

**Crown Energy AB (publ)**

**Information memorandum**

**regarding the listing on Nordic SME**

## IMPORTANT INFORMATION

This information memorandum (the “**Information Memorandum**”) has been prepared in connection with the application for admission to trading of shares in Crown Energy AB (publ), a Swedish public limited liability company with reg. no. 556804-8598, on Nordic SME.

In the Information Memorandum, “**Crown Energy**” or the “**Company**” shall, depending on the context, be construed as referring to Crown Energy AB (publ) or the group in which Crown Energy AB (publ) is the parent company. “**Nordic SME**” refers to the multilateral trading platform and growth market for small and medium sized companies operated by Nordic Growth Market NGM AB. For definitions of specific terms used in the Information Memorandum, please refer to the section “*Definitions*”.

This Information Memorandum does not fulfil the requirements of being a prospectus in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council and has not been reviewed or approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*). The Information Memorandum has been reviewed by Nordic Growth Market NGM AB. This Information Memorandum does not include any offer to subscribe for, or otherwise acquire, shares or any other financial instrument in Crown Energy in either Sweden or any other jurisdiction. Distribution of this Information Memorandum is subject to restrictions in law and other regulations. The Information Memorandum may not be distributed in or into the United States, Australia, Singapore, New Zealand, Japan, South Korea, Canada, Switzerland, Hong Kong or any other jurisdiction where such distribution requires a prospectus, registration or any other actions to be taken in addition to the requirements under Swedish law. Persons who receive copies of this Information Memorandum, or wish to invest in Crown Energy, must inform themselves about and follow such restrictions. Swedish law is applicable in relation to this Information Memorandum. Disputes regarding the Information Memorandum and thereby applicable legal circumstances shall be handled under Swedish law exclusively.

No shares or other securities in the Company have been or will be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or under the securities law of any state or other jurisdiction of the United States and they may not be offered, sold or otherwise transferred, directly or indirectly, to or in the United States, unless in accordance with applicable exemption from or in a transaction that does not fall within the registration requirements under the U.S. Securities Act and in accordance with securities legislation in the relevant state or other jurisdiction of the United States.

An investment in securities is associated with certain risks and investors are encouraged to read especially the section “*Risk factors*”. When investors make an investment decision, investors must rely on their own assessment of Crown Energy, including facts and risks. Prior to making an investment decision, prospective investors should engage their own professional adviser and carefully evaluate and give due consideration to the investment decision.

### **Presentation of financial information**

Unless otherwise stated herein, no financial information in this Information Memorandum has been audited or reviewed by the Company’s auditor. Financial information relating to the Company in this Information Memorandum, and that is not part of the information that has been audited or reviewed by the Company’s auditor as stated herein, has been collected from the Company’s internal accounting and reporting system. Some of the key performance measures presented in the Information Memorandum are alternative performance measures or financial measures that are not defined under IFRS. Alternative performance measures that are not defined under IFRS are defined as performance measures that measure historical or future financial results, financial position or cash flows but exclude or include amounts or items that would not be adjusted for in the same way if done in accordance with IFRS. These alternative performance measures should not be considered separately from, or as a substitute for, the Company’s financial information that has been prepared in accordance with IFRS. Furthermore, the presentation of the alternative performance measures may not necessarily be comparable to similarly entitled measures of other companies.

Certain figures in this Information Memorandum, including financial data, have been rounded. Accordingly, figures shown in totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them. For example, this may be the case when figures are presented in thousands and millions as in the following sections; “*Selected financial information*”, “*Comments to the selected financial information*” and “*Capitalisation, indebtedness and other financial information*”.

## **Forward-looking statements**

This Information Memorandum contains various forward-looking statements which reflect Crown Energy's current view on future events and anticipated financial, operational and other performance. Forward-looking statements as a general matter are all statements other than statements as to historical fact or present facts or circumstances. The words "may", "shall", "expect", "believe", "estimates", "plans", "prepares", "calculates", "intends", "predicts", "attempts", "could" or, in each case, their negative or similar expressions or comparable terminology, identify certain of these forward-looking statements. These forward-looking statements speak only as of the date of this Information Memorandum. Crown Energy expressly undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Although Crown Energy believes that the expectations reflected in these forward-looking statements are reasonable, Crown Energy can give no assurance that they will materialise or prove to be correct. Accordingly, any prospective investors are cautioned not to place undue reliance on any of the forward-looking statements herein.

## **Business and market data**

The section "*Risk factors*" of this Information Memorandum includes a description, although not complete, of risk factors that may cause actual results and performance to deviate significantly from historical information and forward-looking statements. This Information Memorandum includes historical market data and industry forecasts. Some information is based on third party sources and have been correctly referred to in the Information Memorandum. Even if the Company considers such information to be reliable, no independent verification has been carried out, and the accuracy or completeness of the information cannot be guaranteed. Business and market data are inherently subject to uncertainty and do not necessarily reflect actual market conditions. The value of comparisons of statistics for different markets is limited for various reasons. Among such reasons are that markets may have been defined differently and that information may have been gathered by different methods and on the basis of different assumptions. Some of the statistics in the Information Memorandum has been compiled by Crown Energy, in some cases on the basis of different assumptions. Even if the Company considers the assumptions and methods for which the information has been gathered reasonable, these have only been confirmed or verified by third parties to a limited extent. Hence, all readers of this Information Memorandum should be aware that the accuracy and reliability of the market data presented in this Information Memorandum cannot be guaranteed. Information provided from third parties has been accurately reproduced, and, as far as Crown Energy is aware from such information, no facts have been omitted which would render the information provided inaccurate or misleading.

## **Information regarding Nordic SME**

The Company's shares will be traded on Nordic SME under the short name CRWN. Trading in the Company's shares will be available in real time at [www.ngm.se](http://www.ngm.se). Nordic SME is a growth market for small and medium enterprises intended for the listing and trading of shares and share-related instruments operated by Nordic Growth Market NGM AB. Nordic SME is an SME growth market in accordance with MiFID II (the Directive on Markets in Financial Instruments (EU 2014/65)). An investor should keep in mind that shares and share-related instruments listed on Nordic SME are not admitted to trading on a regulated market and therefore not subject to the same rules for the protection of the shareholders as companies whose shares are listed on a regulated market.

At Nordic SME, the same rules do not apply as for companies on regulated markets, as defined in EU legislation and implemented in national legislation, thus neither the Act (2006:451) on public takeover offers on the stock market, nor the regulation of the European Parliament and the Council (EC) No 1606/2002 of 19 July 2002 on the application of international accounting standards (IFRS) is applicable. It is also possible, under certain conditions, to list shares or share-related securities on an SME without an obligation to produce a prospectus according to the Regulation (EU) 2017/1129 of the European Parliament and of the Council. The Swedish Corporate Governance Code does not apply on Nordic SME. However, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and the Stock Market Self-Regulation Committee's "Takeover rules for certain trading platforms" do apply.

Trading at Nordic SME takes place in Nordic Growth Market's proprietary trading system, Elastica, which means that all Nordic Growth Market members can trade in the shares. Information about the trading, market data, is distributed in real time to, among others, Bloomberg, Thomson Reuters, Infront and leading Internet portals with a financial focus. Real-time market data is also available free of charge at [www.ngm.se](http://www.ngm.se).

At Nordic SME, Nordic Growth Market NGM AB, one of Sweden's two stock markets with licence from the Swedish Financial Supervisory Authority, is responsible for the surveillance of both the listed companies' provision of information and the trading in the companies' shares.

## CONTENTS

CROWN ENERGY IN BRIEF .....	2
RISK FACTORS.....	4
BACKGROUND AND RATIONALE .....	16
CEO STATEMENT .....	18
MARKET OVERVIEW AND BUSINESS DESCRIPTION.....	19
SELECTED FINANCIAL INFORMATION .....	31
COMMENTS TO THE SELECTED FINANCIAL INFORMATION .....	40
WORKING CAPITAL STATEMENT AND OTHER FINANCIAL INFORMATION.....	44
BOARD OF DIRECTORS, SENIOR EXECUTIVES AND AUDITOR.....	45
CORPORATE GOVERNANCE.....	49
SHARE CAPITAL AND OWNERSHIP STRUCTURE .....	55
ARTICLES OF ASSOCIATION .....	59
LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION .....	61
DEFINITIONS.....	71
ADDRESSES.....	72

### Key information

First day of trading:	13 January 2025
ISIN code:	SE0004210854
Ticker on Nordic SME:	CRWN
Number of shares:	477,315,350

### Financial calendar

2025-02-26	Year-end Report 2024
Week 17 of 2025	Annual Report 2024
2025-05-28	Interim report Q1 2025
2025-06-04	Annual General Meeting 2024
2025-08-22	Interim report Q2 2025
2025-11-21	Interim report Q3 2025
2026-02-25	Year-end report 2025

## **CROWN ENERGY IN BRIEF**

Crown Energy is a globally oriented investment firm strategically allocating capital towards sustainable development initiatives driven by technological advancements. The financing of investments is predominantly derived from revenue streams generated by its business segments Asset Development and Management, and Energy.

### **Sustainable investments**

#### **AccYouRate Group S.p.A.**

AccYouRate is an international group with operations in L'Aquila, Bologna and Israel. Its activities include research and development, small scale production of 'smart' wearable garments and software development.

AccYouRate has a patented technology that measures 7 indicators. ECG, pulse, temperature, respiration, respiration depth but also has a built-in GPS as well as an accelerometer. AccYouRate provides patented wearable products offering comprehensive body monitoring and seamless vitals data acquisition for predictive and preventative health purposes. With beautiful, comfortable, and functional clothing items that double as a medical device, individuals in critical roles or conditions gain the benefits of staying aware of their health, taking timely action for prevention, and ensuring a safer, healthier, and more fulfilling work experience.

Crown Energy holds 85% of the shares in SmarTee, the parent holding company of AccYouRate Group S.p.A.

#### **Kaya Climate Solutions GmbH**

KAYA Climate Solutions specializes in implementing impactful forestry and grassland projects in sub-Saharan Africa. These projects not only generate valuable carbon credits for the voluntary market but also deliver a wide range of co-benefits for local communities. The vision for Crown Energy's long-term collaboration is to contribute to the fight against climate change and foster sustainable development in Sub-Saharan Africa while capitalizing on the economic opportunities presented by this rapidly expanding market.

Crown Energy has entered into a strategic partnership with KAYA, initially providing a convertible loan of approximately 400,000 Euros, which can be converted into 10% of the shares in KAYA. Crown Energy has during the fourth quarter increased its commitment to the KAYA initiative and has advanced a further 500 000 EUR which may be converted at a minimum to an additional 10 % in KAYA.

### **Asset development and management**

Crown Energy business segment Asset development and Management provides tailored accommodation and office solutions for international companies operating in Angola. The services include rental options and related amenities, eliminating the need for significant capital investments by clients. This business has been consistently profitable, serving major energy companies with strong credit ratings.

Beyond accommodations and office spaces, Crown Energy offers supplementary services such as security, transportation, and telecommunications. The Company manage the entire process from design and construction to leasing and property management, aiming to offer clients a seamless and flexible solution that allows them to focus on their core operations.

## **Energy**

Crown Energy started as an oil and gas company. Today the only remaining asset in the energy field is a passive holding in an Iraq licence which is being actively divested. The proceeds from the sale of the Iraq licence, a total of USD 180 million over three years, is the starting point for Crown Energy's investments in sustainable development. To date, the agreement has paid out USD 123 million and an additional USD 57 million will be paid in instalments of USD 8 million per six months (the next due in April 2025) with final payment of USD 33 million on completion in October 2026. There are also possibilities for a future upside earn-out of USD 270 million in case certain milestones are achieved.

## **RISK FACTORS**

This section describes the risk factors considered to be material to Crown Energy's operations and future development. The risk factors are attributable to Crown Energy's operations, industry and markets, and also include operational risks, legal risks, financial risks and risk factors attributable to the securities. The assessment of the significance of each risk factor is based on the probability of its occurrence and the expected extent of its adverse effects. The risk factors listed below are limited to risks that are specific to the Company and/or the securities and are significant for making an informed investment decision.

The presentation given below is based on information available as per the day of the Information Memorandum. The risk factors that are currently considered to be most significant are first presented in each category, and after that the risk factors are presented without special ranking.

### **Risks related to the Company's operations and the market in which the Company operates**

#### **Risks related to the commercialisation of the AccYouRate products**

Crown Energy, through AccYouRate, is currently conducting several pilot projects with commercial clients testing the AccYouRate technology. Regardless of that these projects, in the Company's view, display the benefits and the potential of the AccYouRate products, there is a risk that the commercialisation of the products is unsuccessful. There is for example a risk that the demand for the products on the commercial market will be significantly lower than what is expected by Crown Energy, that AccYouRate will not be able to produce the products at a level that matches the actual demand, or that competing products are more successful. Any of these risks may delay, or make impossible, the implementation of AccYouRate's business plan, which in turn may have a material adverse effect on the Company's earnings and financial position, especially due to lack of projected income and costs that do not correspond to increased income. The Company assesses that the likelihood that this risk materialises is medium.

#### **Risks related to the Company failing to implement its growth strategy**

Crown Energy's growth strategy includes the development and launching of new products and development and adaptation of existing products to local markets. The medtech industry is in a state of continual development and is exposed to rapid technological changes which can lead to Crown Energy's current products becoming outdated. Consequently, Crown Energy must work continuously on innovation and development of new medtech products. These types of new products may involve solutions which have not been previously used commercially. There is a risk that possible solutions will not be successful or that the Company will not obtain the necessary licenses in order to be able to commercialise new products. In accordance with its current growth strategy, Crown Energy intends to transform into a company focusing on select investments in the medtech and environmental industries, and on improving the Company's green footprint. The transformation into a company focusing on select investments in the medtech and environmental industries may entail increased costs for the Company which are not necessarily offset by increased sales, either at the rate of the increased costs or at all. There is also a risk of Crown Energy misjudging which sales model is best suited for a particular market, and thus for example not being able to achieve success in sales on one or more markets. If one or more of the aforementioned circumstances occurs it might result in an adverse impact on Crown Energy's earnings and financial position, especially due to costs that do not correspond to increased income. The Company assesses that the likelihood that this risk materialises is medium.



