

# HALF YEAR REPORT JANUARY-JUNE 2023



## SECOND QUARTER – APRIL-JUNE 2023

- ▶ Revenue amounted to SEK 10,179 thousand (10,334).
- ▶ Operating loss amounted to SEK -12,266 thousand (-7,467).
- ▶ Net financial items amounted to SEK 114,669 thousand (79,786).
- ▶ Unrealised changes in property values amounted to SEK -18,978 thousand (2,931).
- ▶ Result before tax amounted to SEK 83,426 thousand (75,251) and result after tax amounted to SEK 69,839 thousand (59,948), corresponding to SEK 0.15 (0.13) per share.

## REPORTING PERIOD – JANUARY-JUNE 2023

- ▶ Revenue amounted to SEK 20,864 thousand (17,647).
- ▶ Operating loss amounted to SEK -30,777 thousand (-15,149).
- ▶ Net financial items amounted to SEK 128,387 thousand (47,510).
- ▶ Unrealised changes in property values amounted to SEK -26,986 thousand (11,653).
- ▶ Result before tax amounted to SEK 70,642 thousand (44,014) and result after tax amounted to SEK 55,785 thousand (32,905), corresponding to SEK 0.12 (0.07) per share.

## EVENTS DURING HALF YEAR

- ▶ On January 10<sup>th</sup>, 2023 Crown entered a Letter of Intent to acquire 85% of a company group within the Medtech sector.
- ▶ On February 3<sup>rd</sup>, Crown acquired 85% of SmarTee S.a.r.l., the parent holding company of AccYouRate Group which focuses on wearable medical technologies, for a consideration of Euros 163 million of which Euros 75 million was paid upon signing. For more information see note 8
- ▶ On April 27<sup>th</sup> Crown announced receipt of a further \$8 million taking the total received amount under the October 2021 Sale and Purchase Agreement to \$99 million.
- ▶ On April 27<sup>th</sup> the company stated that AccYouRate had taken a step forward in the production of its 'smart T-shirt' using printed polymetric ink.
- ▶ Crown also announced on May 11<sup>th</sup> that it is withdrawing from the South African Block 2 B licence and returning its equity to the other joint venture partners.
- ▶ On May 23 Crown Energy published the interim results of AccYouRate's latest study focusing on pediatric disability. The study, which was coordinated by the University Hospital of Siena demonstrated that wearables technology can provide reliable and easily interpretable data to help determine the effects of therapies and care at home, which can then provide information for appropriate remedies.
- ▶ On May 31:st Crown Energy AB announced the decision to evaluate the conditions for listing the company's share on Nasdaq First North. Growth Market, Stockholm. A list change is expected to take place during the second half of 2023.
- ▶ The Annual General Meeting was held on 1 June.

## EVENTS AFTER THE PERIODS END

- ▶ No significant events after reporting period.

## CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Group	APR-JUN 2023	APR-JUN 2022	JAN-JUN 2023	JAN- JUN 2022	FULL YEAR 2022
All amounts in SEK thousands					
Operating income	10,244	10,394	20,988	18,989	41,178
Operating expenses	-22,510	-17,861	-50,717	-34,139	-242,277
Operating profit/loss	-12,266	-7,467	-30,777	-15,149	-201,099
Net financial items	114,669	79,786	128,387	47,510	163,555
Net profit/loss for the period. after tax	69,839	59,948	55,785	32,905	-16,229
Earnings per share	0.15	0.13	0.12	0.07	-0.03
Equity per share	1.97	2.09	1.39	1.51	1.52
Change in cash and cash equivalents	41,006	-773,437	-732,433	147,178	255,260

# CEO statement

## DEAR SHAREHOLDERS AND INVESTORS,

We are happy and excited with the new strategic direction of Crown Energy, now transforming into a company investing in green growth and sustainability, with a focus on the field of medical technologies. The starting point of our new path was when we in the autumn of 2021 divested the majority of our Energy assets through a sale and purchase agreement. Our commitment to the new direction became even clearer in May 2023 when we announced our withdrawal from the South African Licence, ending our active participation in the oil and gas industry. In January 2023 we took a large step forward by acquiring 85% of SmarTee S.a.r.l., a Luxembourg company which is the parent holding company of the Italian registered AccYouRate Group. The total acquisition price was Euros 163 million of which we have now paid Euros 75 million. The remaining balance is to be paid through 8 instalments every six months.

The AccYouRate Group focuses on medical grade wearable technologies and holds various patents focused on advanced and cutting-edge technologies. AccYouRate can produce wearable textiles, currently in the form of a 'smart T-shirt' enabling monitoring of the wearer's bio signals and transmission of those to the cloud, where a comprehensive biomedical database is hosted.

We see great value in our technology, from the smart garments that can be produced, the health monitoring services that can be provided, the medical information that can be gathered through our algorithmic analyses, the medical predictions that can be extrapolated from that data, and the substantial database of medical information that AccYouRate is building up.

Now we are planning to improve our company's visibility by transitioning to a Nasdaq First North listing. In addition, we have recently enhanced our corporate website for better transparency and seamless access to information for our investors.

## ASSET DEVELOPMENT AND MANAGEMENT

The gentle improvement in the market for office and residential rentals in Angola continues. The higher sustained price of oil as well as the growth in economic activities in the country have been important factors in firming up the market. However, during the second quarter the decline of the Kwana exchange rate diminished both our income as well as the value of our assets in Angola in SEK equivalent.

Although price pressures continue to remain, we still see lower vacancy rates in our properties and expect demand to remain relatively firm given the attractiveness of the locations of these properties. The business area Asset development and management is currently subject to a strategic overview.

## ENERGY

Our income from the Sale and Purchase Agreement of October 2021 continues to come in regularly. We have now received as of April this year a total of USD \$99 million with another \$81 million securely due to come in by October 2026.

In May we announced that we have withdrawn from the South African Licence. This ends our active participation in the oil and gas industry. I am confident in the way Crown now operates our current business areas while moving into our new more sustainable business direction and I am truly looking forward to continuing this journey and to make the most of what the future has to offer.

