK -21,968 thousand (-24,054), a decrease of 9 per cent compared to same period previous year. The item includes provision for doubtful accounts receivables by SEK -3,819 thousand, and one-off write down of project costs of SEK -4,377 thousand. The provision is mainly attributable to former clients in the C-View property.

Net financial items

Net financial items during the reporting period amounted to SEK 60,524 thousand (112,981). The net exchange rate effects amount to SEK 54,211 thousand (116,043). 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 2,114 thousand (94,198) and refers to 2020 unrealised changes in investment property. The changes in investment property are attributable to updates of the property valuations as of 31 December 2020.

Other comprehensive income

Other comprehensive income includes translation differences of SEK -185,427 thousand (-234,866), 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 179,375 thousand. Net change since year-end 2019 totalled SEK 24,980 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 247,736 as per 31 December 2020. The decrease of SEK -135,850 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 201,774 thousand. The change compared to the annual accounts for 2019 amounts to SEK -13,967 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 expenses and deferred income amount to SEK 30,960 thousand and has increased by SEK 3,938 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 3,114 thousand and is leased investment property.

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 31 December 2020 to SEK 89,814 thousand. 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 9,582 (-2,759) thousand. Net investments in properties amount to SEK -44,329 (-2,995) thousand.

PARENT COMPANY

The Parent Company's revenue for the period January-December 2020 amounted to SEK 6,756 thousand (14,742). Revenue related to re-invoicing of costs and management fees to subsidiaries.

Other external expenses of SEK -9,858 thousand (-16,926) 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	OCT-DEC 2020	OCT-DEC 2019	FULL YEAR 2020	FULL YEAR 2019
INCOME STATEMENT					
Revenue, of which		5,411	9,923	29,759	48,788
<i>Rental revenues</i>	2	3,652	7,295	21,163	34,155
<i>Service revenues</i>	2	1,760	2,628	8,596	14,633
Other operating income	2	-614	1,260	-790	2,728
Property-related expenses		-2,518	-3,906	-12,183	-17,121
Other external costs		-9,177	-12,648	-21,968	-24,054
Employee benefit expenses		-2,470	-2,814	-9,875	-10,502
Depreciation		394	-202	-1,025	-835
Operating profit/loss		-8,974	-8,388	-16,083	-996
Financial income		15,572	59,492	81,812	130,198
Financial expenses		-10,875	-13,493	-21,288	-17,217
Net financial items		4,697	45,999	60,524	112,981
Profit/loss before tax and changes in value		-4,277	37,611	44,441	111,985
Changes in value, of which		19,683	-10,511	2,114	94,198
<i>Property, unrealised</i>	3	19,683	-10,511	2,114	-47,679
<i>Assets held for sale, unrealised</i>	7	-	-	-	141,877
Earnings before tax		15,405	27,100	46,554	206,183
Income tax		-	49	252	3,162
Deferred tax		9,338	-8,453	-1,760	-75,746
Net profit/loss for the period		24,743	18,696	45,046	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
Basic and diluted earnings per share, SEK		0.05	0.04	0.09	0.28
COMPREHENSIVE INCOME					
Net profit/loss for the period		24,743	18,696	45,046	133,599
Other comprehensive income:					
Inflation adjustments, IAS 29		-	-6,251	-	-9,545
Translation differences		-58,650	-205,240	-185,427	-234,866
Total items that can be reclassified to profit or loss		-58,650	-211,491	-185,427	-244,411
Other comprehensive income, net of tax		-58,650	-211,491	-185,427	-244,411
Total comprehensive income for the year		-33,907	-192,794	-140,381	-110,812
Comprehensive income for the period attributable to Parent Company shareholders		-33,907	-192,794	-140,381	-110,812