### **Risks related to acquisitions and divestments of assets and business operations**

In 2021, the Company entered into a sale and purchase agreement regarding the sale of its production sharing contract in Iraq. As of the date hereof, the Company has received USD 123million and will receive at least an additional USD 57 million as purchase price for the oil assets, with an additional possible earn-out payment of up to USD 270 million. In February 2023, the Company acquired the medtech focused AccYouRate group, with the parent company SmarTee S.a.r.l. at a total purchase price of EUR 163 million, as part of a transformation of the Company's operations to focusing on sustainable investments. The Company is transitioning into a company focusing on select investments in the medtech and environmental industries. The agreement relating to the sale of the Company's product sharing contract in Iraq, as well as the agreement relating to the Company's acquisition of the AccYouRate group, includes several obligations for the Company, relating e.g. to warranties for the oil deposits. There is a risk that the Company may become subject to claims on such warranties which could have an adverse effect on the Company's current or future financial position. The Company assesses that the likelihood that this risk materialises is low. There is further no guarantee that the Company will receive the earn-out payment of up to USD 270 million, for example if the relevant license is cancelled or not renewed, the Company would not be entitled to the earn-out payment.

The AccYouRate group is in a relatively early stage and has three pilot project commercial sales agreements in place as of the date of this Information Memorandum. The AccYouRate technology has been put into use in trials and does work. Investments in companies in the early stages entail inherent risks. The products, intellectual property or other offers that are provided by companies in the early stages may fail. In addition, companies may fail to turn their offering or technology into commercially successful products. Moreover, companies in the early development stages may encounter difficulties in obtaining sufficient funding, which may limit their ability to fund ongoing research and development. Therefore, such companies may be forced to sell their products or assets on less favourable terms. Also, in the early stages, it can be difficult for companies to recruit or retain competent staff, as a result of difficulties in competing financially with other, well-established, employers. Established companies can also have better conditions for competing with companies that are in the early stages, for example because companies in the early stages may not be able to protect their intellectual property adequately. Thus, there is a risk that Crown Energy's investment in the AccYouRate group, or any other companies, is not successful, e.g. if the AccYouRate group is unsuccessful in its business operations, which could result in Crown Energy losing parts of the invested amount, or all of it. Such failures, in the AccYouRate group or in any other investments made by Crown Energy, could have a material adverse effect on Crown Energy's results and financial position. The Company assesses that the likelihood that this risk materialises is medium.

From time to time, Crown Energy may pursue acquisitions or divestments that are subject to regulatory approvals or other notification or screening procedures. While Crown Energy makes the assessment that it has complied with any applicable requirements, there is a risk that the relevant authorities or any other regulatory or supervisory body interprets applicable rules differently. If Crown Energy in such case would be found to be in breach of any applicable rules, the Company may become subject to sanctions such as fees, injunctions, damages and fines. The Company's acquisitions and/or divestments may also become subject to limitations, delays, prohibitions or other restrictions. If any of these circumstances would occur, it could have a material adverse effect on Crown Energy's results and financial position. If Crown Energy's acquisitions or divestments became subject to prohibitions or other restrictions, this could also have a material adverse effect on Crown Energy's operations, which could be restricted in part or in full. The Company assesses that the likelihood that this risk materialises is low.

### **Risks related to market entry**

Crown Energy's products, provided through AccYouRate, are subject to regulatory assessments and approvals before they are introduced on a new geographic market. The regulatory process is often both expensive and time-consuming, and differs from one geographic market to another, and timetables and results are often difficult to foresee. Each and every regulatory authority can impose its own demands and can refuse to grant a license, or may require additional information before a license is granted even if a license has already been granted in other jurisdictions. At the date of this Information Memorandum, AccYouRate's current products have been approved in the EU. AccYouRate is also in the process of applying for approval with the United States Food and Drug Administration. There is a risk that the Company will be unable to obtain such regulatory licenses which are necessary for the Company to be able to introduce its products on new markets at a reasonable cost, or at all, which might have an adverse effect on the achievement of the Company's strategy and, ultimately, also on the business, earnings and financial position, for example due to the Company's net sales not developing as foreseen. The Company assesses that the likelihood that this risk materialises is low.

### **Risks related to Crown Energy's purchasing**

The Company retains outsourced suppliers for the purchasing of components for its products. The Company's business is dependent on suppliers fulfilling agreed requirements with respect to quantity, quality and time of delivery. There is a risk that current or future suppliers will not supply in accordance with their respective agreements, which might lead to delays, incorrect deliveries, and higher costs. It can also be noted that, for certain products, the Company uses external suppliers for producing the central unit required for the transformation and transmission of the data. In the opinion of the Company, there are only a limited number of suppliers capable of supplying such hardware. However, the Company is regularly negotiating with these suppliers in respect of their procurement or seeking to find alternatives. The Company is also working on master agreements with key suppliers in order to secure crucial raw material ordering. There are no guarantees that the Company, when necessary, will be able to find appropriate alternative suppliers to supply corresponding quantities, quality, or delivery times, which might also lead to delays and higher costs for the Company. In the event any of the aforementioned circumstances occurs, it might have a material adverse impact on Crown Energy's operations and reputation, and thereby also on Crown Energy's earnings and financial position. Such material adverse impact may especially be expressed in a decrease of net sales, an increase of costs of goods sold, sales expenses and administration expenses, and effectively impact the Company's assets and equity. The Company assesses that the likelihood that this risk materialises is low.

### **Exploration and product licenses in Iraq may be revoked, suspended or not renewed**

The Company's potential future income from exploration and future production are dependent on concessions and/or permits granted by governmental authorities in Iraq. The current concession may be subject to restrictions or be revoked by official bodies. Although permits can normally be renewed after they expire, there is a risk of this not happening or being rearranged on terms and conditions that are not commercially acceptable to the Company. If the Company fails to meet the obligations and conditions related to operations and costs that are required for maintaining concessions and/or permits, this may result in a smaller stake in, or loss of, such permits and possible claims for damages, which may have an adverse impact on the Company's operations, earnings and financial position. The Company assesses that the likelihood that this risk materialises is medium.

### **Macroeconomic factors related to the property industry in Angola**

The property industry is largely affected by macroeconomic factors such as general economic development, growth, employment, the production rate for new housing and premises, infrastructure changes, regional economic development, population growth, inflation and interest rates. If one or more of these factors were to develop negatively, this could have a material adverse impact on Crown Energy's operations, financial position and earnings.

Market disruption in the property market and particularly in Angola where the Company conducts its property business, may affect the ability and willingness of the Company's costumers to rent premises from the Company. This in turn would reduce the demand for the Company's offering, which could have a material adverse impact on the Company's operations, earnings, and financial position. The Company assesses that the likelihood that this risk materialises is high.

### **Uncertainties related to Iraq and the Salah Aldeen license**

In December 2013, Crown Energy acquired the Salah Aldeen licence in Iraq for a consideration of SEK 15 million in the form of a non-cash issue. At the time, Iraq was considered a war zone. In 2014, the armed conflict between the so called Islamic State (IS) and Iraqi security forces continued in several places in the country, and the unfolding of events in June 2014 saw several militant groups, including IS, starting to control large parts of the country's northern and western provinces – notably Anbar, Ninewe, and Salah Aldeen. Since Crown Energy's license area is located in the Salah Aldeen province, access has been very uncertain. Due to the security policy situation in the region, Crown Energy has not carried out work on the ground up to the date of this Information Memorandum. However, in view of the historic instability in the province and the political unrest in the country, there may be a risk that access to the license may be taken over again by militant groups or be the subject of state intervention, which would potentially have a material adverse impact on the Company's operations, financial position, and earnings.

The first phase of the license came to an end on 28 September 2023, after which the Company considers that it moved into the second three-year phase of the license by way of informing the Governorate of Salah Aldeen in accordance with the terms of the production sharing contract. The Company has, however, not received a formal confirmation from the Governorate that the license has moved into the second phase. If the Governorate would, in contrast to the terms of the license, for any reason conclude that the license should not proceed into its second phase, the Company may not be entitled to all or part of the earn-out payment of up to USD 270 million under the sale and purchase agreement regarding its production sharing contract in Iraq. The Company assesses that the likelihood that this risk materialises is medium.

### **Currency risks associated with leases due to legislative changes**

In view of the general decline in the Angolan economy in recent years and that the Angolan Central Bank has historically used devaluations measures as an instrument for controlling economic development in the country, landlords are exposed to significant currency risks if rent cannot be denominated in currencies other than the Angolan kwanza. There is a risk that updates of the rent adjustments index published by the Angolan government will not adequately match the necessary rent adjustments that the Company needs to make to cover operating expenses or maintain its margins. Also, the possibility for commercial operators to implement an ad hoc rent adjustment mechanism in contracts may be difficult to formulate in a comprehensive manner since the Angolan economy is strongly influenced by oil price movements. This difficulty is accentuated by the fact that

price trends in the property market have not developed at the same rate as inflation in the country. If the Angolan Central Bank decides to devalue the kwanza, or if the Angolan economy in general and the property market in particular experienced a decline, it is possible that the Company would be unable to adequately protect itself from increased costs, reduced revenue or margins as well as inflation or devaluation of the kwanza, which could have a material adverse impact on the Company's operations, earnings, and financial position. The Company assesses that the likelihood that this risk materialises is high.

#### **Risks related to transactions and acquisitions in Angola**

Crown Energy's business concept in the property development and services business area, which, on the date of this Information Memorandum, is operational in Angola, is to create value by acquiring, managing, leasing out and, when good business opportunities arise, selling property. Property transactions are associated with uncertainty, such as environmental factors and technical problems, as well as disputes relating to the transaction or the condition of the properties. Acquisition of property involves, for example, uncertainties regarding the handling of tenants, unforeseen costs relating to environmental remediation, redevelopment, management of technical problems, official decisions and disputes relating to the acquisition or the condition of the property. Such uncertainties may result in delays in projects or increased unforeseen costs, which could have a material adverse impact on the Company's operations, earnings, and financial position. The Company assesses that the likelihood that this risk materialises is medium.

#### **The value of the Company's properties or property portfolio in Angola may show negative development**

The value of the Company's properties in Angola is affected by a number of factors, some of them property-specific, such as operating costs and permitted use of the property, and some of them market-specific, such as required rate of return and capital costs, based on comparable transactions in the property market. The return on the properties depends largely on factors such as the Company's ability to complete the intended leases or conveyance of the properties, and the costs and expenditure associated with the development and management of the properties, as well as on changes in the market value. Lease income and the market value of property in general are affected by general economic conditions, such as GDP growth, employment, inflation and changes in interest rates. Both the property value and rental income can also be affected by competition from other property companies, or perceptions of potential buyers or tenants concerning the attractiveness, convenience, and security of the properties. If one or more of the above factors were to develop negatively, this could have a material adverse impact on the Company's operations, financial position, and earnings. The Company assesses that the likelihood that this risk materialises is medium.

#### **The Company is dependent on a high occupancy rate and timely payment of rent by tenants**

The Company's property assets are geographically centralised in the Angolan capital Luanda. Rental income comes mainly from tenants operating in the oil and gas industry and embassies. Lease contracts with the Company's tenants are signed with different maturities. If one or more of the Company's more important tenants do not renew or extend their leases as they expire, this may result in reduced rental income and higher vacancy rates if Crown Energy is not able to replace them with new tenants. A long-term negative trend for current market rents may also have an adverse impact on the Company. The Company is dependent on its tenants paying the agreed rents on time and is therefore exposed to the risk that these tenants will not fulfil their obligations properly. If Crown

Energy's tenants do not renew or extend their leases as they expire and the Company is not able to replace them with new tenants, or if the Company's tenants do not pay their rent on time, this may have a material adverse impact on the Company's operations, earnings and financial position. The Company assesses that the likelihood that this risk materialises is low.

**Limited availability of US dollars in Angola**

The US dollar has historically been, and still is, an accepted and important means of payment in the Angolan economy alongside the local currency, kwanza. The value of the kwanza has historically fluctuated. However, in recent years, the Angolan government has approved certain restrictive measures regarding the use of US dollars, in an effort to strengthen the domestic banking system. With effect from 2013, rules were introduced requiring oil companies to use the local banking system and pay their taxes in the local currency, the kwanza. These and other causes, such as past drops in the oil price and an associated reduction in transactions, have resulted in less availability of US dollars in Angola. For the Company, availability of US dollars and transactions in that currency provide security, as the US dollar is not exposed to the same notable currency fluctuations as the kwanza. If US dollar availability in Angola decreases or the Company is not able to conduct any transactions in US dollars, this could have a material adverse impact on the Company's operations, earnings, and financial position. The Company assesses that the likelihood that this risk materialises is high.

**Crown Energy's success, future business and business strategy are dependent on its ability to attract, motivate and retain key individuals**

The ability to attract, motivate and retain qualified employees and senior executives is important to Crown Energy's success, future business and business strategy. In particular, Crown Energy is dependent on the knowledge, experience and commitment of its senior executives, including Yoav Ben-Eli (CEO, board member and indirectly the largest shareholder in the Company), and certain key individuals in the AccYouRate group. For the purpose of attracting, motivating and retaining certain key individuals, Crown Energy may need to increase the remuneration to such individuals, resulting in increased costs. There is a risk that Crown Energy will be unable to attract new personnel or retain existing personnel to the extent required to continue expanding its operations and successfully implementing its business strategy. If Crown Energy is not able to attract and retain qualified personnel in the future, this could have a material adverse impact on Crown Energy's prospects. The Company assesses that the likelihood that this risk materialises is medium.

**The market for Crown Energy's services and products is global and operating in a global environment may expose the Company to risks such as political uncertainties, local business risks and laws, rules and regulations in many countries**

Crown Energy operates in a global environment and carries out business, as per the date of the Information Memorandum, in Sweden, Angola, Iraq and Italy. Consequently, Crown Energy is exposed to various risks related to operating in a global environment, such as implementation of new, or changes in existing, legislation, rules or regulations. Trade restrictions introduced by governments or authorities in the countries where Crown Energy operates, or in other countries where Crown Energy may operate in the future, as well as sanctions or other measures by associations and organisations such as the EU and UN, may restrict the Company's operations, delay or prevent planned investments or otherwise adversely affect the Company's financial results. Crown Energy's business is also subject to risks inherent in its business activities, such as:

- Recessionary trends, inflation or instability in local markets;

- Differences and unexpected changes in regulatory environments, including environmental, health and safety, detailed development plans and labour laws;
- The introduction or application of more stringent product norms and standards and associated costs;
- Exposure to different legal standards and enforcement mechanisms and the cost of compliance with those standards;
- Being subject to multiple taxation regimes, including regulations relating to transfer pricing and tax deductions on remittance and other payments by or to subsidiaries;
- Being subject to various, and potentially overlapping, regulations and rules, particularly those relating to export and import controls, anti-corruption and anti-bribery;
- Lack of payment solutions feasible for Crown Energy's business model leading to difficulties collecting the subscription fee/rent from customers;
- Customs duties, charges, export controls, import restrictions and other trade barriers;
- Changes in pricing restrictions;
- Foreign exchange control and restriction on repatriation factors of funds; and
- Political and social unrest and instability, including but not limited to freedom of speech issues.