Yoav Ben-Eli

CEO, Crown Energy

# Asset Development and Management business area

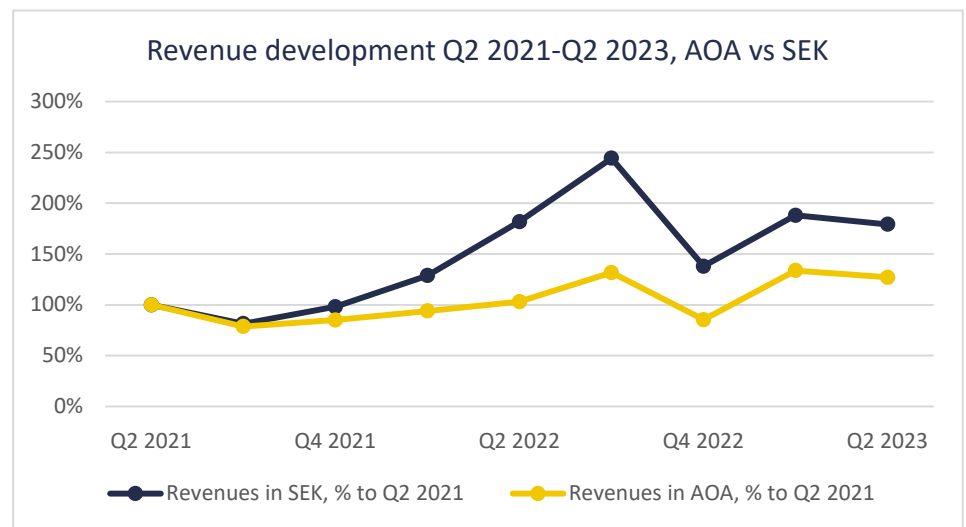
## THE PROPERTY MARKET AND CURRENCY IN ANGOLA

Angola's real estate market is strongly linked to the oil and gas sector. Some companies are focusing on reducing long-term commitments. This means that in certain 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 emerged in the market.

The Angolan Kwanza has declined by 35 percent to SEK during the second quarter 2023. Since June the exchange rate was stable against US dollar, but macroeconomic position is unclear. The graph shows the development of revenue since the Second quarter of 2021.

**13**  
Properties

**20 thousand**  
Leasable area, sqm



## SUMMARY OF PROPERTY-RELATED KEY RATIOS

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

ALL AMOUNTS IN SEK THOUSANDS	2023-06-30	2023-03-31
Revenue backlog, SEK thousand	19,655	24,601
Rent backlog, SEK thousand	16,547	20,208
Contracted annual rental and service revenues, SEK thousand	28,732	38,594
Contracted annual rental revenues, SEK thousand	22,163	30,720
Area occupancy rate (excl. C-View) %	81%	74%
Economic occupancy rate (excl. C-View), %	74%	72%
WAULT rent and service, months	9.0	7.9
Market value of portfolio (excl. C-View), SEK thousand	213,779	216,208
Market value C-View, SEK thousand	261,777	406,993

**SEK 19 M**

Revenue backlog

**9****months**

WAULT

**81%**

Area occupancy rate

**COMMENTS ON PROPERTY-RELATED KEY RATIOS****Changes in the second quarter of 2023**

Below is a list of changes in revenue and rent backlog for the second quarter of 2023.

ALL AMOUNTS IN SEK THOUSANDS	REVENUE BACKLOG	RENT BACKLOG
<b>Backlog at 31 March 2023</b>	<b>24,601</b>	<b>20,208</b>
Changes in the second quarter 2023:		
Contracted revenue	-6,145	-4,933
New/extended contracts	9,826	8,571
Contracts terminated early	-324	-270
Exchange rate effects	-8,303	-7,029
<b>Backlog at 30 June 2023</b>	<b>19,655</b>	<b>16,547</b>

Contracted rental value and service value of extended and new contracts amount to SEK 8,571 thousand and SEK 1,255 thousand, totalling SEK 9,826 thousand. Five contracts were terminated prematurely, which means that the revenue backlog decreased by a total of SEK -324 thousand. In total 97 lease agreements remain. Due to exchange rate effects, the Group's revenue backlog and rent backlog have decreased with SEK -8,303 thousand and SEK -7,029 thousand respectively.

The distribution between USD and AOA contracts amounts to 17 and 83 per cent, respectively.

The Company's WAULT has increased since the first quarter 2023 from 7.9 to 9 months. The area occupancy rate has increased since the first quarter from 72% to 81%. However, economic occupancy rate have been stable since the fourth quarter 2022 at 74 (72) per cent.

Crown Energy's view is that the Luanda property market is improving and that it is a more balanced market than it was before.

**70-80**  
**USD/bbl**  
Oil price in Q1 2023

## Energy Business Area

### MARKET

During the first half year of 2023 we have been seeing an oil price remaining in a range between the USD \$70's to \$80's and a firm gas price.

The Energy market, in 2023, still remains robust.

As stated previously, Crown is progressing positively in its move away from the Energy Industry to greener and more socially responsible projects.

## Sustainable investment Area

### ACCYOURATE GROUP – THE FIRST INVESTMENT

The business area of Sustainable Investments was formed during 2022 as part of the ongoing transformation of Crown Energy's business direction. Crown Energy is dedicated to the move towards a new and more socially and environmentally responsible business area contributing to a positive change. Our focus will be on the medical technology industry and on improving our green footprint as these markets offer great potential while both enhancing and saving lives. Alongside evaluating new sustainable investment opportunities, Crown Energy is working with full strength in line with the long-term goal of making a responsible and for our shareholders financially beneficial exit from the oil and gas industry.

In early February 2023 Crown Energy entered into a Share Purchase Agreement for the acquisition of an 85 per cent equity stake in SmarTee S.a.r.l., a Luxembourg company which is the parent holding company of the Italian registered AccYouRate Group.

### THE TRANSACTION

The total purchase price of EUR 163 million is payable by Crown Energy to the seller in a total of nine instalments. The first instalment of EUR 75 million was paid upon signing of the SPA and at which time the 85 per cent equity stake in SmarTee was transferred to Crown Energy. The rest of the payments will be made in instalments of EUR 9 million six months after each instalment date. For more information on transaction, see note 8.

### ABOUT ACCYOURATE

Crown Energy acquired 85% of Smart Tee SARL in Luxembourg, the full owner of AccYouRate Limited which in turn is the full owner of AccYouRate Group S.p.a. It is an international group with operations in L'Aquila, Bologna and Israel. The business currently has about 20 employees and its activities include the development of a new ecosystem with research and development, small scale production of 'smart' wearable garments and software development. The business was founded in 2016 by Arnaldo Usai, who previously was the CEO of Uniform, a manufacturer of garments for the Italian military.