Condensed consolidated statements of financial position

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-12-31	2019-12-31
ASSETS			
Non-current assets			
Investment property	3	179,375	154,395
Property assets held for sale	7	247,736	383,586
Equipment, tools, fixtures and fittings		1,428	456
Intangible assets	4	412	484
Exploration and evaluation assets		201,774	215,741
Financial assets valued at amortised cost		3,415	43,208
Deferred tax asset		1	3
Total non-current assets		634,142	797,872
Current assets			
Trade receivables		14,213	16,216
Other receivables	5	32,893	30,655
Prepaid expenses and accrued income		30,960	27,022
Cash and cash equivalents		42,522	42,576
Total current assets		120,588	116,489
TOTAL ASSETS		754,730	914,342
EQUITY AND LIABILITIES			
EQUITY			
Total equity attributable to Parent Company shareholders		560,670	701,051
LIABILITIES			
Non-current liabilities			
Non-current lease liability		3,114	-
Deferred tax liabilities		77,436	115,743
Other provisions		3,275	3,602
Total non-current liabilities		83,825	119,345
Current liabilities			
Current lease liability		314	4,535
Accounts payable		7,354	9,899
Tax liabilities		-	-
Other current liabilities		6,677	6,770
Accrued expenses and deferred income		2,759	3,880
Contract liabilities		93,130	68,862
Total current liabilities		110,235	93,945
TOTAL EQUITY AND LIABILITIES		754,730	914,342

Condensed consolidated statement of changes in equity

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-12-31	2019-12-31
Reported opening balance		701,051	811,900
Change in accounting policies, IFRS 16 Leases		-	-37
Adjusted opening balance		701,051	811,863
Net profit/loss for the period		45,046	133,599
Other comprehensive income, net of tax		-185,427	-244,411
Comprehensive income for the period		-140,381	-110,812
Closing balance attributable to parent company shareholders		560,670	701,051

Condensed consolidated statements of cash flows

ALL AMOUNTS IN SEK THOUSANDS	NOTE	OCT-DEC 2020	OCT-DEC 2019	FULL YEAR 2020	FULL YEAR 2019
Cash flow from operating activities before change in working capital		- 17,729	-16,586	-17,668	-3,961
Changes in working capital		21,334	66,907	38,937	58,891
Cash flow from operating activities		3,604	50,321	21,269	54,930
Capital expenditures on investment properties		-1,446	-777	-44,329	-2,995
Capital expenditures on exploration and evaluation assets		-499	-511	-495	-7,200
Capital expenditures on other fixed assets		-842	-1	-1,885	-11
Investments in financial assets (government bonds)		7,389	-28,637	36,363	-36,753
Paid tax on dividends		-	-5,761	-	-5,797
Cash flow from investing activities	3, 4	4,602	-35,722	-10,346	-52,755
Cash flow from financing activities		3,233	-865	-1,341	-4,934
Cash flow for the period		11,440	13,734	9,582	-2,759
Cash and cash equivalents at start of period		35,477	37,827	42,576	57,659
Cash flow for the period		11,440	13,734	9,582	-2,759
Exchange losses on cash and cash equivalents		-4,394	-8,985	-9,636	-12,324
Cash and cash equivalents at end of period		42,522	42,576	42,522	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	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
EARNINGS								
Rental and service revenues	5,411	6,993	8,247	9,108	9,923	13,327	12,492	13,046
Other operating income	-614	-403	248	-	1,260	689	374	407
Operating profit/loss	-8,974	-1,283	24	-5,851	-8,388	2,528	1,861	3,002
Net profit/loss for the period after tax	24,743	-4,731	13,730	11,303	18,696	28,569	108,572	-22,239
PROPERTY-RELATED KEY RATIOS								
Rental revenues	3,652	4,953	5,852	6,706	7,295	9,407	8,496	8,956
Service revenues	1,760	2,040	2,394	2,402	2,628	3,920	3,995	4,090
Property-related expenses	-2,518	-2,544	-3,371	-3,751	-3,906	-4,924	-4,689	-3,611
Operating net	2,893	4,449	4,876	5,357	6,017	8,403	7,803	9,435
Operating surplus, property portfolio, %	53%	64%	59%	59%	61%	63%	62%	72%
Revenue backlog	13,698	16,231	24,322	32,281	31,145	37,829	43,795	61,594
Rent backlog	10,217	12,421	18,544	25,323	25,519	31,460	34,504	43,044
Contracted annual rental and service revenues	17,896	25,076	29,265	26,070	34,503	45,327	46,046	45,822
Contracted annual rental revenues	11,846	17,461	20,857	36,095	25,302	33,711	30,782	30,040
FINANCIAL KEY RATIOS								
EBITDA	-9,368	-844	444	-5,290	-8,186	2,742	2,075	3,208
EBITDA margin, %	neg.	neg.	5%	neg.	neg.	20%	16%	24%
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	0.05	-0.01	0.03	0.02	0.04	0.06	0.23	-0.05
EMPLOYEES								
Average number of employees	18.0	18.0	19.0	19.0	18.3	18.0	18.0	18.0