There is a risk that Crown Energy fails to develop and implement systems, policies and practices to completely manage these risks or comply with applicable regulations without incurring substantial costs. Any of these factors could lead to delays in the release and sale of products and services and provide time for competing technologies to develop and reputational damage, which may result in loss of revenue and profitability for Crown Energy. The materialisation of any of these risks could have a material adverse effect on Crown Energy's business, financial position and/or earnings. The Company assesses that the likelihood that this risk materialises is medium.

**The property market in Angola is strongly associated with price developments in the energy market**

In the property development and service business area, the Company offers customised solutions for staff housing and offices primarily to companies in the oil and gas industry, and the business is conducted in Angola. The Angolan economy and its developments are strongly associated with demand and price developments in the oil market, and low demand for oil and low oil prices have an immediate impact on the Angolan property market. The oil price development in Angola is affected by several external factors beyond the Company's control. The oil market and the price of oil over the last decade have further been highly volatile. OPEC's influence in the oil market and the policy practised by OPEC's member states increase the difficulty in forecasting the future price of oil. As of the date of this Information Memorandum, Crown Energy does not have any oil or gas production, which means that the Company is only indirectly exposed to the consequences of fluctuations in the price of oil. Although the price of oil has stabilised and remained relatively steady in recent years, the general economic downturn for Angola in recent years has led to stagnation in the Angolan property market. The interest in equity-financed new construction has declined and it is difficult to secure financing for new construction projects with external capital.

The Company's customers in Angola are mostly companies in or associated with the oil and gas industry. There is a risk that falling oil prices and/or reduced demand for oil will result in the Company's customers temporarily or permanently suspending their existing projects in Angola. In addition, there is a risk that the Company's existing or potential customers' willingness to invest will decline or that they postpone planned projects pending on stabilisation of the Angolan economy or oil price. Such a development would reduce or completely eliminate the need for the Company's offering in Angola, resulting in reduced occupancy rates for the Company's properties, lower revenue, and poorer

profitability. A general decline in the Angolan economy, particularly in the property and oil market that results in a decline in the occupancy rates for the Company's properties, can therefore have a material adverse impact on the Company's operations, financial position, and earnings. The Company assesses that the likelihood that this risk materialises is low.

In the long term, demand for oil and gas may be adversely affected by the macro-political climate debate and efforts to reduce carbon dioxide emissions in the atmosphere. In their endeavours to reduce global dependence on oil, countries and groups of countries have discussed legislation and various economic incentives to support alternatives to fossil fuels and have consequently introduced higher taxes and environmental levies on oil to create incentives for choosing alternative solutions. This could eventually result in reduced demand for oil and gas, which could have an adverse impact on the Company's operations, financial position, and earnings. The Company assesses that the likelihood that this risk materialises is medium.

### **Legal and regulatory risks**

#### **Risks related to patents and other intellectual property rights**

Patents and other intellectual property rights are important assets in Crown Energy's business in general, and the subsidiary AccYouRate's business in particular, and the Company's future success is, to a certain extent, dependent on the Company being able to obtain and maintain necessary patent protection for its products and its technical solutions. In order to strengthen its intellectual property protection, AccYouRate is continuously registering additional patents aiming to cover all its products, technologies and solutions. Even if the Company obtains patent protection, there is a risk that an approved patent will not provide sufficient commercial protection in the future, for example if competitors develop products or technical solutions which lead to the circumvention or replacement of Crown Energy's intellectual property rights. In the event Crown Energy is forced to protect its patent rights against a competitor, this may entail significant costs for Crown Energy. The Company assesses that the likelihood that this risk materialises is medium.

In addition to registered IP rights, Crown Energy has developed extensive know-how which is not protected by registration in the same way as other IP rights. The Company protects its know-how and its trade secrets through confidentiality agreements which are entered into with employees, consultants, and business partners. There is a risk that these types of confidentiality undertakings will be violated or cannot be enforced in court, or that this type of know-how and trade secrets will become known in some other manner. Competitors and other third parties may also independently develop similar know-how. The Company assesses that the likelihood that this risk materialises is medium.

In addition, there is a risk that Crown Energy has, or is alleged to have, committed infringement of a third party's patent rights. From time to time, the Company may be subject to these types of allegations made by third parties. These types of claims by third parties are not uncommon on the market on which Crown Energy operates. The outcome of patent disputes is often difficult to predict. A negative outcome for Crown Energy in a patent dispute may lead to loss of patent protection, and an injunction against continued use of a particular technology, or an obligation to pay damages. In addition, litigation costs may be significant, even in those cases where the outcome is partly in favour of Crown Energy. The Company assesses that the likelihood that this risk materialises is low.

Such circumstances can, individually or together, have a material adverse impact on Crown Energy's business, earnings and financial position, especially in the form of costs that do not correspond to

increased net sales. If competitors develop products or technical solutions that lead to the circumvention or replacement of Crown Energy's intellectual property rights, the material adverse impact may also arise as a consequence of decreased net sales for Crown Energy. The Company assesses that the likelihood that this risk materialises is low.

#### **Risks related to processing of personal data**

Crown Energy processes and stores different data in both electronic and physical form, including personal data, some of which may be deemed as sensitive. With respect to the processing of personal data, any such processing is governed in various data protection provisions and laws, including the General Data Protection Regulation 2016/679/EU of the European Parliament and of the Council ("**Data Protection Regulation**"), for which the Swedish Authority for Privacy Protection is the supervisory authority in Sweden, charged with monitoring compliance with the regulation. The Company maintains all these data in a well-structured and secured third party server such as the Amazon Web Server, which is well protected and is used by many data companies to maintain personal medical records. With regard to any health information produced and collected through the use of the AccYouRate products, the Company only processes and stores any such data in an anonymised manner with no ability for the Company to tie the data to any individual. If Crown Energy's systems are breached, if Crown Energy has defects in its processing of personal data, or if Crown Energy otherwise fails to comply with the Data Protection Regulation, Crown Energy may be subject to significant fines. Among other things, the applicable data protection authority, upon the violation of certain rules, may impose administrative fines of up to either EUR 20 million or 4 percent of the relevant company's global annual sales. In addition, individuals who have suffered tangible or intangible damage as a consequence of violation of the Data Protection Regulation are entitled to claim damages from the controller or the processor. If any of these circumstances occur, this may have a material adverse impact on Crown Energy's business, earnings and financial position, especially in the form of high costs for Crown Energy that are not met by a corresponding increase in revenue. The Company assesses that the likelihood that this risk materialises is low.

#### **Crown Energy may become involved in legal disputes**

Crown Energy operates in an international market and could become involved in disputes within the framework of normal business activities and risk being subjected to claims in legal processes regarding agreements and due to violation of regulatory requirements and/or other legal violations. In general, disputes, claims and investigations could be time-consuming, interrupt normal business activities, entail substantial damages, lead to considerable costs and/or require the executive management's attention, which may disturb day-to-day operations. Moreover, potential disputes may be settled applying laws of countries which Crown Energy is unfamiliar with and it may be difficult to predict the outcome of complex disputes, claims and investigations. Future disputes, claims and investigations could have a material adverse impact on Crown Energy's operations, financial position, earnings and/or reputation. The Company assesses that the likelihood that this risk materialises is low.

#### **Risks related to the regulatory framework**

The AccYouRate products are subject to extensive regulation which is monitored by regulatory authorities throughout the world. The extensive regulations are subject to change which, among other things, is made clear by the ongoing entry into force of Regulation (EU) 2017/745 of the European Parliament and of the Council of 5 April 2017 on medical devices ("**MDR**"). AccYouRate's products have previously been approved under the Italian implementation of the EC Directive 93/42/EEC, and certain



new MDR provisions will thus apply to the AccYouRate products as from May 2024. There is a risk that the Company's application and interpretation of MDR or other applicable legislation will not be in agreement with the interpretation and application by regulatory authorities. In addition, in order to comply with applicable legislation, the Company must be able to retain a notified body for the certification of its products. The number of organisations acting as notified bodies available to the Company has decreased following, inter alia, the MDR entering into force and the UK exiting from the EU. The decreased number of notified bodies may make it more difficult for the Company to retain a notified body in a timely manner when required in order to ensure compliance with applicable legislation, for example in relation to renewal of its current certification of the AccYouRate product. If the Company is unable to retain a notified body, there is a risk that the Company will be unable to provide its products in the manner foreseen, or at all. The Company assesses that the likelihood that this risk materialises is medium.

In addition to the above-mentioned industry-specific regulations, the Company is also subject to, and may become subject to, a large number of other regulatory obligations, such as with respect to data protection, the environment and work environment, as well as health and safety. The work with, and the costs for, compliance with applicable rules, requirements and guidelines may be extensive. The regulatory environment is becoming generally more extensive as well. If Crown Energy is unable to comply with these regulations, the Company may be subject to sanctions such as fees, injunctions, damages and fines, denial of applications for approval of the Company's products, delays, withdrawal of licenses, recalls or seizure of products, business limitations, and the Company's employees may be subject to criminal sanctions. The Company assesses that the likelihood that this risk materialises is low.

In the event one or more of the aforementioned circumstances occurs, it might have a material adverse impact on Crown Energy's business, reputation, earnings and financial position. Such material adverse impact may especially arise in the form of increased costs for the Company or, if the Company cannot provide its products in the expected manner, or at all, in the form of decreased net sales. The Company assesses that the likelihood that this risk materialises is low.

## **Financial risks**

### **Risks related to currency fluctuations**

Currency risk refers to the risk that the value of Crown Energy's assets varies because of changes in exchange rates. Risks related to changes in exchange rates arise as a result of purchases and sales in different currencies and in translating balance sheet items in foreign currency into Swedish kronor (SEK). Currency risk for Crown Energy is mainly due to currency exposure for the AccYouRate group, the Angolan business and the Iraq production sharing contract. As such, Crown Energy is mainly exposed to currency risks relating to Angolan Kwanza (AOA), US dollars (USD) and EUR. It is, according to Crown Energy, plausible that a large change in the currency rates for AOA, USD or EUR to SEK would affect the Company's cashflows, revenues and balances and ability to distribute dividends. Crown Energy does not normally use financial instruments to hedge against exchange rate risks. The exchange rate for foreign currencies against Swedish kronor, including AOA, USD and EUR, has fluctuated during the last few years, and the possibility cannot be excluded that any future exchange rate changes could have a negative effect on Crown Energy's financial position. The Company assesses that the likelihood that this risk materialises is high.

### **Crown Energy is exposed to interest rate risks**

The Company's interest rate risk arises mainly due to that the Company has a substantial amount of goodwill in its balance sheet and that increases in interest rates may lead to impairment of goodwill. Changes in applicable interest rates may thus have a negative impact on Crown Energy's results and financial position. The Company assesses that the likelihood that this risk materialises is medium.

### **Risks related to future financing**

At the date of this Information Memorandum, the Company does not have external loans or similar borrowing. There is a risk that the Company may continue to make a loss and be unable to generate sufficient earnings to finance its business. In such a case, the Company will become more dependent on external financing. There is a risk that external financing is not available at all times on terms and conditions advantageous to Crown Energy, or at all. If future financing is secured through new share issues or other share-related securities, existing shareholders may be subject to dilution and the control of the Company may change. In the event Crown Energy is unable to secure financing on terms that are favourable or acceptable to Crown Energy, or at all, the Company may be forced to suspend or postpone one or more of its planned product developments or other expansion measures. This may have an adverse impact on Crown Energy's business and, by extension, for example by way of decreased net sales or increased research and development costs that do not correspond to increased net sales, also on its earnings and financial position. The Company assesses that the likelihood that this risk materialises is low.

### **Risks related to the Company's securities**

#### **Major shareholders could exercise influence over the Company that is not in line with the interests of the Company or the other shareholders**

Crown Energy's major shareholders directly and indirectly control approximately 85.2 per cent of the votes in the Company. Consequently, the major shareholders will continue to have a significant influence over the outcome of matters referred to the Company's shareholders for approval, such as the election of board members, amendments to the Company's articles of association, issues and distribution of profits. The major shareholders' interests could differ significantly from the interests of other shareholders or compete with them. The Company assesses that the likelihood that this risk materialises is low.

#### **Future sale of shares**

The market price for Crown Energy shares may drop if there are extensive sales of the Company's shares, particularly in conjunction with sales by the Company's major shareholders. There is no lock-up applicable to any of the Company's largest shareholders, who as such are free to sell their shares in Crown Energy. Sales of large volumes of the Company's shares by the Company's major shareholders, or expectations that such a sale will occur, may cause the market price of Crown Energy's shares to decline. The Company assesses that the likelihood that this risk materialises is medium.

#### **The liquidity in the Crown Energy share may be limited**

As of the date hereof, two major shareholders together hold approximately 85.2 per cent of all shares in the Company. To the Company's knowledge, the major shareholders have not indicated any intention to sell its shares. This may have a negative impact on the liquidity of the Crown Energy share and may result in a low trading volume. The liquidity of the share may adversely affect the price at

which an investor in the Company's share may sell shares, particularly if the investor attempts to sell shares within a short time frame, which in turn may affect the investor's ability to sell shares at a price equal to or higher than the price such investor paid for the shares. The Company assesses that the likelihood that this risk materialises is high. For individual investors, this is a significant risk.

**Crown Energy's ability to pay dividends depends on several factors**

Crown Energy has not yet paid any dividends. For the foreseeable future, Crown Energy's board of directors does not intend to propose the payment of dividends. Until further notice, any profits will be reinvested in expanding the business. The amount of any future dividends depends on a number of factors, such as, for example, future acquisitions by the Company, cash flow from the Company's operations and the Company's future results, financial position and investments, as well as legal and accounting restrictions. There is a risk that Crown Energy will not have sufficient distributable funds for any dividends at all or to the extent that shareholders expect in the future. There is also a risk that the Company or its major shareholders may limit future dividends. In the event that no dividend is paid, an investor's possible return will depend on the future development of the share price. The Company assesses that the likelihood that this risk materialises is medium.

**Further new share issues may dilute the holdings of existing shareholders**

If Crown Energy issues new shares in a cash issue, as a general rule, shareholders shall have a preferential right to subscribe for new shares in relation to the number of shares they hold at the time of the issue. However, Crown Energy may resolve on cash issues with deviation from the shareholders' preferential rights in accordance with the rules in the Swedish Companies Act (2005:551) (the "**Swedish Companies Act**"). Shareholders may also be prevented from participating in any future cash issues for other reasons, such as regulatory rules in certain jurisdictions, or other reasons. As such, if the Company carries out any new share issue, shareholders that are prevented from participating in such issues may have their ownership in the Crown Energy share diluted. The Company assesses that the likelihood that this risk materialises is low.