AccYouRate has patented the ability to thinly print a conductive polymer on fabrics combined with a proprietary, coin size, central unit. The first product is a t-shirt like top that measures 7 indicators - ECG, pulse, temperature, respiration and respiration depth. It also has a built-in GPS as well as an accelerometer. The product, in combination with a large medical database and a decision-making layer (algorithms), serves as the basis for the ecosystem. AccYouRate's unique ecosystem facilitates measurements of posture, location, and vital signs to be made continuously, accurately and for extended periods. The data, in an anonymised form, is then uploaded to a large medical database.

These large-scale measurements allow the development of sophisticated software algorithms for various market-specific uses, and most importantly, enable the early detection of critical health events, thereby proactively mitigating potentially adverse outcomes.

# Financial overview

## KEY EVENTS DURING THE REPORTING PERIOD JANUARY TO JUNE 2023

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## COMMENTS ON FINANCIAL PERFORMANCE

### Operating profit/loss

During the "the reporting period", net sales increased by 18 per cent compared to the last year. Please see more information about this in the section Asset Development and Management.

Property costs for the reporting period amounted to SEK 10,150 thousand (-10,858).

Other external costs totalled SEK -27,690 thousand (-14,140). Associated mainly with additional internal and external consulting costs in Angola, the acquisitions of the new AccYouRate Group, and write-down of capitalised expenses from previous period.

The employee benefit expenses have increased to SEK -11,119 (-8,468) mainly due to new employees.

### Net financial items

Net financial items during the reporting period amounted to SEK 128 387 thousand (47,509). The increase is mainly attributable to the exchange rate adjustment in investment properties that are valued in USD. The net exchange rate effects amount to SEK 37,285 thousand (-57,117). The currency effects are a result of re-valuations of both internal and external monetary balances in foreign currency.

### Changes in value

Changes in value of investment properties during the reporting period amount to SEK -26,968 thousand (11,653) 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 2023, and revaluation of Manhattan and Ocean Corner properties in Luanda as well as changed macroeconomic situation in Angola.

The result for the period includes SEK -2,266 thousand attributable to minority shareholders in SmarTee S.a.r.l.

### Other comprehensive income

Other comprehensive income includes translation differences of SEK -133,477 thousand (182,241) which arose because of revaluation of the subsidiaries' assets and liabilities from local currencies to SEK.

The total comprehensive income for the period includes SEK 18,331 thousand attributable to minority shareholders in SmarTee S.a.r.l.

## COMMENTS ON CONSOLIDATED FINANCIAL POSITION

### Assets

The carrying amount of investment properties totalled SEK 213,779 thousand. Net change since year-end 2022 totalled SEK -13,829 thousand. The change in value is mainly attributable to adjustment of the Manhattan and Ocean Corner property as well as the exchange rate differences in SEK against USD. See note 3 for a summary of the period's changes.

The Report includes a preliminary purchase price allocation analysis (PPA). Until the PPA is finalised the net value of the acquired assets are attributed to Goodwill amounting to SEK 2,181,400 thousand at the time of the acquisition. For more information see Note 8. The overvalue consist of the discounted purchase price of the asset amounting EUR 150,965 thousand corresponding to SEK 1,709,236 thousand and a non-controlling interest in the company amounting to SEK 299,223 thousand.

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 261,777 thousand as per 30 June 2023. The decrease of SEK 149,609 thousand since year-end 2022 is attributable to FX rate effects. For more information about the C-View sale and the accounting of the transaction, see note 7.

Financial assets reported at amortised costs refers mainly to investments in Angolan government bonds indexed against the Inflation totalling 76,215 MSEK as of 30 June 2023. The decrease is mainly due to FX effects, and investments in short term deposits.

Prepaid costs and deferred income amount to SEK 98,033 thousand and have increased by SEK 277,493 thousand since year-end 2022, which is mainly prepaid transactional costs for sales of C-View and E&E 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 are included in the contract liabilities. These payments are accounted as contract liabilities, until the economic control is transferred to MINFIN. The contract liability related to the C-View sale amounts as per 31 March 2022 to SEK 228,880 thousand. As of June 2023, the buyer has not assumed control of the building due to changes in the purpose of further usage of the property. For more information about the C-View sale and the accounting, see note 7.

Accrued Expenses and deferred income includes a payment for exploration assets amounting to SEK 893,627 thousand.

The deferred payment for the acquisition of AccYouRate Group is divided between Other Short-term liabilities, which amount to SEK 165,387 thousand and Other non-current liability amounting to SEK 751,647 thousand. For more information about the Acquisition of AccYouRate Group and the accounting, see note 8.

## COMMENTS ON CASH FLOWS

The cash flow for the period amounts to SEK -708,309 (136,168) thousand. Mainly due to acquisition of AccYouRate Group amounting to SEK -844 467 thousand.

### PARENT COMPANY

The Parent Company's revenue for first half-year 2023 amounted to SEK 1,041 thousand (987). Revenue related to re-invoicing of costs and management fees to subsidiaries.

Other external expenses of SEK -6,309 thousand (-1,630). The expenses increased due to transaction and external consultants costs.

Shares in subsidiaries have increased with the acquisition of the AccYouRate Group by SEK 1,709,263, which has been financed with a cash payment of SEK 849,165 thousand, the remaining consideration was accounted for as Other Short-term Liability amounting to SEK 165,387 thousand and Other non-current Liability amounting SEK 751,647 thousand.