FULL-YEAR SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	FULL YEAR 2020	FULL YEAR 2019	FULL YEAR 2018	FULL YEAR 2017
EARNINGS				
Rental and service revenues	29,759	48,788	76,633	110,483
Other operating income	-790	2,728	214	811
Operating profit/loss	-16,083	-996	22,075	-105,254
Operating profit/loss before items affecting comparability	-16,083	-996	22,075	69,332
Net profit/loss for the period, after tax	45,046	133,599	186,909	-67,275
PROPERTY-RELATED KEY RATIOS				
Rental revenues	21,163	34,155	53,349	67,160
Service revenues	8,596	14,633	23,284	43,323
Property-related expenses	-12,183	-17,121	-23,883	-21,089
Operating net	17,575	31,667	52,750	89,394
Operating surplus, property portfolio, %	59%	65%	69%	81%
Revenue backlog	13,698	31,145	51,222	*
Rent backlog	10,217	25,519	32,646	*
Contracted annual rental and service revenues	17,896	34,503	78,865	*
Contracted annual rental revenues	11,846	25,302	60,374	*
Area occupancy rate, %***	71%	73%	55%	73%
Economic occupancy rate, %***	47%	60%	44%	*
WAULT rent and service, months**	10.1	12.1	6.7	14.3
Market value of portfolio	176,261	149,860	603,703	618,344
Leasable area, thousands of square meters	19.9	19.6	31.7	40.1
Number of properties at end of period	14	15	16	16
FINANCIAL KEY RATIOS				
Return on equity (ROE), %	7.1%	2.5%	22%	neg.
Return on assets (ROA), %	5.4%	2.0%	18%	neg.
EBITDA	-15,058	-8,186	22,349	-105,212
Adjusted EBITDA	-15,058	-8,186	22,349	69,374
EBITDA margin, %	neg.	neg.	19%	neg.
Adjusted EBITDA margin, %	neg.	neg.	19%	62%
Equity/assets ratio, %	74%	77%	83%	82%
RATIOS PER SHARE				
Basic and diluted shares outstanding, thousand	477,315	477,315	477,315	477,315
Average number of basic and diluted shares, thousands	477,315	477,315	477,315	401,297
Basic and diluted earnings per share, SEK	0.09	0.28	0.39	-0.17
Equity per share, SEK	1.17	1.47	1.70	1.83
EMPLOYEES				
Average number of employees	18.4	18.1	16.8	15.5

*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 term. For periods before Q3 2018, the average remaining contract length is not weighted.

*** 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	OCT-DEC 2020	OCT-DEC 2019	FULL YEAR 2020	FULL YEAR 2019
Revenue	5	1,510	7,271	6,756	14,742
Other operating income		59	11	144	213
Other external costs		-5,947	-10,168	-9,858	-16,926
Employee benefit expenses		-1,485	-1,749	-5,975	-6,821
Depreciation/amortisation		-	-9	-18	-36
Other operating expenses		-	-20	-61	-194
Operating profit/loss		-5,863	-4,664	-9,012	-9,022
Interest income and similar items		-	-	-	534
Interest income, intercompany	5	770	1,045	3,891	4,059
Interest expenses and similar items		-754	-847	-936	-28
Earnings before tax		-5,847	-4,466	-6,057	-4,458
Tax		-	-	-	-
Net profit/loss for the period		-5,847	-4,466	-6,057	-4,458