## **BACKGROUND AND RATIONALE**

Crown Energy's share has been listed on NGM Main Regulated since 2011. Crown Energy has now begun a complete transformation of the Company's operations. The transformation that has begun in Crown Energy signifies that the oil and gas operations will be abandoned and that the future will instead be about sustainable investments contributing to positive change, including medtech.

Crown Energy is transforming in a new and more socially responsible business direction, with focus on sustainability and the environment, starting with the medical technology industry and on improving the Company's green footprint by way of investing in companies active in those areas.

The investment in the health-tech company AccYouRate marked the start of the new Crown Energy in early 2023. AccYouRate holds high-tech patents and creates algorithms to support production of "smart" wearable garments for use in the medical industry, as well as health monitoring services such as analysis, data gathering and extrapolations of medical information and growth of medical databases.

Crown has in early 2024 entered a strategic partnership with KAYA Climate Solutions GmbH, a project developer in nature-based solutions for climate change mitigation in Sub-Saharan Africa. This collaboration aims to be a starting point for large impact in climate change mitigation and adaptation through landscape restoration and nature conservation which will be financed by the voluntary carbon market and similar mechanisms.

The business area Asset Development and Management based in Angola is providing international companies with real estate and associated services. Crown Energy has been active in the oil and gas business for more than ten years. Today the only remaining asset in the energy field is a passive holding of energy reserves which following the signing of a sale and purchase agreement is being divested. Crown has withdrawn from and/or written down its other earlier licence holdings.

This journey began in the autumn of 2021 when a sale and purchase agreement regarding the production sharing in Iraq was signed. To date, Crown Energy has received USD 123 million and will receive at least an additional USD 57 million until 2026. There is also a possibility of an earn-out payment of up to USD 270 million. Crown Energy has withdrawn from and written down the other concessions in Africa in 2022 and 2023.

As previously stated, Crown Energy has been listed since 2011 on the NGM Main Regulated market. Despite 1,400 investors, the value of Crown Energy's shares has not been affected by either the sales agreement for the Iraq production sharing, the purchase of SmarTee S.a.r.l. or the partnership with KAYA which continues as a pivotal point in the new business transformation of Crown Energy. It is the Company's assessment that a transition from NGM Main Regulated to NGM Nordic SME is beneficial for the Company and its shareholders, based on an analysis of the regulatory environment and cost considerations, both of which are critical factors for the Company during this transformation phase. NGM Nordic SME offers a regulatory framework that aligns more closely with Crown Energy's evolving needs and the lower costs associated with NGM Nordic SME present an opportunity for Crown Energy to allocate resources more efficiently, focusing on creating trust and engagement among shareholders.

### *Declaration of responsibility for the board of directors*

*The board of directors of the Company, which is responsible for the contents of this Information Memorandum, has performed all reasonable precautionary actions to ensure that the information presented in the Information Memorandum is, to the directors' knowledge, in accordance with the actual circumstances and the requirements posited by Nordic Growth Market NGM AB, and that no information has been omitted which could affect the assessment of the Company.*

Stockholm, 30 December 2024

**Crown Energy AB (publ)**

*The board of directors*

## CEO STATEMENT

We, myself and the current board and management, have been active in Crown Energy for seven years now. In 2021, we successfully signed a sales agreement for most of our energy assets, which will generate a total of USD 180 million over three years. To date, the agreement has paid out USD 123 million and an additional USD 57 million will be paid in instalments of USD 8 million per six months with final payment of USD 33 million on completion. There are also possibilities for a future upside earn-out. Our financial position is thus robust and we are now in the midst of transforming the Company in a more sustainable direction.

Other than the sales agreement for the production sharing contract in Iraq, support and service operations to companies in Angola remain. We are now fully ready for the total transition of the Company that we decided on in the autumn of 2021.

The major investment within the Crown Energy Group is AccYouRate, which was made in 2023. Our investment in AccYouRate continues to prove its value and potential. We have made notable progress on key initiatives. Building on the interest shown earlier this year, AccYouRate has advanced initial phases of its five pilot contracts, receiving encouraging feedback that reaffirms demand for our sensorized garments and monitoring services.

AccYouRate continues its global growth through active discussions with strategic partners and potential distributors while advancing its product development. Recently, our devices were tested in specialized high-altitude trials to assess their effectiveness in challenging conditions, and we are enhancing our current solution to address evolving healthcare needs, aiming for a competitive edge in continuous monitoring.

Further, three PNRR\* (EU based) projects were awarded to AccYouRate during the third quarter 2024 to support high-tech development across diverse fields: defense, regional healthcare, and occupational health sectors. These projects enable us to refine our YouCare device for defense, healthcare, and corporate use. The projects are in collaboration with key partners Rebel Alliance, InfoSat, and Linea Aperta.

The second investment area was entered into during the first quarter 2024: the strategic partnership with KAYA Climate Solutions GmbH. KAYA is one of the few experienced project developers in nature-based solutions for climate change mitigation in Sub-Saharan Africa. Our collaboration aims to be a starting point for large impact in climate change mitigation and adaptation through landscape restoration and nature conservation which will be financed by the voluntary carbon market and similar mechanisms. We have now started our first mutual project in Angola, a forestry management and planting pilot project in the Angolan State of Melange which is very exciting. As Crown's knowledge, experience and assets in Angola are well developed since many years, Angola and Luanda will become even more important to us going forward. The business area Asset Development and Management based there is also doing very well, with full occupancy and a lot of interest from serious foreign clients and potential investors.

In addition to our ongoing projects and operations in Angola, aligned with our sustainable growth strategy, we are reviewing renewable energy opportunities in Angola, with a focus on green hydrogen utilising hydroelectric and solar power as energy sources. We are currently engaging partners to identify and map ongoing and upcoming opportunities, key players, and projects within the sector in Angola. This initiative seeks to lay the groundwork for a policy framework supporting the development of a green hydrogen strategy in Angola, highlighting key factors and opportunities. It will also provide a comprehensive overview of the current landscape, including significant stakeholders and emerging initiatives, taking into account that plans are still in the early development stage. Lastly, the strategy will consider how the oil and gas sector is expected to contribute to Angola's energy transition, aligning with broader sustainable development goals.

In the oil and gas business, the one remaining asset is a passive holding of a licence which following the signing of a sale and purchase agreement will lead to a divestment.

Our board of directors has evaluated various alternatives for both Crown Energy’s existing and new business areas. This included an evaluation of our current listing venue to ensure that Crown Energy, now increasingly focusing on investments in fast-growing technologies, is strategically positioned to grow and generate the highest possible return for our shareholders going forward. We therefore took the decision to change our listing venue to NGM Nordic SME. The aim of this transition is to be able allocate resources more efficiently and thus strengthen transparency and broaden shareholder appeal, ultimately contributing to the Company’s long-term growth strategy. We remain committed to delivering value to our shareholders and stakeholders throughout this transition process.

I am very confident in our new investments and while it is important that we exit our previous oil and gas operations in a careful and responsible manner, I look forward to continuing on this journey and making the best use of what the future holds.

Yoav Ben-Eli

CEO, Crown Energy

*\*PNRR stands for Piano Nazionale di Ripresa e Resilienza (National Recovery and Resilience Plan), Italy's program funded by the European Union to support economic recovery, resilience, and sustainable development through targeted investments and reforms.*

## **MARKET OVERVIEW AND BUSINESS DESCRIPTION**

Crown Energy is dedicated to a transformation into a new and more socially responsible business direction, with focus on the medtech industry and on improving the Company’s 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 Energy’s services and property business is, as of the date of this Information Memorandum, enjoying high demand and is according to the Company, robust. The investment into AccYouRate in 2023 was the start of the new Crown Energy.

Crown Energy’s objective is to generate the highest possible return for shareholders with a balanced risk awareness. The Company aims to engage in development of technology and application portfolios within green tech and medtech by investing in, developing and exiting companies active in these areas. As this is a new business area for Crown Energy, the strategy will be developing continuously. With the focus being medical technologies and businesses improving societies’ green footprint, the detailed focus will iteratively be evaluated and updated going forward. The aim is to identify and invest in exciting companies where Crown Energy sees promising returns for people, the planet and shareholders.

The vision is to be an obvious and attractive partner in the international market for development and investments in areas supporting sustainable development through technology, utilising Crown Energy’s existing and continuously developing deep sector expertise and ecosystem relations.

Crown Energy is governed by a board of five persons, see more under section “Board of directors, senior executives and auditor”. The organisation is headquartered in Stockholm with five employees whereof one is employed on a part time basis. There are also offices in L’Aquila, Italy , Luxembourg and Luanda, Angola. The number of employees in Italy amounts to 11 persons whereof 4 are employed on part time basis. In Angola the group has 13 employees.

## **Dividend policy**

For the foreseeable future, Crown Energy's board of directors does not intend to propose the payment of dividends. Until further notice, any profits will be reinvested in expanding the business. The timing and amount of any future dividends will be proposed by the board. In considering future dividends, the board will weigh in factors such as the amount of shareholders' equity required by the nature, scope and risks associated with the Company's business, as well as the Company's consolidation requirements, liquidity and overall position. Crown Energy has not yet paid any dividends, nor are there any guarantees for any given year that a dividend will be proposed or approved by the Company.

## **About AccYouRate**

Crown Energy acquired 85% of SmarTee S.a.r.l. in Luxembourg in 2023, the full owner of AccYouRate Limited which in turn is the full owner of AccYouRate Group S.p.a., a Health-Tech company specializing in innovative wearable monitoring solutions and providing unique offerings in the domains of wellness and screening, healthcare, occupational health. AccYouRate is an international group with operations in Milan, L'Aquila, and Bologna. At the moment, main areas of focus are Switzerland, Italy, Israel and Albania.

The business currently has more than 30 professionals involved, including employees, advisors, and certifications consultants. Its activities include the research and development of innovative and unique wearable monitoring garments of unparalleled comfort and quality, related software platform, and a suite of data analytics services directed at gaining actionable insights and indicators from biomedical monitored data (all the related services).

The company was founded in 2016 by Arnaldo Usai, who is serving, at the date of this Information Memorandum, as President of the Italian subsidiary. The AccYouRate IP portfolio includes basic platform patents covering the design and production of non-metal electrodes and wiring, enabling to "sensorize" fabrics and other materials. This proprietary platform technology enables the "printing" of wiring and electrodes, capable of monitoring various biomedical parameters and signals, such as ECG, Heart Rate, Breathing pattern and more. The first product is a t-shirt like top that monitors ECG, heart rate, temperature, respiration pattern, in addition to acceleration and kinetics. The product, combined with the software layer and the data analytics algorithms, serves as the basis for AccYouRate's healthcare and wellness services.

The comfort and ease-of-use of AccYouRate's product enables monitoring of large populations for long periods of time. The monitored data is stored and processed in the cloud, and the services are cloud-based. AccYouRate's technology and algorithms are tailored to fit various market-specific uses, and enable the early detection of critical health events, proactively mitigating potential health issues for both at-risk and low-risk populations.

Several scientific published works demonstrate and support the clinical uses of AccYouRate's products. One notable publication is a recent peer-reviewed article in "Journal of Medical Systems", presenting a study that was performed by researchers from Johns Hopkins University and the University of Bologna. The study compares the AccYouRate monitoring shirt to a clinically used ECG monitor. It is titled: "Comparison Between a Single-Lead ECG Garment Device and a Holter Monitor: A Signal Quality Assessment".<sup>1</sup> The study confirmed the ability to use AccYouRate's shirt for medical monitoring of ECG. It also demonstrated the high level of comfort and satisfaction reported by the users.

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<sup>1</sup> Available at: [https://link.springer.com/article/10.1007/s10916-024-02077-9?utm\\_source=rct\\_congratemail&utm\\_medium=email&utm\\_campaign=oa\\_20240527&utm\\_content=10.1007%2Fs10916-024-02077-9](https://link.springer.com/article/10.1007/s10916-024-02077-9?utm_source=rct_congratemail&utm_medium=email&utm_campaign=oa_20240527&utm_content=10.1007%2Fs10916-024-02077-9)



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May 22<sup>nd</sup> 2024

Dear Amir,

Following our communication, I am happy to summarize here, in short, the study conducted by me and my colleagues at the Sant'Orsola Malpighi Hospital - University of Bologna and its results. The principal investigator in the study was Prof. Claudio Borghi. The research team was part of both the University of Bologna and Johns Hopkins University.

I am glad to add that a manuscript describing the study was submitted for publication in the *Journal of Medical Systems*. Following the peer reviewing process, it has recently been accepted for publication in the journal.

The aim of the study was to compare the performance of the Accyourate's *YouCare* wearable device, a novel sensorized garment, with a conventional Holter monitor for continuous ECG monitoring.

In the course of the study, thirty patients wore both devices for 24 hours. Three expert cardiologists assessed the data qualitatively, and a specialized software analyzed it quantitatively. Patients also rated the comfort of the *YouCare* device compared to the Holter monitor.

The results shown that, when Bluetooth connection was working, 82% of the ECG signals recorded by *YouCare* were of good quality (70%) or acceptable quality (12%). R-wave synchronization between the *YouCare* and Holter devices was demonstrated in >99% of cardiac cycles. Patients found the *YouCare* device significantly more comfortable than the Holter monitor.

The study demonstrated comparable ECG data quality between the *YouCare* device and the Holter monitor, signals were acquired effectively when Bluetooth connection was working, with the added benefit of increased comfort for patients. In addition, given that the *YouCare* wearable device is designed for long continuous use, the results offer that continuous Holter-quality ECG can be recorded for long periods, with a high level of comfort for users or patients.

Best wishes;

A handwritten signature in cursive script that reads "Luca Neri".

Luca Neri, Ph.D., M.B.A.

## Smart wearable garment: a summary

### The smart shirt revolutionizes wearable monitoring

- Embedded sensors and cotton-based conductive wires seamlessly integrated into the fabric, remaining completely unnoticeable.
- Washable and reusable textiles.
- A “second skin”: comfortable for prolonged daily use, just like a real T-shirt.
- Capable of collecting biomedical signals; qualified as medical device (Certified as CE-MD, Certified European Medical Device in Europe).
- Enables predictive and preventive measures through advanced algorithms in order to improve health and wellness.

### **The market for AccYouRate and possible uses**

There are many possible markets and segments where the AccYouRate platform and solutions can be useful. In the first stage, the company focuses on cardiac healthcare uses and occupational health solutions for corporates. Additional planned uses are in the domains of rehabilitation healthcare, defense and first-responders, and sports training.