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



## Consolidated statements of comprehensive income

ALL AMOUNTS IN SEK THOUSANDS	NOTE	APR-JUNE 2023	APR-JUNE 2022	JAN-JUNE 2023	JAN-JUNE 2022	FULL YEAR 2022
<b>INCOME STATEMENT</b>						
Revenue, of which		10,179	10,334	20,864	17,647	39,369
<i>Rental revenues</i>	<b>2</b>	8,420	7,725	17,355	13,004	31,167
<i>Service revenues</i>	<b>2</b>	1,759	2,609	3,510	4,643	8,202
Other operating income	<b>2</b>	65	60	124	1,342	1,809
Property-related expenses		-5,734	-4,866	-10,150	-10,858	-22,465
Materials and other services		-	-	-1,049	-	-
Other external costs		-11,421	-9,800	-27,141	-14,192	-27,145
Employee benefit expenses		-4,192	-2,726	-11,119	-8,468	-14,212
Depreciation		-959	-265	-1,454	-360	-1,265
Impairment of Exploration assets	<b>4</b>	-	-	-	-	-176,787
Other operating expenses		-203	-204	-852	-261	-403
<b>Operating profit/loss</b>		<b>-12,266</b>	<b>-7,467</b>	<b>-30,777</b>	<b>-15,149</b>	<b>-201,099</b>
Financial income*	<b>1</b>	141,414	112,249	164,627	134,415	198,774
Financial expenses		-26,745	-32,463	-36,240	-86,906	-35,220
<b>Net financial items</b>		<b>114,669</b>	<b>79,786</b>	<b>128,387</b>	<b>47,509</b>	<b>163,554</b>
<b>Profit/loss before tax and changes in value</b>		<b>114,669</b>	<b>72,319</b>	<b>97,610</b>	<b>32,360</b>	<b>-37,544</b>
Unrealised changes in value of property	<b>3</b>	-18,978	2,931	-26,968	11,653	19,921
<b>Earnings before tax</b>		<b>83,426</b>	<b>75,250</b>	<b>70,642</b>	<b>44,013</b>	<b>-17,624</b>
Income tax		-	-	-	-	-6,181
Deferred tax		-13,587	-15,301	-14,857	-11,107	7,576
<b>Net profit/loss for the period</b>		<b>69,839</b>	<b>59,949</b>	<b>55,785</b>	<b>32,906</b>	<b>-16,229</b>
<b>Of which Attributable to owners of the parent company</b>		70,931	-	58,050	-	-
<b>Of which Attributable to holdings without controlling ownership</b>		-1,092	-	-2,266	-	-
<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		0.15	0.13	0.12	0.07	-0.02

## Comprehensive income

ALL AMOUNTS IN SEK THOUSANDS	NOTE	APR-JUNE 2023	APR-JUNE 2022	JAN- JUNE 2023	JAN-JUNE 2022	FULL YEAR 2022
<b>Net profit/loss for the period</b>		<b>69,839</b>	<b>59,949</b>	<b>55,785</b>	<b>32,906</b>	<b>-16,229</b>
<b>Other comprehensive income:</b>						
Translation differences		-127,136	73,062	-133,477	182,241	110,132
<b>Total items that can be reclassified to profit or loss</b>		<b>-127,136</b>	<b>73,062</b>	<b>-133,477</b>	<b>182,241</b>	<b>110,132</b>
Other comprehensive income, net of tax		-127,136	73,062	-133,477	182,241	110,132
<b>Total comprehensive income for the year</b>		<b>-57,297</b>	<b>133,010</b>	<b>-77,692</b>	<b>215,146</b>	<b>93,903</b>
Comprehensive income for the period attributable to:						
Parent Company shareholders		-69,873	133,010	-96,024	215,146	93,903
Non controlling interest		12,577		18,331		

## Condensed consolidated statements of financial position

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2023-06-30	2022-06-30	2022-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment property	3	213,779	213,277	227,608
Equipment, tools, fixtures, and fittings		11,616	4,725	6,643
Intangible assets		76,652	102	204
Exploration and evaluation assets	4	50,752	222,771	50,752
Goodwill	8	2,181,400	-	-
Financial assets valued at amortised cost		76,215	139,818	156,975
Deferred tax asset		2,824	-	-
<b>Total non-current assets</b>		<b>2,613,237</b>	<b>580,693</b>	<b>442,182</b>
<b>Current assets</b>				
Trade receivables		16,484	16,392	16,318
Other receivables	5	61,321	65,971	56,796
Prepaid expenses and accrued income		98,033	136,214	125,526
Cash and cash equivalents		183,134	807,486	915,568
<b>Total current assets</b>		<b>358,972</b>	<b>1,026,063</b>	<b>1,114,208</b>
Property assets held for sale	7	261,777	473,899	411,385
<b>TOTAL ASSETS</b>		<b>3,233,986</b>	<b>2,080,656</b>	<b>1,967,775</b>
<b>EQUITY AND LIABILITIES</b>				
<b>TOTAL EQUITY</b>		<b>943,491</b>	<b>846,813</b>	<b>725,569</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Non-current lease liability		4,086	519	962
Deferred tax liabilities		78,982	135,824	103,710
Other provisions		-	4,088	-
Other non-current liability		765,860	-	-
<b>Total non-current liabilities</b>		<b>848,928</b>	<b>140,430</b>	<b>104,672</b>
<b>Current liabilities</b>				
Current lease liability		831	52	154
Accounts payable		9,509	6,529	4,741
Income tax debt		6,113	-	6,124
Other current liabilities		290,523	8,040	7,496
Accrued expenses and deferred income *	4	900,344	724,231	813,563
Contract liabilities		234,248	354,561	305,456
<b>Total current liabilities</b>		<b>1,441,568</b>	<b>1,093,413</b>	<b>1,137,534</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,233,986</b>	<b>2,080,656</b>	<b>1,967,775</b>

## Condensed consolidated statement of changes in equity

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2023-06-30	2022-06-30	2022-12-31
<b>Reported opening balance</b>		<b>725,569</b>	<b>631,666</b>	<b>631,666</b>
Net profit/loss for the period		55,785	32,905	-16,229
Other comprehensive income, net of tax		-133,477	182,241	110,132
<b>Comprehensive income for the period</b>		<b>-77,692</b>	<b>215,146</b>	<b>93,903</b>
Acquisition of subsidiaries		293,469	-	-
<b>Closing balance attributable to</b>		<b>941,346</b>	<b>846,813</b>	<b>725,569</b>
Non-controlling interest		311,800	-	-
Parent Company shareholders		629,546	846,813	725,569