CONDENSED BALANCE SHEET – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-12-31	2019-12-31
ASSETS			
Non-current assets			
Participations in Group companies		1,390,113	1,387,998
Intangible assets		-	18
Receivables from Group companies		213,780	223,157
Total non-current assets		1,603,893	1,611,173
Current assets			
Receivables from Group companies		1,945	2,213
Current receivables		716	5,312
Cash and bank balances		6,037	4,203
Total current assets		8,697	11,727
TOTAL ASSETS		1,612,590	1,622,900
EQUITY AND LIABILITIES			
Total equity		1,607,924	1,613,982
Total liabilities		4,667	8,920
TOTAL EQUITY AND LIABILITIES		1,612,590	1,622,900

CONDENSED STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2020-12-31	2019-12-31
Opening equity		1,613,982	1,618,440
Net profit/loss for the period		-6,057	-4,458
Other comprehensive income for the period		-	-
Comprehensive income for the period		-6,057	-4,458
Total equity		1,607,924	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 Main Regulated. 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 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%
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 year-end 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 Year-End 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 Year-End report does not contain all the information and disclosures contained in the Annual Report, so the Year-End 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. However, official annual inflation in Angola rose to 25.1 percent in December 2020. This is the highest rate of inflation since May 2018, and it can not be ruled out that Angola will be considered a hyperinflation economy again, and that IAS 29 should be applied to the financial accounts in the future.

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	Energy	Asset Development and Management	Other and eliminations	Total
FULL YEAR 2020				
Rental revenue	-	21,163	-	21,163
Service revenue	-	8,596	-	8,596
Other revenue	126	-999	83	-790
Total revenue	126	28,759	83	28,968
Of which revenue from contracts with customers, subject to IFRS 15	-	8,596	-	8,596
FULL YEAR 2019				
Rental revenue	-	34,155	-	34,155
Service revenue	-	14,633	-	14,633
Other revenue	32	2,677	19	2,728
Total revenue	32	51,465	19	51,516
Of which revenue from contracts with customers, subject to IFRS 15	-	14,633	-	14,633

3 INVESTMENT PROPERTY

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	OCT-DEC 2020	OCT-DEC 2019	FULL YEAR 2020	FULL YEAR 2019
Opening carrying amount	175,489	171,661	154,395	653,073
+ Capital expenditures for the period	-	1,095	485	2,995
+ Acquisitions for the period	-	-	42,398	-
- Disposals for the period	-	-	-	-
+/- Unrealised changes in value	20,920	-10,171	6,319	-43,279
+/- Change leasing liability	-1,237	-340	-4,206	-4,400
Changes in leasing contracts, no effect on result	98	-	2,255	-43,052
Re-classification to property assets held for sale*	-	-	-	-435,767
+/- Exchange rate effects*	-15,895	-7,850	-22,272	24,825
Closing carrying amount	179,375	154,395	179,375	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 December 2020. Required returns were determined for housing and office premises and are set at 7 per cent, before tax. The weighted average cost of capital (WACC) for the market (Luanda, Angola) was estimated at 13.2 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	FULL YEAR 2020	FULL YEAR 2019
Fair value, investment properties	176,261	149,860
Reversal of lease costs recognised as lease liabilities	3,114	4,535
Carrying amount at end of reporting period	179,375	154,395

4 EXPLORATION AND EVALUATION ASSETS

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	OCT-DEC 2020	OCT-DEC 2019	FULL YEAR 2020	FULL YEAR 2019
Opening carrying amount	211,523	221,468	215,741	204,151
Capital expenditures for the period	499	511	495	7,200
Translation and revaluation effects	-10,247	-6,237	-14,461	4,390
Closing accumulated cost of acquisition	201,774	215,741	201,774	215,741

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

Of the Parent Company's revenue for 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 34 thousand during 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 10,359 thousand during 2020.

OTHER

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 31 December 2020, this receivable amounted to the equivalent of SEK 30,531 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-Eli's salary amounts to EUR 5,000 (plus additional soc charge of approximately 600 EUR) per month, which corresponds to total SEK 682 thousand for the period January-December 2020.

All transactions are performed on normal commercial terms.