The potential contribution for the healthcare domain by AccYouRate is highlighted by the vast opportunity to enhance prevention and lifesaving. For example, 45% of all mortality are derived from cardiovascular diseases

(CVD)<sup>2</sup>, where up to 80% can be prevented.<sup>3</sup> In Europe alone, there are over 11 million new cases of cardiovascular disease every year and the total cost for treating CVD in Europe is over 210 billion USD yearly.<sup>4</sup> Proactive screening may significantly decrease the number of serious disease cases and deaths.<sup>5</sup>

Earlier discharge from hospitalization and increased use of home-hospitalization can save a huge expenditure. A day in an emergency hospital is estimated to cost around USD 3,000.<sup>6</sup> There are also many patient groups that are not optimally monitored today. Patients may be better diagnosed, treated in time and lives can be saved.

### The market segments and their value (2023)

ECG monitoring market size	USD 22.1 billion
Global occupational medicine market	USD 53 billion
Global market size of wearables for sports	USD 90.7 billion
Global military healthcare market size	USD 25 billion

### Defense and first-responders

AccYouRate's technology can be used to monitor the physical well-being of military personnel and first-responder forces in real-time. Among the potential applications of the technology in defense, law enforcement and security sector are:

- **Remote monitoring:** Providing accurate real-time data about biomedical parameters of personnel in the field, allowing commanders to respond to critical situations more effectively.
- **Training and performance:** Allowing to monitor physical performance during training or operations, with reliability levels of biomedical devices, to assess mission readiness.
- **Analytics:** Enabling analytics of aggregated data, including stress levels, kinetics, positioning and more during trainings or operations can be used to refine training strategies and to make informed decisions about resource allocation.

### Insurance

#### ADVANTAGES AND OFFERINGS:

- **Tailored Insurance Products:** The insights derived from the monitored data can be used to design tailored insurance products that align with the health and risk profiles of policyholders. This will also allow for personalized coverage and pricing.
- Risk Assessment and Pricing
- Promotion of Health and Wellness
- Enhanced Underwriting Process
- Real-time Health Alerts
- Early Detection of Chronic Conditions

### Sports

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<sup>2</sup> European Society of Cardiology: cardiovascular disease statistics 2021, 2022.

<sup>3</sup> World Heart Federation, World Heart Report 2023, Confronting the World's Number One Killer, 2023.

<sup>4</sup> European Society of Cardiology: Cardiovascular Disease Statistics 2019, 2020.

<sup>5</sup> Diederichsen, Rasmussen, Sjøgaard R, et al., The Danish Cardiovascular Screening Trial: (DANCAVAS): study protocol for a randomized controlled trial, 2015.

<sup>6</sup> <https://www.debt.org/medical/hospital-surgery-costs/>.

In sports, there is big investment and a constant quest to improve performance both individually and on a team level. Constant monitoring would contribute to improved training plans, adapted to the individual. It could also avoid health risks faced by athletes.

Current solutions (sport watches and bracelets) are inaccurate and do not provide essential information such as ECG. AccYouRate's solutions may provide an easy-to-use, cost effective and high-quality monitoring solution for professional and amateur athletes alike.

### **Health Care**

At-home monitoring

Earlier discharge from hospital

Rehabilitation

### **General wellbeing**

Regular monitoring of individuals

### **Sports**

Monitor professional and amateur athletes

Improve training and increase performance

Reduce risks

### **Defense**

Monitor service personnel

### **Companies/Organizations with operation-oriented activities**

Fire Fighters/First responders

Lone workers

Construction workers

### **Competition**

The AccYouRate services with related smart wearable garment cover the key area of opportunity to succeed in the current market, opening a new segment with relevant growth potential.

The market is ready and sizeable, with wearables being a new domain with a strong growth opportunity within the ECG monitoring segment, while other segments are equally important e.g., sleep apneas, nearly 1 billion adults aged 30-69 years worldwide.<sup>7</sup>

There are competitors in this field yet most of them are in early stages, developing products for some segments of the market. The most established companies are those measuring pulse and sleep by watches and rings such as Garmin. Those are mainly sold B2C and used for general wellness or sports.

While estimates may vary, the global smart watch market was expected to grow from \$60.14 billion in 2022 to \$64.41 billion in 2023 at a compound annual growth rate (CAGR) of 7.1%. The smart watch market is expected to grow to \$84.05 billion in 2027 at a CAGR of 6.9%. The Wearable Technology Market at a whole is expected to

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<sup>7</sup> Hirani, R., Smiley, A. A Scoping Review of Sleep Apnea: Where Do We Stand?, 2023.

grow from USD 186.48 billion in 2023 to USD 419.44 billion by 2028, at a CAGR of 17.60% during the forecast period (2023-2028).<sup>8</sup>

There are also companies that have developed various patches for healthcare usage, being also a certified medical device. Only a handful companies are measuring by polymer textiles and those are mainly selling the garment as such.

Some have an app, but only a few are also supplying a software platform that can be used in monitoring healthcare. No one has both an app, a system with a platform and a wearable garment measuring 7 indicators such as AccYouRate.

The usage of a Holter device to monitor ECG is common, however, it requires attaching adhesive electrodes directly to the body which during prolonged monitoring periods may be uncomfortable for the patient. Global Research And Markets estimates that the cardiac Holter Monitor market will reach US\$ 713.5 Million in 2030, from 457, 6 million US in 2022, i.e. growth of 6 %. The cost of a Holter monitor ranges from 200-500 USD.



**AccYouRate’s Business Plan**

The plan and activities in 2024 covers the following phases:

1. AccYouRate’s team is investing efforts and resources in securing its commercial agreements in the Healthcare, Defense, Occupational medicine and Telemedicine sectors.
2. Scaling up the production, being able to produce the garments needed for the next 3-5 years.
3. Increase the software team to continue to develop the software, both the app and the platform are today only in test versions.
4. Clinical Database Creation: The program will initiate (or streamline) the ongoing creation of a clinical database that covers a broad and diversified group, comprising a cross representation of the entire population. This database will collect and store relevant clinical data, including medical histories, diagnoses, treatments, laboratory results, imaging studies, and patient outcomes. Data privacy and

<sup>8</sup> Wearable Technology Market Size Report 2023, Research And Markets, 2023.

security measures will be implemented to protect patient information and ensure compliance with regulatory standards.

5. Continue to test and evaluate, collecting data with different user groups.
6. Outreach additional European territories to increase sales and marketing efforts
7. Develop next generation products and pipeline products in two aspects:
  - Next generation of sensors with higher durability and additional capabilities such as: sweat analysis, EMG, environmental factors etc.
  - Continue to develop pipeline products: Headband, shoe soles, gloves etc.

#### Business plan 2025-2028

AccYouRate is aiming to become a leading contributor to national-scale healthcare programs by leveraging a comprehensive clinical database and AccYouRate's revolutionary Smart Shirt platform for creating an innovative paradigm, offering actionable clinical predictions, personalized health recommendations, enhanced rehabilitation programs, and health-related alerts for a wide population. By harnessing big data analysis and AI-based models, the program, where it is implemented, strives to transform healthcare delivery and improve health outcomes on a national scale, while also lowering healthcare expenses and improving economic efficiency.

Continuous Biomedical Monitoring: The Smart Shirt will enable continuous monitoring of vital signals across the population for extended periods. Real-time data collection will provide valuable insights into individual health status, disease progression, and response to interventions. This longitudinal multi-parametric data will fuel the development of predictive models, risk stratification algorithms, and personalized health recommendations.

Big Data Analysis: The clinical database will serve as a valuable resource for big data analysis. Advanced analytics techniques, including machine learning and deep learning, will be employed to identify patterns, correlations, and actionable insights. This analysis will help understand disease prevalence, treatment effectiveness, risk factors, and prognostic indicators at a population level.

1. Continued expansion in Europe in the different market segments: Defense, Health, Occupational medicine and Sports/consumer market
2. Establish a go-to-market strategy in the US including opening an AccYouRate branch in North America.
3. Expand the regulatory approval to match the additional sensors and products capabilities.
4. Establish agreements with different stakeholders in order to expand the medical database that will sustain the future development of algorithms for the different market segments.
5. Continued sales and marketing step up
6. Continued development
7. Sales of platform data

The company initially aims to reach 100,000 users from the B2B sectors (mainly occupational medicine). Once this target is reached the company will initiate its B2C deployment with large strategic players.

The market for high-end smart watch users is estimated at approximately 216 million users<sup>9</sup>, increasing 9% yearly for the next 5 years. The Company believes it is well-positioned to obtain a healthy conversion rate from this market.

#### **What is the value of AccYouRate?**

The value in the future will not arise only from selling single smart wearable garments, but rather through subscriptions to the ongoing services and the ability to provide actionable indications.

#### **KAYA – A Strategic Partnership**

On 6 February 2024 Crown Energy announced that it had entered a strategic partnership with KAYA Climate Solutions GmbH (“KAYA”), a project developer in nature-based solutions for climate change mitigation in Sub-Saharan Africa.

By partnering with KAYA, Crown Energy gains access to cutting-edge expertise and a team with a proven track record of developing and managing projects with a carbon credit focus. This strategic alliance unlocks a new avenue for Crown Energy. The vision for the long-term collaboration is to contribute to the fight against climate change and foster sustainable development in Sub-Saharan Africa while capitalizing on the economic opportunities presented by this rapidly expanding market. The aim is to partner with and empower local communities by creating a sustainable economic growth which will be coupled with co-benefits such as job creation, improved food security, supporting sustainable agricultural practices and promoting long-term food production and improved healthcare services.

KAYA will provide project development and management while Crown will support through its network and infrastructure in Angola as well as with short-term financing. In terms of financing Crown Energy initially committed an amount of 400 million AOA (Angolan kwanza), corresponding to approximately 400,000 Euros, with the full amount having been advanced at the time of publishing this information Memorandum. The financing has been provided in local currency from the subsidiary of Crown Energy to the Angolan subsidiary of KAYA. However, the financing guarantees Crown Energy an option to convert the debt into 10% of the shares in the German parent company KAYA. During the latter part of 2024 Crown Energy has advanced a further 500 000 EUR to KAYA which may be converted at a minimum of an additional 10 % in KAYA. After the pilot phase, which will be active throughout 2024 and beginning of 2025, subject to a successful reciprocal due diligence, Crown will have the opportunity to become a larger shareholder in KAYA by another option agreement during an exclusivity period. Crown Energy enjoys the right of first offer for any other investments KAYA may require, further solidifying the commitment to the collaborative effort and its long-term success.

#### *About KAYA*

KAYA was founded in January 2023 by Chaitanya Sure, an engineer and nature scientist by education and a renowned environmentalist with successful stints in private and development sectors spanning across thirteen years. KAYA today has six employees and six consultants, all experts in forestry, conservation, and project management, whereof eight are in Germany and four in Angola. KAYA specializes in implementing impactful forestry and grassland projects in sub-Saharan Africa. These projects not only generate valuable carbon credits for the voluntary market but also deliver a wide range of co-benefits for local communities.

#### **The energy business**

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<sup>9</sup> <https://www.demandsage.com/smartwatch-statistics/>.

The energy business area was the main business area for Crown Energy until 2021/2022, focusing on exploration opportunities with a high potential for recoverable reserves. The portfolio used to include licenses and assets in Madagascar and South Africa.

The Company entered into a sale and purchase agreement with an external buyer regarding the assets in Iraq in October 2021. The agreement stipulates payments of in total 180 million USD up until 2026. To date 123 million has been paid to Crown Energy. There is also an added opportunity to benefit from a further potential USD 270 million if the upside terms of the earnout agreement are met. The assets are thus still owned by Crown Energy but sold in a forward contract that will be finished in October 2026. The buyer is a major international company and the contract is currently subject to a non-disclosure agreement.

The exploration licence in Iraq covers an area of approximately 24,000 square kilometres located in northern Iraq, south-west of Kurdistan. The licence area contains several major discoveries, as well as vast unexplored areas with high hydrocarbon potential. The existing oil fields, including Ajeel, Hamrin, Tikrit, and Balad, potentially contain several billion barrels of oil. These existing discoveries and fields have historically belonged to Iraq's central government.

Separate permits are required for these assets to be taken over and operated for Salah Aldeen and the licence holder, i.e. Crown Energy. Despite the large, obvious commercial discoveries, only limited production has been carried out. Activities over the past 20 years have been hampered by political instability. The security situation in the region has improved very significantly and stabilised. Discussions with the regional authorities have confirmed that the region is free from any conflict hot spots. The circumstances are currently much more positive than they were previously, though some areas may still be less secure to operate in. In addition to the major oil fields mentioned above, there are many fields that have been drilled and partially tested in the past. These fields are of significant interest for further investigation. They can be set into production with simple procedures on a smaller scale, with only a few supplementary boreholes and using equipment adapted for initial production, or on a larger scale with additional more sophisticated equipment. Some of these fields are located near the main city of Tikrit, which would also facilitate logistics.

The assets in South Africa and Madagascar have been written off and exited in 2022 and 2023.

### **Asset development in Angola**

Crown Energy delivers customised solutions for housing and offices to international companies with a need to station staff abroad, primarily in Angola. Thanks to a comprehensive offering in rental and related services, customers do not have to think about major capital investments but can instead focus on their core business. This business area has been a cash flow-generating part of Crown Energy's operations, and the customers include some of the world's leading energy companies with high credit ratings.

In addition to the rental of accommodation and office solutions, Crown Energy's operations also include associated services such as security, transport and telecommunications. Crown Energy's offer covers the entire chain from need-based design and construction, to leasing, property management and value-added services. The goal is to provide customers with a flexible overall solution that is easy to administrate and where tenants can thrive and feel safe. There is therefore a great demand for accommodation and office solutions with a high standard, where accommodation as well as property management and related services are included in the offer.

Crown Energy's offering is delivered by both local and international teams. The focus is to always provide the highest quality services to achieve high customer satisfaction and create new business.

Angola's real estate market is strongly linked to the oil and gas sector. The trend in recent years has been for companies to avoid long-term commitments, which means that landlords have to offer flexible contracts, shorter rental terms or terms adaptable to immediate needs. Alternatives to traditional rental, such as office hotels, are also appearing on the market. The Angolan Kwanza, AOA, has declined by 35 percent to SEK during the second quarter of 2023. Since 30 June 2023 the exchange rate against US dollar has declined, but the macroeconomic position is currently unclear. During the past years the AOA experienced volatility and the overall trend is negative. This affects the profitability of the asset development business. Nevertheless, Crown Energy is at the date of this Information Memorandum experiencing high demand for its properties and services in Angola.

The project portfolio in Angola consists of 14 property assets, one of which is subject to a sales agreement. Five of the properties are owned by Crown Energy and the rest are held via right-of-use contracts with landowners. Signed leases consist of both longer and shorter contracts with both tenants as well as landowners, and which are extended regularly. The assets include 19,917 square meters of lettable residential and office space.