## Condensed consolidated statements of cash flows

ALL AMOUNTS IN SEK THOUSANDS	NOTE	APR-JUN 2023	APR-JUN 2022	JAN-JUN 2023	JAN-JUN 2022	FULL YEAR 2022
<b>Cash flow from operating activities before change in working capital</b>		<b>47 707</b>	<b>-36,333</b>	<b>82 151</b>	<b>-42,108</b>	<b>130</b>
Changes in working capital		- 60 539	89,337	-33 979	101,123	-6,787
<b>Cash flow from operating activities</b>		<b>- 12 832</b>	<b>53,004</b>	<b>48 172</b>	<b>59,015</b>	<b>-6,657</b>
Capital expenditures on investment properties		-	21,971	-	1,971	-22,273
Capital expenditures on exploration and evaluation assets		-	-454	-	-513	-1,697
Capital expenditures on other fixed assets		- 1 601	-451	-1 645	-2,466	-6,256
Advance payments sale of exploration and evaluation assets		82 795	75,945	82 795	75,945	165,562
Investments in financial assets (government bonds)		- 1 275	-11,328	3 281	-17,487	-17,487
Paid tax on dividends		-	-	-	-	-
<b>Cash flow from investing activities</b>	<b>3, 4</b>	<b>79 920</b>	<b>85 683</b>	<b>84 431</b>	<b>77,450</b>	<b>-117,849</b>
<b>Cash flow from financing activities</b>		<b>4 379</b>	<b>-103</b>	<b>3 555</b>	<b>-297</b>	<b>-1,036</b>
Acquisition of subsidiaries, net		-	-	-844 467	-	-
<b>Cash flow for the period</b>		<b>71 468</b>	<b>138,585</b>	<b>-708 309</b>	<b>136,168</b>	<b>110,155</b>
<b>Cash and cash equivalents at start of period</b>		<b>142 131</b>	<b>664 595</b>	<b>915 568</b>	<b>660,308</b>	<b>660,308</b>
Cash flow for the period		71 468	138 585	-708 309	136,168	110,155
Exchange losses on cash and cash equivalents		-30 462	4 306	-24 124	11,010	145,105
<b>Cash and cash equivalents at end of period</b>		<b>183 134</b>	<b>807,486</b>	<b>183 134</b>	<b>807,486</b>	<b>915,568</b>

## Consolidated key ratios

For definitions of key ratios, see pages 23-24.

### QUARTERLY SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
<b>EARNINGS</b>							
Rental and service revenues	10,179	10,685	7,840	13,882	10,334	7,313	5,577
Other operating income	65	59	58	479	60	1,212	1
Operating profit/loss	-12,266	-18,511	-184,341	-1,487	-7,467	-7,682	-8,567
Net profit/loss for the period after tax	55,785	-14,054	-107,213	66,442	59,949	-27,043	33,616*
<b>PROPERTY-RELATED-KEY RATIOS</b>							
Rental revenues	8,420	8 935	5,087	13,076	7,725	5,279	4,295
Service revenues	1,759	1 750	2,753	805	2,609	2,034	1,282
Property-related expenses	-5,734	-4 416	-6,356	-5,251	-4,866	-5,992	-2,746
Operating net	4,445	6 270	1,484	8,631	5,468	1,321	2,830
Operating surplus, property portfolio, %	44%	59%	19%	62%	53%	18%	51%
Revenue backlog	33,018	24 601	33,018	39,420	27,149	29,329	16,680
Rent backlog	26,694	20 208	26,694	31,261	23,437	22,879	12,885
Contracted annual rental and service revenues	38,761	38 594	38,761	45,989	37,534	37,119	24,552
Contracted annual rental revenues	30,797	30 720	30,797	36,603	29,841	28,071	17,217
<b>FINANCIAL KEY RATIOS</b>							
EBITDA	-29,323	-18 016	-6,972	-1,216	-7,201	-7,587	-26,033
EBITDA margin, %	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
Average number of shares, thousand	477,315	477,315	477,315	477,315	477,315	477,315	477,315
Diluted earnings per share, SEK	0.12	-0,03	-0,22	0,14	-0,13	-0,09	0.07
<b>EMPLOYEES</b>							
Average number of employees	38.0	17.0	17.0	17.0	17.0	17.0	16.5

## PERIODIC SUMMARY – GROUP

ALL AMOUNTS IN SEK THOUSANDS UNLESS OTHERWISE STATED	Q2 2023	Q2 2022	FULL YEAR 2022	FULL YEAR 2021 *	FULL YEAR 2020	FULL YEAR 2019
<b>EARNINGS</b>						
Rental and service revenues	20,864	17,647	39,369	20,764	29,759	48,788
Other operating income	17,355	13,004	1,809	6	226	2,728
Operating profit/loss	-30,777	-15,149	201,098	-27,089	-16,083	-996
Operating profit/loss before items affecting comparability	-30,777	-15,149	201,098	-27,089	-16,083	-996
Net profit/loss for the period, after tax *	55,785	32,905	-7,989	-30,592	45,046	133,599
<b>PROPERTY-RELATED KEY RATIOS</b>						
Rental revenues	17,355	13,004	31,167	14,041	21,163	34,155
Service revenues	3,510	4,643	8,202	6,723	8,596	14,633
Property-related expenses	-10,150	-10,858	-22,465	-10,982	-12,183	-17,121
Operating net	10,715	6,789	16,904	9,782	17,575	31,667
Operating surplus, property portfolio, %	51%	38%	43%	47%	59%	65%
Revenue backlog	19,655	27,149	33,018	16,680	13,698	31,145
Rent backlog	16,547	23,437	26,694	12,885	10,217	25,519
Contracted annual rental and service revenues	28,732	37,534	38,761	24,552	17,896	34,503
Contracted annual rental revenues	22,163	29,841	30,797	17,217	11,846	25,302
Area occupancy rate, %***	81%	68%	75%	56%	71%	73%
Economic occupancy rate, %***	74%	65%	74%	44%	47%	60%
WAULT rent and service, months**	9.0	9.4	10.4	9.0	10.1	12.1
Market value of portfolio	213,779	213,277	226,471	161,674	176,261	149,860
Leasable area, thousands of square meters	19.9	19.9	19.9	19.9	19.9	19.6
Number of properties at end of period	13	14	13	14	14	15
<b>FINANCIAL KEY RATIOS</b>						
Return on equity (ROE), %	7%	4%	neg.	neg.	7.1%	2.5%
Return on assets (ROA), %	2%	2%	neg.	neg.	5.4%	2.0%
EBITDA	-29,323	-14,737	-23,046	-26,033	-15,058	-8,186
EBITDA margin, %	neg.	neg.	neg.	neg.	neg.	neg.
Equity/assets ratio, %	29%	41%	37%	40%*	74%	77%
<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	0.12	0.07	-0.02	-0.06	0.09	0.28
Equity per share, SEK	1.98	1.77	1.54	1.32	1.17	1.47
<b>EMPLOYEES</b>						
Average number of employees	38	17	17	17	18.4	18.1