6 OPERATING SEGMENTS

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q4 2020	Asset Development and Management Q4 2020	Other and eliminations Q4 2020	Total Q4 2020
Operating income	69	4,668	61	4,798
Operating expenses	-197	-6,532	-7,043	-13,772
Operating profit/loss	-128	-1,864	-6,982	-8,974
Net financial items	-6,033	11,495	-765	4,697
Profit/loss before tax and changes in value	-6,160	9,631	-7,748	-4,277
Changes in value				
Property, unrealised	-	19,683	-	19,683
Earnings before tax	-6,160	29,313	-7,748	15,405
Income tax	-	-	-	-
Deferred tax	-	9,342	-4	9,338
Net profit/loss for the period	-6,160	38,655	-7,752	24,743
Non-current assets at end of period	201,774	431,955	413	634,142

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q4 2019	Asset Development and Management Q4 2019	Other and eliminations Q4 2019	Total Q4 2019
Operating income	32	11,159	-9	11,182
Operating expenses	-670	-13,552	-5,348	-19,570
Operating profit/loss	-638	-2,393	-5,357	-8,388
Net financial items	-3,361	50,307	-947	45,999
Profit/loss before tax and changes in value	-3,999	47,914	-6,305	37,611
Changes in value:				
Property, unrealised	-	-10,511	-	-10,511
Earnings before tax	-3,999	37,403	-6,305	27,100
Income tax	-	49	-	49
Deferred tax	-	-8,451	-2	-8,453
Net profit/loss for the period	-3,999	29,002	-6,307	18,696
Non-current assets at end of period	215,741	581,645	486	797,872

Note 6 Operating segments (continued)

OPERATING SEGMENTS, SEK THOUSANDS	Energy FULL YEAR 2020	Asset Development and Management FULL YEAR 2020	Other and eliminations FULL YEAR 2020	Total FULL YEAR 2020
Operating income	126	28,759	83	28,968
Operating expenses	-1,344	-30,099	-13,609	-45,052
Operating profit/loss	-1,218	-1,339	-13,525	-16,083
Net financial items	-8,059	69,590	-1,007	60,524
Profit/loss before tax and changes in value	-9,278	68,251	-14,531	44,441
Changes in value				
Property, unrealised	-	2,114	-	2,114
Earnings before tax	-17,337	139,955	-15,538	46,554
Income tax	-	252	-	252
Deferred tax	-	-1,759	-2	-1,760
Net profit/loss for the period	-17,337	138,448	-15,540	45,046
Non-current assets at end of period	201,774	431,955	413	634,142

OPERATING SEGMENTS, SEK THOUSANDS	Energy FULL YEAR 2019	Asset Development and Management FULL YEAR 2019	Other and eliminations FULL YEAR 2019	Total FULL YEAR 2019
Operating income	-8	51,505	19	51,516
Operating expenses	-1,419	-36,432	-14,661	-52,512
Operating profit/loss	-1,427	15,073	-14,641	-996
Net financial items	2,025	110,576	380	112,981
Profit/loss before tax and changes in value	598	125,648	-14,261	111,985
Changes in value:				
Property, unrealised	-	94,198	-	94,198
Earnings before tax	2,623	330,422	-13,881	206,183
Income tax	-	3,162	-	3,162
Deferred tax	-	-75,739	-7	-75,746
Net profit/loss for the period	2,623	257,845	-13,888	133,599
Non-current assets at end of period	215,741	581,645	486	797,872

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 is agreed to be paid over three years. The payments will be adjusted with an official inflation rate, and such 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 fourth 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 agreed 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 31 December 2020 to SEK 89,814 thousand, which in local currency corresponds to 33.1 per cent 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 Year-End 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 Year-End report was not reviewed by the Company's auditors. The English Year-End report is a translation of the Swedish Year-End report.

Stockholm, 24 February 2021

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 24 February 2020 at the time stated by Crown Energy's news distributor Cision at the publication of this information.

REPORTING DATES

- | | |
|-------------------------------|------------------|
| ▶ Annual Report 2020 | 16 April 2021 |
| ▶ Three-month report 2021 | 21 May 2021 |
| ▶ Annual General Meeting 2021 | 26 May 2021 |
| ▶ Half Year Report 2021 | 20 August 2021 |
| ▶ Nine-month report 2021 | 19 November 2021 |

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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ADDRESS

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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.