The operations in Angola have two types of revenue streams: rental revenue and service revenue from owned and leased (rented) properties. Service revenue refers to charges for property services and other value-added services such as cleaning, security, catering and more. As of 30 September 2024, the service revenue accounts for approximately 17.9 percent of the total revenue from the real estate assets.

### **Crown Energy's tenants**

Crown Energy's tenants include global and reputable companies in the oil and gas sector, Angola-based companies, embassies, international schools, etc. Of the total rental and service income, companies in the oil industry account for 53 percent and the five largest tenants account for a total of 45 percent. Several of the larger tenants have renewed their contracts repeatedly and included in the contracts that generate the highest annual rent are tenants who signed their first contracts as early as 2009.

Demand in Angola for services and accommodation is strong and this is reflected in the strength of revenues in local currency. However, due to weakness in the Angolan Kwanza in relation to SEK the Company's reporting shows lower revenues in SEK terms. The economic rental rate indicates the contracted annual rent in relation to the total rental value of the potentially rentable area. The economic rental rate for the property portfolio was as of 30 September 2024, 83 percent.

### **Sustainability**

It is important for Crown Energy to operate the business in a sustainable and socially responsible manner, in its current and new service business. Crown Energy is dedicated to its transformation into the new and more socially and environmentally responsible business direction contributing to a positive change. Crown Energy is working with full strength in line with the long-term goal of making a responsible, and for the Company's shareholders financially beneficial, exit from the oil and gas industry.

For Crown Energy, conducting sustainable and responsible operations necessitates that Crown Energy understands how Crown Energy impacts society and the environment in the areas in which Crown Energy operates. Crown Energy makes every effort to meet the requirements and expectations of Crown Energy's operations to ensure they are conducted in a way that minimises environmental impact. On the basis of Crown Energy's current operations, the following aspects of sustainable growth are the most important to Crown Energy:

- Transparency and ethics
- Environment
- Corporate social responsibility



- Health and safety

### Transparency and ethics

For Crown Energy, transparency and ethics means conducting its operations professionally while making ethical business decisions. Crown Energy wants its operations to be based on respect, honesty and integrity. To Crown Energy, working ethically means striving to prevent corruption, facilitation payments and all forms of bribery by operating in strict compliance with applicable legislation and local regulations. Crown Energy expects its counterparties (including governmental institutions, agencies, suppliers and operators of licences) to follow the same standards as well. Crown Energy chooses partners based on their fundamental values regarding ethics, moral, dedication to the environment and having strong financial solidity.

Crown Energy is aware that it is conducting, and may expand, operations in countries characterised by political, social and economic instability, such as war and general social or political turbulence. This includes the occurrence of corruption. Crown Energy has a compact organisation and the board constantly strives to promote Crown Energy's fundamental view in its operations. The board has adopted policies on business ethics and anti-corruption, which both staff and consultants are required to comply with. For guidance when needed, Crown Energy uses the OECD risk awareness tool for multinational enterprises in weak governance zones.

### Environment

Crown Energy strives to minimise harmful footprints in the implementation of its operations. Thus, a careful assessment is always conducted before initiating a project. Where possible, Crown Energy will prevent, or otherwise substantially minimise, reduce or remediate any negative environmental impact resulting from its operations. Crown Energy has initiated the transformation of the Company towards a more environmentally sustainable direction.

Within the business area of Asset Development and Management, Crown Energy is required to apply for relevant environmental licences from local authorities. The local environmental regulation is thus governing the operations, but where possible Crown Energy strives to exceed these requirements.

Given that Crown Energy does not currently engage in any oil and gas production, the environmental risks normally associated with the oil and gas industry are limited.

### Corporate social responsibility

For Crown Energy, corporate social responsibility means contributing both socially and economically to the growth of the countries and regions where Crown Energy conducts its operations. It is also important to Crown Energy that social and economic growth does not result in segregation and inequality. For Crown Energy, corporate social responsibility also includes safeguarding human rights in all situations, both directly (people associated with Crown Energy's operations) and indirectly (local communities in the regions in which Crown Energy operates).

Within the business area of Asset Development and Management Crown Energy always strives to engage in social challenges in areas where it has active operations to support local communities. Social investments from Crown Energy covers both community development projects and strategic initiatives for entrepreneurship. Crown Energy works together with local stakeholders to identify social risks and consequences in each country of operations and strives to tailor investment plans for each community based on the respective prioritisations and needs.

### Health and safety

Crown Energy is responsible for preventing accidents and other incidents and giving employees and contractors a safe and healthy work environment. In addition, Crown Energy's health and safety responsibility also extends to local populations directly and indirectly impacted by Crown Energy's operations. If Crown Energy's own policies are stricter than a country or region's own regulations, Crown Energy's adopted policies will still apply. Within the business area of Asset Development and Management Crown Energy strives to prevent any accidents which may hurt people or put Crown Energy's neighbours or facilities at risk.

## **SELECTED FINANCIAL INFORMATION**

*This section presents selected financial information for Crown Energy regarding the financial year 1 January – 31 December 2023 as well as the period 1 January – 30 September 2024 and the period 1 January – 30 September 2023. The following selected financial information for the financial year 1 January – 31 December 2023 has, unless otherwise stated, been collected from Crown Energy’s audited annual reports. The following selected information for the period 1 January – 30 September 2024 and the period 1 January – 30 September 2023 has been collected from the interim reports reviewed by the company’s auditor for the period 1 January – 30 September 2024 and the period 1 January – 30 September 2023.*

*Crown Energy’s financial information for the financial year 1 January – 31 December 2023 as well as for the interim periods 1 January – 30 September 2024 and 1 January – 30 September 2023, presented below, has been prepared in accordance with the Swedish Annual Reports Act (Sw. årsredovisningslagen (1995:1554)) and RFR 1 Supplementary Accounting Regulations for Groups and the International Financial Reporting Standards, as adopted by the EU (“IFRS”).*

*This section should be read in conjunction with the sections “Comments to the selected financial information” and “Capitalisation, indebtedness and other financial information” and the financial reports incorporated by reference in the Information Memorandum.*

## Consolidated income statement

AMOUNTS IN KSEK	Q3		JAN-SEP		FULL-YEAR
	2024	2023	2024	2023	2023
<b>Revenue, of which</b>	<b>11 778</b>	<b>7 327</b>	<b>29 194</b>	<b>28 192</b>	<b>37 107</b>
<i>Rental revenues</i>	7 976	5 835	22 069	23 190	30 289
<i>Service revenues</i>	3 802	1 492	7 124	5 002	6 818
Other operating revenue	2 146	5 792	4 813	5 916	5 366
Property-related costs	-6 572	-2 340	-12 584	-12 490	-19 930
Materials and other services	-2 010	-2 110	-3 301	-3 159	-5 150
Other external expenses	-10 412	-18 369	-30 083	-45 510	-58 361
Employee benefits expense	-5 443	-3 319	-16 174	-14 438	-18 674
Depreciation and write-downs	-13 357	-13 425	-39 779	-35 597	-49 168
Impairment of exploration assets	-	-	-	-	-
Other operating expenses	-352	-325	-432	-1 177	-1 415
<b>EBIT</b>	<b>-24 221</b>	<b>-26 769</b>	<b>-68 346</b>	<b>-78 263</b>	<b>-110 226</b>
Financial income	9 495	34 645	32 664	199 272	237 852
Financial expenses	10 700	-20 673	-36 859	-56 913	-80 690
<b>Net financial items</b>	<b>20 194</b>	<b>13 972</b>	<b>-4 194</b>	<b>142 359</b>	<b>157 162</b>
<b>Profit/loss before tax and changes in value</b>	<b>-4 027</b>	<b>-12 797</b>	<b>-72 540</b>	<b>64 096</b>	<b>46 936</b>
Unrealised changes in value of property	2 417	-6 785	19 261	-33 753	-46 546
<b>Profit/loss before tax</b>	<b>-1 610</b>	<b>-19 582</b>	<b>-53 279</b>	<b>30 343</b>	<b>390</b>
Income tax	-	-	-	-	102
Deferred tax	-665	10 464	7 471	1 578	689
<b>Profit/loss for the period</b>	<b>-2 275</b>	<b>-9 118</b>	<b>-45 808</b>	<b>31 921</b>	<b>1 180</b>
<b>Of which attributable to owners of the parent company</b>	<b>1 457</b>	<b>-6 286</b>	<b>-39 106</b>	<b>39 231</b>	<b>11 752</b>
<b>Of which attributable to holdings without controlling ownership</b>	<b>-3 731</b>	<b>-2 832</b>	<b>-6 702</b>	<b>-7 310</b>	<b>-10 572</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	0,00	-0,01	-0,08	0,08	0,02

## Consolidated balance sheet

AMOUNTS IN KSEK	2024-09-30	2023-09-30	2023-12-31
<b>Assets</b>			
<b>Fixed assets</b>			
Investment property	219 945	205 090	196 713
Equipment, tools, fixtures, and fittings	7 060	6 713	6 273
Intangible fixed assets	981 152	1 046 169	994 644
Exploration and evaluation assets	50 752	50 752	50 752
Goodwill	1 385 993	1 409 579	1 360 972
Right of use assets	-	-	5 039
Financial assets valued at amortised cost	15 111	75 925	34 330
Deferred tax assets	3 126	2 762	2 673
<b>Total non-current assets</b>	<b>2 663 139</b>	<b>2 796 991</b>	<b>2 651 396</b>
<b>Current assets</b>			
Inventory	4 410	7 409	6 743
Accounts receivable	19 290	11 633	11 070
Other receivables	89 698	62 453	54 117
Financial assets measured at amortised cost, short term	-	-	35 731
Prepaid expenses and accrued income	94 959	103 271	104 621
Cash and cash equivalents	180 825	172 203	121 428
<b>Total current assets</b>	<b>389 182</b>	<b>356 969</b>	<b>333 710</b>
Property assets held for sale	213 142	260 725	240 540
<b>Total assets</b>	<b>3 265 464</b>	<b>3 414 684</b>	<b>3 225 645</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14 033	14 033	14 033
Other contributed capital	859 523	859 523	859 523
Reserves	-800 210	-700 822	-783 980
Accumulated profit or loss earnings	366 637	354 884	354 886
Profit/loss for the period	-39 106	39 231	11 752
<b>Total equity attributable to owners of the parent company</b>	<b>400 878</b>	<b>566 849</b>	<b>456 213</b>
Non-controlling interests	284 000	298 877	285 403
<b>Total equity</b>	<b>684 878</b>	<b>865 728</b>	<b>741 616</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other financial liability	459 745	655 816	626 101
Other provisions	-	-	15 820
Current lease liability	3 754	3 687	4 451
Deferred tax liabilities	328 787	352 253	338 169
<b>Total non-current liabilities</b>	<b>792 287</b>	<b>1 011 756</b>	<b>984 541</b>
<b>Current liabilities</b>			
Trade payables	10 091	10 616	11 329
Contract liabilities	198 893	234 188	213 595
Income tax liability	3 679	6 080	6 015
Other financial liabilities	503 174	387 559	117 857
Short-term contractual debt acquisition of SmarTee 85%	-	-	160 269
Accruals and deferred income	1 075 652	897 773	989 369
Lease liabilities	921	972	1 056
<b>Total current liabilities</b>	<b>1 792 410</b>	<b>1 537 188</b>	<b>1 499 488</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3 269 574</b>	<b>3 414 684</b>	<b>3 225 645</b>

**Consolidated cash flows for the periods Q3, 1 January – 30 September 2024, 2023 and Full year 2023**

Amounts in kSEK	Q3		JAN-SEP		FULL-YEAR
	2024	2023	2024	2023	2023
<b>Cash flow from operating activities before changes in working capital</b>	<b>-12 769</b>	<b>-9 740</b>	<b>-20 302</b>	<b>-8 820</b>	<b>-66 002</b>
Changes in working capital	2 281	4 303	-11 125	51 555	96 222
<b>Cash flow from operating activities</b>	<b>-10 488</b>	<b>-5 437</b>	<b>-31 427</b>	<b>42 735</b>	<b>30 220</b>
Investments in investment property	-724	-222	-2 297	-222	-18 202
Capital expenditures on other fixed and intangible assets	-4 726	-930	-7 987	-2 575	-2 311
Investments in financial assets (government bonds)	-1 929	599	30 663	3 880	4 106
Prepaid payments, sale of exploration and evaluation assets	-	-	86 963	82 795	170 841
Acquisition of group companies	-	-	-	-844 467	-947 652
<b>Cash flow from (-used in) investing activities</b>	<b>-7 380</b>	<b>552</b>	<b>107 341</b>	<b>-760 588</b>	<b>-793 218</b>
<b>Cash flow from financing activities</b>	<b>-1 047</b>	<b>-2 936</b>	<b>-11 044</b>	<b>619</b>	<b>-166</b>
<b>Cash flow for (-used in) the period</b>	<b>-18 915</b>	<b>-8 925</b>	<b>64 870</b>	<b>-717 234</b>	<b>-763 164</b>
Cash and cash equivalents at the beginning of the period	207 838	183 135	121 428	915 568	915 568
Cash flow for (-used in) the period	-18 915	-8 925	64 870	-717 234	-763 164
Exchange difference in cash and cash equivalents	-8 098	-2 007	-5 473	-26 131	-30 976
<b>Cash and cash equivalents at the end of the period</b>	<b>180 825</b>	<b>172 203</b>	<b>180 825</b>	<b>172 203</b>	<b>121 428</b>

## Key performance measures

AMOUNT IN SEK THOUSAND UNLESS OTHERWISE STATED	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>EARNINGS</b>							
Rental and service revenues	11 778	9 243	8 172	8 915	7 327	10 179	10 685
Other operating revenue	2 146	2 354	312	-550	5 727	65	59
Operating profit/loss	-24 221	-25 155	-18 969	-59 940	-26 770	-24 810	-26 684
Net profit/loss for the period, after tax	-2 275	-3 289	-40 244	-54 653	-23 059	46 856	-6 872
<b>PROPERTY-RELATED KEY RATIOS</b>							
Rental revenue	7 976	7 367	6 726	7 099	5 835	8 420	8 935
Service revenues	3 802	1 876	1 446	1 816	1 492	1 759	1 750
Property-related costs	-6 572	-2 383	-3 628	-7 440	-2 340	-5 734	-4 416
Net operating income	5 206	6 860	4 544	1 475	4 987	4 445	6 270
Operating surplus, property portfolio, %	44%	74%	56%	17%	68%	44%	59%
Revenue backlog	23 999	21 331	29 958	28 487	20 186	33 018	24 601
Rent backlog	19 738	17 889	24 869	23 487	14 925	26 694	20 208
Contracted annual rental and service revenues, SEK thousand	29 667	33 940	34 147	30 441	29 024	38 761	38 594
Contracted annual rental revenues, SEK thousand	24 513	27 436	27 689	24 496	22 244	30 797	30 720
<b>FINANCIAL KEY RATIOS</b>							
EBITDA	-10 865	-11 797	-5 905	-12 774	-13 345	-29 323	-18 016
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, thousands	477 315	477 315	477 315	477 315	477 315	477 315	477 315
Diluted earnings per share, SEK	-0,00	-0,01	-0,08	-0,11	-0,05	0,10	-0,01
<b>EMPLOYEES</b>							
Average number of employees	29	28	29	29	26	26	17

## Definitions of key performance measures

### Alternative performance measures

Crown Energy 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

##### *Total assets*

Total assets at the end of the period. Total assets is a measure of the value of Crown Energy's assets at the end of the period.