# Parent Company

## CONDENSED INCOME STATEMENT – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	APR-JUN 2023	APR-JUN 2022	JAN-JUN 2023	JAN - JUN2022	FULL YEAR 2022
Revenue	5	608	484	1,041	987	1,905
Other operating income		-	58	4	60	82
Other external costs		-3,440	-926	-6,309	-1,630	-4,231
Employee benefit expenses		-1,589	-1,146	-2,518	-1,955	-4,136
Depreciation/amortisation		-	-	-	-	-
Other operating expenses		-3	-49	-3	-50	-84
<b>Operating profit/loss</b>		<b>-4,423</b>	<b>-1,579</b>	<b>-7,785</b>	<b>-2,589</b>	<b>-6,464</b>
Dividend from subsidiary		-	-	-	-	-
Write-down of participations in Group companies		-	-	-	-	-195,912
Interest income and similar items*		13,719	77,932	29,080	94,462	141,751
Interest income, intercompany		428	1,296	828	2,185	5,613
Interest expenses and similar items		-58,265	-251	-62,447	-1,940	-
<b>Earnings before tax</b>		<b>-48,542</b>	<b>77,398</b>	<b>-40,324</b>	<b>92,118</b>	<b>-55,012</b>
Untaxed reserve		-	-	-	-	-10,002
Tax		-	-	-	-	-6,181
<b>Net profit/loss for the period</b>		<b>-48,542</b>	<b>77,398</b>	<b>-40,324</b>	<b>92,118</b>	<b>-71,195</b>

## CONDENSED BALANCE SHEET – PARENT COMPANY

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2023-06-30	2022-06-30	2022-12-31
<b>ASSETS</b>				
<b>Non-current assets</b>				
Participations in Group companies		2,176,613	467,320	467,320
Other Long-term receivables				34,887
Receivables from Group companies		81,592	215,625	25,078
<b>Total non-current assets</b>		<b>2,258,205</b>	<b>682,945</b>	<b>527,285</b>
<b>Current assets</b>				
Receivables from Group companies		488	13,057	8
Current receivables		57,995	65,427	58,799
Cash and bank balances		121,930	773,796	892,282
<b>Total current assets</b>		<b>180,413</b>	<b>852,278</b>	<b>951,089</b>
<b>TOTAL ASSETS</b>		<b>2,438,618</b>	<b>1,535,223</b>	<b>1,478,374</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Total equity</b>		<b>609,174</b>	<b>812,688</b>	<b>649,498</b>
Untaxed reserve		10,002	-	10,002
<b>Total liabilities</b>		<b>1,067,795</b>	<b>722,535</b>	<b>818,874</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,438,618</b>	<b>1,535,223</b>	<b>1,478,374</b>

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

ALL AMOUNTS IN SEK THOUSANDS	NOTE	2023-06-30	2022-06-30	2022-12-31
Opening equity		649,498	720,694	720,694
Net profit/loss for the period		-40,324	92,118	-71,195
<b>Comprehensive income for the period</b>		<b>-40,324</b>	<b>92,118</b>	<b>-71,195</b>
<b>Total equity</b>		<b>609,174</b>	<b>812,812</b>	<b>649,498</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 38 (17) linked to the operations in Angola and Italy. Four are 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%
Veronique Salik	29,496,530	6.2%	29,496,530	6.2%
Alan Simonian privat och via familj	3,429,521	0.7%	3,429,521	0.7%
Other shareholders	41,000,849	8.6%	41,000,849	8.6%
<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 2022 Annual Report. In May 2023 the Company decided to withdraw from the Block 2B License and write down the value of the asset.



# 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 2023 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 2022 financial year and as described in the 2022 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 2022 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 2022.

REVENUE CATEGORIES, AMOUNTS IN SEK THOUSANDS	Asset Development and Management			Total
	Energy	Other and eliminations		
<b>Jan-Jun 2023</b>				
Rental revenue	-	17,355	-	17,355
Service revenue	-	3,510	-	3,510
Other revenue	-	-	124	124
<b>Total revenue</b>	-	20,864	124	20,988
Of which revenue from contracts with customers, subject to IFRS 15	-	3,510	-	3,510
<b>Jan-Jun 2022</b>				
Rental revenue	-	13,004	-	13,004
Service revenue	-	4,643	-	4,643
Other revenue	-	-	1,342	1,343
<b>Total revenue</b>	-	17,648	1,342	18,990
Of which revenue from contracts with customers, subject to IFRS 15	-	4,643	-	4,643

### 3 INVESTMENT PROPERTY

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	APR-JUN 2023	APR-JUN 2022	JAN-JUN 2023	JAN-JUN 2022	FULL YEAR 2022
Opening carrying amount	40	174,129	227,608	162,250	162,250
+ Capital expenditures for the period	0	9,942	40	22,272	21,953
+ Acquisitions for the period	-	-	260	-	-
- Disposals for the period	-18,803	-	-	-	-
+/- Unrealised changes in value	-175	11,085	-26,590	7,742	16,339
+/- Change leasing liability	40	235	-378	-37	601
Changes in leasing contracts, no effect on result	-	-	-	-	-
+/- Exchange rate effects	15,807	17,887	12,838	21,051	26,465
Closing carrying amount	213,779	213,277	213,779	213,277	227,608

The valuation of the investment properties has been prepared internally as per 30 June 2023. Required returns were determined for housing and office premises and are set at 6 and 8 percent, before tax. The weighted average cost of capital (WACC) for the market (Luanda, Angola) was estimated at 14,5 percent for the period, after tax.

Lease costs for rights of use are included in the fair value, which means that the lease liability is reversed to avoid double counting these costs:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	JAN-JUN 2023	JAN-JUN 2022	FULL YEAR 2022
Fair value, investment properties	213,452	212,522	185,171
Reversal of lease costs recognized as lease liabilities	327	755	42,437
Carrying amount at end of reporting period	213,779	213,277	227,608

### 4 EXPLORATION AND EVALUATION ASSETS

Changes in carrying amount:

GROUP, ALL AMOUNTS IN SEK THOUSANDS	APR-JUN 2023	APR-JUN 2022	JAN-JUN 2023	JAN-JUN 2022	FULL YEAR 2022
Opening carrying amount	50,752	210,001	50,752	207,107	207,107
Capital expenditures for the period	-	454	-	513	1,697
Write Down of E&E assets	-	-	-	-	-108,509
Increase through business combination	-	-	-	-	-68,278
Translation and revaluation effects	-	12,316	-	15,151	18,735
Closing accumulated cost of acquisition	50,752	222,771	50,752	222,771	50,752

Regarding our 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 by October 2026.

At the Year-end 2022, Crown opted for impairing the Block 2B asset. whilst awaiting further updates from the Operator of the Joint Venture and has therefore written down the value of the License which amounted to SEK 68,113 thousand. Subsequently, Crown Energy as of May of this year elected to withdraw from the Block 2 B Licence.

## **5** TRANSACTIONS WITH RELATED PARTIES

### **PURCHASES AND SALES WITHIN THE GROUP**

Of the Parent Company's revenue for the first six months 2023, 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 2,645 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 2023.

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 6,589 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 2022. As of 31 March 2023, this receivable amounted to the equivalent of SEK 45,752 thousand including interest.

All transactions are performed on normal commercial terms.

## 6 OPERATING SEGMENTS

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q2 2023	Asset Development Q2 2023	Sustainable investments Q2 2023	Other and eliminations Q2 2023	Total Q2 2023
Operating income	-	10,197	46	0	10,244
Operating expenses	-319	-10,983	-6,841	-4,367	-22,510
<b>Operating profit/loss</b>	<b>-319</b>	<b>-786</b>	<b>-6,795</b>	<b>-4,366</b>	<b>-12,266</b>
Net financial items	3,489	156,019	-672	-44,167	114,669
<b>Profit/loss before tax and changes in value</b>	<b>3,170</b>	<b>155,234</b>	<b>-7,467</b>	<b>-48,534</b>	<b>102,403</b>
<b>Changes in value</b>					
Property, unrealised	-	-18,978	-	-	-18,978
<b>Earnings before tax</b>	<b>3,170</b>	<b>136,256</b>	<b>-7,467</b>	<b>-48,534</b>	<b>83,426</b>
Income tax	-	-	-	-	-
Deferred tax	-	-13,596	10	-	-13,587
<b>Net profit/loss for the period</b>	<b>3,170</b>	<b>122,660</b>	<b>-7,458</b>	<b>-48,534</b>	<b>69,839</b>
<b>Non-current assets at end of period</b>	<b>50,752</b>	<b>294,842</b>	<b>2,267,547</b>	<b>97</b>	<b>2,613,237</b>
Angola	-	294,842	-	-	294,842
Irak	50,752	-	-	-	50,752
Italien	-	-	2,267,547	-	2,267,547
Sverige	-	-	-	97	97

OPERATING SEGMENTS, SEK THOUSANDS	Energy Q2 2022	Asset Development Q2 2022	Other and eliminations Q2 2022	Total Q2 2022
Operating income	-	10,336	58	10,394
Operating expenses	-229	-15,867	-1,765	-17,861
<b>Operating profit/loss</b>	<b>-229</b>	<b>-5,531</b>	<b>-1,707</b>	<b>-7,467</b>
Net financial items	5,718	-4,912	78,981	79,786
<b>Profit/loss before tax and changes in value</b>	<b>5,489</b>	<b>-10,443</b>	<b>77,274</b>	<b>72,319</b>
<b>Changes in value</b>				
Property, unrealised	-	2,931	-	2,931
<b>Earnings before tax</b>	<b>5,489</b>	<b>-7,512</b>	<b>77,274</b>	<b>75,250</b>
Income tax	-	-	-	-
Deferred tax	-	-15,301	-	-15,301
<b>Net profit/loss for the period</b>	<b>5,489</b>	<b>-22,813</b>	<b>77,274</b>	<b>59,948</b>
Non-current assets at end of period	222,771	357,820	102	580,693
Angola	-	357,820	-	357,820
Irak	50,752	-	-	50,752
Italy	-	-	-	-
Sweden	-	-	102	102
Madagascar	-	105 624	-	105 624
South Africa	-	66 394	-	66 394

OPERATING SEGMENTS, SEK THOUSANDS	Energy JAN-JUN 2023	Asset Development JAN-JUN 2023	Sustainable investments JAN-JUN 2023	Other and eliminations JAN-JUN 2023	Total JAN-JUN 2023
Operating income	-	20,883	101	4	20,988
Operating expenses	-557	-29,199	-14,421	-7,588	-51,765
<b>Operating profit/loss</b>	<b>-557</b>	<b>-8,317</b>	<b>-14,320</b>	<b>-7,583</b>	<b>-30,777</b>
Net financial items	2,505	159,419	-1,011	-32,527	128,386
<b>Profit/loss before tax and changes in value</b>	<b>1,948</b>	<b>151,102</b>	<b>-15,330</b>	<b>-40,110</b>	<b>97,610</b>
<b>Changes in value</b>					
Property, unrealised	-	-26,968	-	-	-26,968
<b>Earnings before tax</b>	<b>1,948</b>	<b>124,134</b>	<b>-15,330</b>	<b>-40,110</b>	<b>70,642</b>
Income tax	-	-	-	-	-
Deferred tax	-	-14,869	11	0	-14,857
<b>Net profit/loss for the period</b>	<b>1,948</b>	<b>109,266</b>	<b>-15,319</b>	<b>-40,110</b>	<b>55,784</b>
<b>Non-current assets at end of period</b>	<b>50,752</b>	<b>294,842</b>	<b>2,267,547</b>	<b>97</b>	<b>2,613,237</b>
Angola	-	294,842	-	-	294,842
Iraq	50,752	-	-	-	50,752
Italy	-	-	2,267,547	-	2,267,547
Sweden	-	-	-	97	97

OPERATING SEGMENTS, SEK THOUSANDS	Energy JAN-JUN 2022	Asset Development JAN-JAN 2022	Other and eliminations JAN-JUN 2022	Total JAN-JUN 2022
Operating income	-	17,649	1,340	18,989
Operating expenses	-233	-28,989	-4,918	-34,139
<b>Operating profit/loss</b>	<b>-233</b>	<b>-11,340</b>	<b>-3,578</b>	<b>-15,149</b>
Net financial items	8,674	-53,495	92,330	47,510
<b>Profit/loss before tax and changes in value</b>	<b>8,441</b>	<b>-64,835</b>	<b>88,752</b>	<b>32,360</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>88,752</b>	<b>44,014</b>
Income tax	-	-	-	-
Deferred tax	-	-11,107	-	-11,107
<b>Net profit/loss for the period</b>	<b>8,441</b>	<b>-64,289</b>	<b>88,752</b>	<b>32,905</b>
<b>Non-current assets at end of period</b>	<b>222,771</b>	<b>357,820</b>	<b>102</b>	<b>580,693</b>
Angola	-	357,820	-	357,820
Iraq	50,752	-	-	50,752
Italy	-	-	-	-
Sweden	-	-	102	102
Madagascar	105,624	-	-	105,624
Soth Africa	66,394	-	-	66,394

## 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 2022.

### Accounting during 2023

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 recognised at fair value, which corresponds to the contractual purchase consideration (in accordance with IAS 40), discounted over the agreed payment 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.