#### *Return on equity (ROE)*

The amount of net income returned as a percentage of shareholders' equity. Return on equity is used to highlight Crown Energy's ability to generate profit in relation to the shareholders' equity in the Company.

#### *Return on assets (ROA)*

This ratio measures profitability relative to total assets. Return on assets is used to highlight Crown Energy's ability to generate profit on its assets, unaffected by external financing.

#### *EBITDA*

Earnings before interest, taxes, depreciation and amortisation. EBITDA is used by Crown Energy to measure earnings from operating activities, independently of depreciation, amortisation and impairment losses.

#### *EBITDA margin*

Measurement of the Company's operating profit as a percentage of sales. The EBITDA margin is used to compare EBITDA in relation to sales.

#### *Equity, SEK*

Equity at end of period.

#### *Equity/assets ratio, %*

Equity including the minority as a percentage of total assets. Equity/assets ratio is used by Crown Energy to highlight its interest rate sensitivity and financial stability.

#### *Data 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.

##### *Equity per share, SEK*

Equity at end of period divided by number of shares at end of period. Equity per share, used to highlight the shareholders' portion of the Company's total assets 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 a company's earnings per share.

#### *Employees*

##### *Average number of employees*

Average number of employees during the period.

#### *Property-related definitions and glossary*

##### *Economic occupancy rate*



Calculated by dividing contracted annual rental revenue by 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 income.

Rental value means rental revenue plus assessed market rent for unleased area.

*Operating net*

Total revenue less property costs.

*Rental income*

Billed rent, rent surcharges and rental guarantees less rent discounts.

*Rent backlog*

Outstanding rental revenue during remaining contract term. Rent backlog is used to highlight the Company's remaining contract value for rental revenue at a given point in time. Cannot be derived from the Company's financial reporting.

*Revenue backlog*

Outstanding rental and service income during remaining contract term. Revenue backlog is used to highlight the 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 income*

Service billed 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 revenue. Calculated by dividing contracted rental revenue until expiry by annual contracted rent. Normally expressed in years, but Crown Energy uses months.

*Area occupancy rate*

Leased area in relation to total leasable area at the end of the period.

*Leasable area, sqm*

Leased area plus leasable vacant area.

Concepts and measurements related to the oil industry

*Block/Concession/Licence*

A country's exploration and production areas are divided into different geographical blocks. Agreements are entered with the host country that grant the company the right to explore and produce oil and gas within the specified area in exchange for the company paying a licence fee and royalties on production.

*Operator*

A company that has the right to explore for oil in an area and to pursue production at an oil discovery. Small operators often let other companies buy working interests in their rights to reduce the risk and share costs.

*Exploration*

Identification and investigation of areas that may contain oil or natural gas reserves.

#### *Reserves and resources*

Oil assets are divided into reserves and resources. The difference is in how far the oil company has progressed in working on the licence, whether the discoveries are of a commercial nature etc. In short, resources are considered reserves when they are deemed commercially recoverable and a development plan has been approved by the local licensing authority. Reserves are divided into proven, probable and possible reserves. Resources are divided into contingent and prospective resources.

### **CONSIDERATION AND PURCHASE PRICE ALLOCATION**

Crown Energy on 3 February 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) is to be paid in nine instalments of EUR 9 million six months after each instalment date with a final payment of EUR 25 million. The first and second instalments have been paid. The two following instalments, that were originally to be paid in April and October of 2024, have been postponed in alignment with an amended payment schedule agreed with the seller. The interest free cash consideration has been discounted at 6%, making the total purchase consideration Euros 151 million (SEK 1 709 million).

There is a contingent consideration included in borrowings amounting to 10 million EUR to former shareholders of the AccYourate Group Italy that was payable at the end of the year 2023. This is secured over shares in the Accyourate Group S.P.A. This consideration has been the subject of further commercial discussions and its terms were originally extended to September 2024. As this debt was intended to be converted into equity in SmarTee, subject to the approval of the shareholders in Crown Energy, but was subsequently rejected by minority shareholders during the 10 June 2024 Annual General Meeting and 5 August 2024 Extraordinary General Meeting, the debt is still subject to discussions while the parties explore alternatives. For more information, see *Legal considerations and supplementary information – Material agreements* below.

In the purchase agreement there is an earn-out clause giving the seller a right, during the first 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).

The group recognises non-controlling interests in an acquired entity either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in Crown Energy, the group elected to recognise the noncontrolling interests at its proportionate share of the acquired net identifiable assets.

The useful life of Intellectual property is considered to be 20 Years.

### **COMMENTS TO THE SELECTED FINANCIAL INFORMATION**

The information below should be read in conjunction with the section "*Selected financial information*", the audited annual reports with accompanying notes for the financial years 2023 and the unaudited interim reports for the period 1 January - 30 September 2024 and 1 January – 30 September 2023.

## **Comparison between the period 1 January 2024 – 30 September 2024 and the period 1 January 2023 – 30 September 2023**

### **Comments on financial performance**

#### Operating profit/loss

During the reporting period, revenue amounted to SEK 29,194 thousand (28,192), an increase by 3.6 percent compared to the last year. Property costs for the reporting period amounted to SEK -12,584 thousand (-12,490). Other external costs totaled SEK -30,083 thousand (-45,510), 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.

#### Net financial items

Net financial items during the reporting period amounted to SEK --4,194 thousand (142,359). The net exchange rate effects amount to SEK -23,262 thousand (156,300). 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 19,261 thousand (-33,753) and refers to unrealised changes in investment property. The result for the period includes SEK --6,702 thousand attributable to minority shareholders in SmarTee S.a.r.l.

#### Other comprehensive income

Other comprehensive income includes translation differences of SEK -10,930 thousand (-185,232) 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 -1,403 thousand attributable to minority shareholders in SmarTee S.a.r.l.

### **Comments on financial position**

#### Non-current assets

The carrying amount of investment properties amounts to SEK 219,945 thousand (205,090).

As per 30 September 2024, exploration and evaluation assets totalled SEK 50,752 (50,752).

For the purchase of 85% of shares in Smartee Sarl 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 301,635 thousand. The value of the acquired assets that has been allocated to goodwill at the time of the acquisition amounted to EUR 122,654 thousand (SEK 1,388,716 thousand) and intangible assets of EUR 87,583 thousand (SEK 991,631 thousand). Intangible assets included developed software, fair value of Intellectual Property, licences, patents. Some assets such as costumer relationships, cooperation agreements, brands were identified, but were included in Goodwill. Also, EUR -25,241 thousand (-301,635), was attributed as a Deferred Tax Liability.

The useful life of Intellectual property is considered to be 20 years. The Goodwill amounts as of 30 September 2024 SEK 1,393,291, and intangible fixed assets to 985,262 thousand.

### Current assets

Accounts receivables consist of invoiced rent and service to customers as contracted. The balance sheet item for the period amounts to SEK 19,290 thousand (11,633) Other receivables amounted to SEK 89,698 thousand (62,453).

Financial assets reported at amortised costs refers mainly to investments in Angolan government bonds indexed against the Inflation totalling SEK 15,111 thousand as of 30 September 2024. The decrease is mainly due to FX effects, and investments in short term deposits.

Prepaid costs and deferred income amount to SEK 94,959 thousand and have decreased by SEK 8,312 thousand compared to same period last year, which is mainly prepaid transactional costs for sales of C-View and E&E Assets. The C-view property is accounted separately as a property asset held for sale for a total amount of SEK 213,142 thousand (260,725), the change is only due to FX fluctuations in SEK/AOA exchange rate.

### Non-current liabilities

Deferred tax liabilities have decreased to SEK 328,787 (352,253) since 30 September 2023.

The deferred payment for the acquisition of AccYouRate group is divided between Other Short-term liabilities, which amounts to SEK 374,002 and Other non-current liabilities amounting to SEK 457,713.

### Current liabilities

Contract liabilities are normally only related to revenue invoiced in advance. Contract liabilities attributable to the C-View sale amounted to SEK -186,411 on 30 September 2024.

### **Comments on cash flows**

The cash flow for the period amounts to SEK 64,870 (-717,234).

### **Comparison between the financial year 2023 and the financial year 2022**

#### **Comments on financial performance**

##### Operating profit/loss

During the 2023 financial year, net revenue amounted to SEK 37,107 compared to SEK 39,369 thousand for the same period the previous year, a decrease of 6 per cent. The decrease is mainly due to the depreciation of the Angolan currency since the beginning of 2023. Property costs for the 2023 financial year amounted to SEK -19,930 (-22,465 thousand). The decrease on the previous year is 11 per cent. Other external expenses amounted to SEK -58,361 (27,145 thousand). the increase is related to consulting costs within the new business area, Sustainable Investments. Employee benefit expenses for 2023 have increased by 31 percent compared to 2022, primarily due to the acquisition within the new business area.

##### Net financial items

The net financial income during the reporting period amounted to SEK 157,162 (163,554) thousand. The change in the discounted value of the remaining purchase price for the acquisition of 85% of SmarTee Sarl amounts to SEK -41,080 thousand. This is largely due to interest effects. The net of positive and negative currency effects amounted to SEK 174,034 (133,956) thousand. The currency effects mainly arise from the revaluation of foreign currency accounts. Additionally, they result from the property valuations being conducted in USD and converted to AOA.

### Changes in value

Changes in value during the reporting period amounted to a total of SEK -46,546 (19,921) thousand and include unrealized value changes in investment properties.

### Tax

The deferred tax expense is primarily attributable to temporary differences between the properties' fair value and their local tax residual value. The positive amount of SEK 689 (7,576) thousand is due to a lower valuation of investment properties in the local currency. For more information, see the comments on financial position.

### Other comprehensive income

Other comprehensive income includes currency translation effects amounting to a total of SEK -286,767 (110,132) thousand, which have arisen from the revaluation of subsidiaries' assets and liabilities from local currencies to SEK.

## **Comments on financial position**

### Non-current assets

The reported value of investment properties amounts to SEK 196,713 thousand. The net change since 31 December 2022 is SEK -30,895 thousand. The valuation of the properties has been conducted internally.

Due to the uncertainty of the Angolan currency, the Angolan subsidiary places cash in Angolan government bonds which have an interest rate of about 16 percent. The total value of the bonds amounts to SEK 70,062 thousand. Almost all the bonds held at the end of the year have a remaining maturity of over one year.

The C-View property is reported at fair value, as a property asset held for sale, corresponding to the agreed purchase price, discounted over the three-year payment period. The fair value of SEK 240,540 thousand does not take into account that the buyer's payments will be adjusted with a price indexation based on official inflation, determined before the final payment. The decrease since the end of 2022 of SEK 170,845 thousand is attributable to currency effects. For more information on the sale and its accounting.

As of 31 December 2023, exploration and evaluation assets amounted to SEK 50,752 thousand (50,752). In May 2023, the company announced the relinquishment of the South African license Block 2B. The asset was written down during the previous financial year.

Due to the uncertainty of the Angolan currency, the Angolan subsidiary places cash in Angolan government bonds which have an interest rate of about 16 percent. The total value of the bonds amounts to 70,062 TSEK. Almost all the bonds held at the end of the year have a remaining maturity of over one year.

During 2022, a receivable of SEK 34,887 thousand from SmarTee Group was reported as Financial Non-Current Assets. After the acquisition on February 3, 2023, the receivable is reported as Receivables from Group Companies.

### Current assets

Accounts receivable refer to invoiced rent and service charges to customers, in accordance with agreements. The balance for 2023 amounts to SEK 11,070 (16,318) thousand. Other receivables mainly refer to a receivable from ESI Angola Lda amounting to SEK 43,919 thousand.

Prepaid expenses and accrued income amount to SEK 104,621 thousand and mainly consist of prepaid expenses related to the sale of exploration assets, amounting to SEK 57,820 thousand in prepaid costs related to ongoing

business development projects, and prepaid transaction costs related to the C-View transaction, amounting to SEK 25,343 thousand.

#### Non-current liabilities

Deferred tax liabilities amounted to SEK 338,169 thousand (103,710) and are attributable to surplus values in properties and the revaluation of acquired assets within the Sustainable Investment business area. Deferred tax has increased by SEK 234,459 thousand since the end of 2022. The Group's long-term lease liabilities amount to SEK 4,451 thousand and pertain to future payments to landlords in Angola and Italy.

#### Current liabilities

Contract liabilities are normally only related to revenue invoiced in advance. Contract liabilities attributable to the C-View sale amounted to SEK 210,373 thousand on 31 December 2023 (298,397 thousand).

#### **Comments on changes in equity**

Changes in equity include other comprehensive income and exchange differences of SEK -286,767 (110,132 thousand) arising on translation of subsidiaries.

#### **Comments on cash flows**

Received interest during 2023 of SEK 3,936 (13,047) thousand pertains to interest on Angolan government bonds as well as interest from the deposit account in the Parent Company.

Cash flow from investment activities amounted to SEK -793,218 (117,849) thousand during the full year 2023 and relates to ongoing payments for the sale of exploration assets, which amounted to SEK 170,841 thousand, as well as payments for the acquisition of SmarTee Group totaling SEK 947,652 thousand.

Exchange rate differences in liquid funds amounted to SEK -30,978 (145,105) thousand.

#### **Significant events after 30 September 2024**

Other than as set out below, no significant events have occurred after 30 September 2024.

After the end of the reporting period, Crown Energy entered into an additional convertible loan agreement with KAYA amounting to EUR500,000. This agreement provides Crown Energy with the right to convert the loan into at least an additional 10% shareholding in KAYA, subject to full advancement of the funds. The agreement aligns with Crown Energy's strategic objective of becoming a larger shareholder in KAYA and underscores the continued commitment to supporting KAYA's development and current project in Angola.