As of 30 June 2023, the client did not take over economic control of the property, despite reaching the required threshold of 1/3 of the purchase price in April 2021, thus the property is still accounted for 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 recognised as deferred income (classified as a contract liability) until economic control is transferred to Minfin. As per 30 June 2023, the contract liability related to the C-View sale amounts to SEK 355,848 thousand, which in local currency corresponds to 80 per cent of the total sales price. The original agreement stipulated a payment schedule and the transfer of economic rights to the client as well as an inflation compensation provision. For the following two reasons the transfer of the economic control was postponed and YBE Immobiliaria has continued the upkeep of the property. The first results from to the changes in payments schedule of the agreement by the Angolan Governmental buyer. The second is that we still await a decision by the Angolan Government as to which ministry or entity will be purposed with the use of the C-View property. The parties are now in negotiations regarding the final settlement (including the inflation compensation) and amendments to the agreement, that will permit finalising the transfer of economic control, which in turn will trigger the recognition of sale of the property for the Crown Energy Group in accordance with IFRS 15. The title for the C-View property in accordance with local laws will be transferred to the buyer after final settlement is received by the YBE Immobiliaria, which is when the transfer will be recognised in local accounting. During those negotiations YBE Immobiliaria has continued to receive payments for the property which have reached 80% of the original purchase price. Due to an uncertain timeline for this payment and the amount depending on future inflation Crown Energy did not account for the inflation compensation so far in 2023.

## 8 ACQUISITION OF ACCYOURATE GROUP

<b>PURCHASE CONSIDERATION</b>	<b>EUR Thousands</b>	<b>SEK Thousands</b>
Cash paid	75,000	849,165
Deferred interest free cash consideration	88,000	996,354
Discount amount on deferred cash consideration*	-12,034	-136,255
Contingent consideration	0	0
<b>Total purchase consideration</b>	<b>150,966</b>	<b>1,709,263</b>

\* interest rate for discount amount is 6%

<b>PRELIMINARY PURCHASE PRICE ALLOCATION (PPA)</b>	<b>Fair value EUR thousands</b>	<b>Fair value SEK thousands</b>
Intangible assets	6,116	69,247
Other assets	822	9,307
Cash and cash equivalents	426	4,823
Borrowings	-14,065	-159,247
Net deferred tax assets	-136	-1,540
Other current liabilities	-551	-6,242
<b>Net identifiable assets acquired</b>	<b>-7,388</b>	<b>-83,652</b>
Less: non-controlling interest	-26,641	-301,635
Add: goodwill	184,995	2,094,550
<b>Total purchase consideration</b>	<b>150,966</b>	<b>1,709,263</b>

On January 10 2023 Crown Energy AB announced the signing of a letter of intent regarding purchase of a group of companies in the medtech sector. Crown Energy AB on February 3 2023 signed a purchase agreement for the acquisition of 85 percent of the shares in SmarTee S.a.r.l., a Luxembourg company which is the parent company of the Italian AccYouRate Group. AccYouRate Group is focused on wearable medicine technique and currently holds exclusive patents for advanced and groundbreaking technologies in the market for advanced fabric technologies.

Euros 75 million (SEK 849 million) was paid upon signing and the balance of Euros 88 million (SEK 996 million) will be paid in nine installments during a period of 48 months. The interest free cash consideration has been discounted at 6%, making the total purchase consideration Euros 151 million (SEK 1 709 million).

In the purchase agreement there is an earn-out clause giving the seller a right, during 24 months, to 30% of any additional value under certain conditions. It is the assessment of the board and management that these conditions are unlikely to occur and therefore the contingent consideration has been set to zero (0).

Non-controlling interests have been measured at fair value (full goodwill).

The table above is a preliminary purchase price allocation (PPA). Until the PPA has been finalized the net value of the acquired assets has been allocated to goodwill, which at the time of the acquisition amounted to Euros 184 million (SEK 2 094 million). The board and management are still preparing a detailed allocation of the purchase price. It is the assessment of the Company that the final PPA will consist of 25-35% technical intangible assets (e.g. patents, software, database), 25-58% contractual intangible assets (e.g. customer contracts and relations) and 25-40% goodwill. Deferred tax of 28,82% will be added to identified intangible assets, i.e. not on goodwill.

Acquisition-related costs from the business combination amounts to 1.9 mSEK and has been accounted for in the income statement for the period

## 9 EVENTS AFTER THE END OF THE REPORTING PERIOD

No important events after the end of the reporting period.

The Board and CEO hereby certify that this interim report gives a fair overview of the Parent Company's and Group's operations, position, and earnings, and describes significant risks and uncertainty factors to which the Group and its companies are exposed.

This interim report was not reviewed by the Company's auditors. The English interim report is a translation of the Swedish Interim Report.

Stockholm, 18 August 2023

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 23:45 CEST, on 18 August 2023.

### REPORTING DATES

Nine-month report 2023	17 November 2023
Full year report 2023	24 February 2024
Annual report 2023	24 April 2024
AGM 2024	22 May 2024

### 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 our homepage [Crownenergy.se](http://Crownenergy.se) or <https://www.crownenergy.se/en/investors/subscription/>

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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

##### *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 non-controlling interest as a percentage of total assets. Used to highlight the Company's interest rate sensitivity and financial stability.

##### *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.

***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 dedicated to a transformation into the new and more socially responsible business direction, with focus on the medical technology industry and on improving our green footprint by way of investing in companies active in those areas.

Crown Energy has been active in the oil and gas business for more than 10 years. Today the only remaining asset in the energy field is a passive holding in an Iraq Licence which following the signing of a sale and purchase agreement is being actively divested. Crown has withdrawn from and/or written down its other earlier energy holdings.

The business area Asset development and management that is based in Angola will be subject to a strategic overview.

The new investment into the medtech company AccYouRate marks the start of the new Crown Energy. Accyourate holds high-tech patents and creates algorithms to support its production of 'smart' wearable garments for use in the medical industry as well as services such as analysis, data gathering and extrapolations of medical information and growth of medical databases.