On 22 November 2024, Crown Energy reached an agreement with the seller of SmarTee to amend the payment schedule. The adjustment was made in alignment with Crown Energy's current cash position, ongoing commercial discussions, and strategic ambitions in relation to the facilitation of ongoing operations and future development.

On 7 November 2024, the Swedish Companies Registration Office (the "SCRO") notified Crown that it had appointed a special examiner. This decision was followed by the request of minority shareholders, who holds more than one-tenth of the company's shares, as proposed at the Extraordinary General Meeting on 9 September 2024. As Crown Energy had certain inquiries in relation to the appointed examiner, such as the location of the examiner in relation to the registered office of Crown, an appeal has been filed with the SCRO. The appeal is in relation to the appointment of the examiner itself and includes a request that the SCRO is instead

to be the independent party deciding on what person to appoint. Crown Energy remains committed to cooperating fully with the examiner that is ultimately appointed while continuing to focus on the company's strategic objectives.

For more information, see *Legal considerations and supplementary information – Material agreements* below.

## **WORKING CAPITAL STATEMENT AND OTHER FINANCIAL INFORMATION**

### **Working capital statement**

Crown Energy is of the opinion that the Company's working capital is sufficient to meet the Company's needs over the twelve-month period following the date of the Information Memorandum. In this context, working capital refers to the Company's ability to access cash and other available liquid resources in order to meet its liabilities as they fall due.

As per 30 September 2024, the Company had a total of approximately SEK 180.8 million in cash and cash equivalents and the Company intends to finance its operations with cash until it is profitable.

### **Investments**

Crown Energy's investments during the period covered by the selected financial information included in the Information Memorandum and up until the date of the Information Memorandum consists mainly of the acquisition of AccYouRate and the strategic partnership agreement with KAYA, which are further described in section "*Legal considerations and supplementary information – Material agreements*".

Since 30 September 2024, Crown Energy has not made any significant investments.

The Company does, as of the date of the Information Memorandum, not have any significant current investments and has not entered into any undertakings relating to future significant investments, apart from the acquisition of AccYouRate and the strategic partnership agreement with KAYA, which are further described in the section "*Legal considerations and supplementary information – Material agreements*".

### **Trends**

Except for the trends described in sections "*Market overview and business description*" and "*Comments to the selected financial information*", the Company makes the assessment that there are no other development trends known to the Company as regards production, sales, stock, costs and selling prices during the period from the end of the latest financial year to the date of the Information Memorandum.



## BOARD OF DIRECTORS, SENIOR EXECUTIVES AND AUDITOR

### Board of directors

According to the articles of association of the Company, the board of directors of the Company shall consist of at least three and no more than ten members with a maximum of five deputy board members. The board of directors is elected for the period up until the end of the next annual general meeting. As per the date of this Information Memorandum, the board of directors is composed of four board members elected by the general meeting, including the chairman, as set out below.

Name	Position	Board member since	Independent in relation to	
			The Company and the senior executives	Major shareholders
Pierre-Emmanuel Weil	Chairman of the board	2016	No	No
Alan Simonian	Board member	2011	No	Yes
Patrik Fagerholm	Board member	2024	Yes	Yes
Yoav Ben-Eli	Board member	2016	No	No
<u>Fanny Wallér</u>	Board member	2024	Yes	Yes

### **Pierre-Emmanuel Weil, born 1981**

*Chairman of the board since 2016*

**Education:** A major in finance from HEC in Paris and a two-year law degree from Paris XI University.

**Other current assignments:** CEO and co-owner of Weil Investissement, and CEO of Vault Group, Heweil Cap and Open Sport International.

**Previous assignments (last five years):** – Responsible director of Cement Fund SCSp. Member of the board and co-owner of Racing Club de Strasbourg Alsace

**Shareholdings in the Company:** Pierre-Emmanuel Weil does not hold any shares in the Company.

**Shareholdings above 10 % in companies of current and previous assignments:**

Weil Investissement, Vault Group, Heweil Cap and Open Sport International.

**Alan Simonian, born 1966**

*Board member since 2011*

**Education:** Degree of Law from Southampton University and UK qualified solicitor.

**Other current assignments:** Member of the board of Simbo Petroleum No.2 Ltd and Simbo Petroleum No.3 Ltd and Simco Energy Management Limited.

**Previous assignments (last five years):** -

**Shareholdings in the Company:** 3,429,521 common shares (of which 1,000,000 shares are held through family and 1,016,625 are held through the company Simbo Petroleum No.3 Ltd which is wholly owned by Alan Simonian).

**Shareholdings above 10 % in companies of current and previous assignments:**

Simbo Petroleum No.3 Ltd.

**Patrik Fagerholm, born 1967**

*Board member since 2024*

**Education:** M. Sc. in Economics and Business Administration from the Swedish School of Economics in Helsinki.

**Other current assignments:** CFO of NextCell Pharma and Atrogi, his personal consulting company.

**Previous Assignments (last five years):** CFO assignments and other employments with Kamic Group, Hifab and Poolia.

**Shareholdings in the Company:** –

**Shareholdings above 10 % in companies of current and previous assignments:** –

**Fanny Wallér, born 1962**

*Board member since August 2024*

**Education:** Bachelor of Science, University of Uppsala, Diplomas, University of Barcelona and University of Montpellier

**Other current assignments:** Board member of Erteco Rubber and Plastics AB, Board member of Stifta Pension Foundations, Board Member of Bricknode Holdings AB.

**Previous Assignments (last five years):** Board member Lexly AB, Board member S2 Communications, Board member Green Asset Wallet, Advisory Board member, Findec/PWC Accelerator

**Shareholdings in the Company:** –

**Shareholdings above 10 % in companies of current and previous assignments:** –

**Yoav Ben-Eli, born 1970**

*Board member since 2016*

**Education:** BSC in Biological Sciences from Tel Aviv University.

**Other current assignments:** Member of the board of ESI Group S.A., YBE Ventures Ltd, Crown Energy Ventures Corp., Amicoh Resources, SmarTee S.a.r.l., Crown Energy Iraq AB.

**Previous Assignments (last five years):** -

**Shareholdings in the Company:** 343,817,971 common shares (through the company YBE Ventures Ltd which is wholly owned by Yoav Ben-Eli).

**Shareholdings above 10 % in companies of current and previous assignments:** –

See above.

### **Senior executives**

As per the date of this Information Memorandum, the Company has three senior executives as set out below. For information about Yoav Ben-Eli and Alan Simonian, please refer to section “*Board of directors, senior executives and auditor – Board of directors*” above.

<b>Name</b>	<b>Position</b>	<b>Year of appointment</b>
Yoav Ben-Eli	CEO	2021
Michail Shatkus	CFO and deputy CEO	2021
Alan Simonian	COO	2018

### **Michail Shatkus (born 1986)**

*CFO and deputy CEO since 2021*

**Education:** Master’s degree in Business Administration with specialisation in Banking and Finance from Stockholm University.

**Other current assignments:** Member of the board of CEINV2 AB, Deputy board member in Crown Energy Iraq AB.

**Previous Assignments (last five years):** –

**Shareholdings in the Company:** –

### **Other information regarding the board of directors and senior executives**

All members of the board and senior executives are available at the Company’s address, Skeppargatan 27, SE-114 52 Stockholm, Sweden. There are no family ties between any of the members of the board of directors or senior executives. There are no agreements between the Company and major shareholders, customers, suppliers or other parties, according to which any member of the board has been elected as a member of the board or any senior executive has been appointed as senior executive. There are no conflicts of interest or potential conflicts of interest between the obligations of members of the board of directors and senior executives of the Company and their private interests

and/or other undertakings. However, several members of the board and senior executives have financial interests in Crown Energy due to their direct and indirect shareholdings in the Company.

During the last five years, none of the members of the board or senior executives has (i) been sentenced for a fraud related offence, (ii) represented a company which has been declared bankrupt or filed for liquidation, or been subject to administration under bankruptcy, (iii) been the subject of accusations and/or sanctions by any agency authorised by law or regulation (including recognised professional organisations), except for what is stated below, or (iv) been prohibited by a court of law from being a member of any company's administrative, management or supervisory body or from holding a senior or overarching positions of any company.

Administrative fines from the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) relating to infringements of the reporting obligation applicable to transactions carried out by persons discharging managerial responsibilities pursuant to Regulation (EU) no 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse were received by YBE Ventures Ltd, which is wholly owned by board member/CEO Yoav Ben-Eli, in 2020, and Cement Sweden S.a.r.l., for which chairman of the board Pierre-Emmanuel Weil is the responsible director, in 2020.

#### **Auditor**

Öhrlings PricewaterhouseCoopers AB ("**PwC**") has been the Company's auditor since 2013 and was at the annual general meeting 2023, re-elected until the end of the annual general meeting 2024. Martin Johansson (born 1966) is the auditor in charge. Martin Johansson is an authorised public accountant and a member of FAR (professional institute for authorised public accountants). PwC's office address is Torsgatan 21, SE-113 97 Stockholm, Sweden.

## CORPORATE GOVERNANCE

### Corporate governance

Crown Energy is a Swedish public limited liability company based in Stockholm county, municipality of Stockholm, Sweden. The Company is regulated by Swedish legislation, primarily through the Swedish Companies Act. Prior to the change of listing venue from NGM Main Regulated to Nordic SME (the “List Change”) the corporate governance in the Company was based on Swedish law, the articles of associations, internal rules and regulations, the NGM Rules for issuers whose financial instruments are admitted to trading on Main Regulated and the Swedish Corporate Governance Code (the “Code”). Once the Company’s shares have been listed on Nordic SME, the Company will comply with the Nordic SME Rules for companies whose shares are listed on Nordic SME instead of the NGM Rules for issuers whose financial instruments are admitted to trading on Main Regulated. As Nordic SME is not a regulated market, the Company will have no obligation to apply the Code. However, the Company intends to continue to apply the Code subsequent to the List Change.

### General meeting

According to the Swedish Companies Act, the general meeting is the Company’s ultimate decision-making body. At the general meeting, the shareholders exercise their voting rights in key issues, such as the adoption of income statements and balance sheets, appropriation of the Company’s results, discharge from liability of members of the board of directors and the CEO, election of members of the board of directors and auditors and remuneration to the board of directors and the auditors.

The annual general meeting must be held within six months from the end of the financial year. In addition to the annual general meeting, extraordinary general meetings may be convened. According to the articles of association, general meetings are convened by publication of the convening notice in the Swedish National Gazette (*Sw. Post- och Inrikes Tidningar*) and on the Company’s website. At the time of the notice convening the meeting, information regarding the notice shall be published in Svenska Dagbladet.

### Right to participate in general meetings

Shareholders who wish to participate in a general meeting must be included in the shareholders’ register maintained by Euroclear Sweden AB, reg. no 556112-8074 (“Euroclear Sweden”) on the day falling six banking days prior to the meeting and notify the Company of their participation no later than on the date stipulated in the notice convening the meeting. Apart from notifying the Company of their participation, shareholders whose shares are nominee registered through a bank or other nominee must request that their shares are temporarily registered in their own names in the register of shareholders maintained by Euroclear Sweden, at least four banking days before the meeting, in order to be entitled to participate in the general meeting. Shareholders should inform their nominees well in advance of such date. Shareholders may attend general meetings in person or by proxy and may be accompanied by a maximum of two assistants. Typically, it is possible for a shareholder to register for the general meeting in several different ways as indicated in the notice to the meeting. A shareholder may vote for all Company shares owned or represented by the shareholder.

### Shareholder initiatives

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the board of directors of the Company. Such request must normally be received by the board of directors in ample time before the general meeting, in accordance with the information provided on the Company's website in connection with publication of the date and venue of the general meeting.

### **Nomination committee**

Historically, Crown Energy has not had a nomination committee, which is a deviation from the Code. The board has decided with the major shareholders that a nomination committee is currently not necessary in view of the composition of shareholders. Depending on any future changes in shareholders, the issue of a nomination committee may need to be raised again and Crown Energy is engaged in an ongoing dialogue with the major shareholders on this issue.

### **Board of directors**

The board of directors is the second-highest decision-making body of the Company after the general meeting. According to the Swedish Companies Act, the board of directors is responsible for the organisation of the Company and the management of the Company's affairs, which means that the board of directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of set targets, continuously assessing the financial condition and profits as well as evaluating the operating management. The board of directors is also responsible for ensuring that annual reports and interim reports are prepared in a timely manner. Moreover, the board of director appoints the CEO.

Members of the board of directors are normally appointed by the annual general meeting for the period up until the end of the next annual general meeting. According to the Company's articles of association, the members of the board of directors elected by the general meeting shall be no less than three and no more than ten with a maximum of five deputy members.

The board of directors applies written rules of procedure, which are revised annually and adopted by the inaugural board meeting every year. Among other things, the rules of procedure govern the practice of the board of directors and the division of work between the members of the board of directors and the CEO. At the inaugural board meeting, the board of directors also adopts instructions for the CEO, including instructions for financial reporting.

The board of directors meets according to an annual schedule. In addition to these meetings, additional board meetings can be convened to handle issues which cannot be postponed until the next ordinary board meeting. In addition to the board meetings, the chairman of the board of directors and the CEO continuously discuss the management of the Company.

Currently, the Company's board of directors consists of four ordinary members elected by the general meeting, who are presented in section "*Board of directors, senior executives and auditor*".

### Audit committee and remuneration committee

Historically, Crown Energy has not had an audit committee or remuneration committee since the board of directors found it to be more appropriate to handle these types of issues within the regular board of directors. Accordingly, the board of directors performs the duties of each such committee.

## The CEO and other senior executives

The CEO is subordinated to the board of directors and is responsible for the everyday management of the Company. The division of work between the board of directors and the CEO is set out in the rules of procedure for the board of directors and the CEO's work instructions. The CEO is also responsible for the preparation of reports and compiling information for the board meetings and for presenting such materials at the board meetings. The CEO must continuously keep the board of directors informed of developments in the Company's operations, the development of the revenue, the Company's result and financial condition, liquidity and credit status, important business events and all other events, circumstances or conditions which can be assumed to be of material importance to the Company's shareholders. The CEO and senior executives are presented in the section "*Board of directors, senior executives and auditor*".

## Remuneration to the board of directors and senior executives

At the annual general meeting on 10 June 2024, it was resolved that a fee of SEK 450,000 will be payable to the chairman of the board and that SEK 225,000 will be payable to the rest of the non-employed board members, i.e. in total SEK 675,000. On a Extraordinary General meeting on the 5 August 2024 Fanny Wallér was elected as board member. The total remuneration thus can reach a maximum of SEK 900, 000.

The table below lists the amounts that have been paid in remuneration to senior executives (including any conditional or deferred remuneration or similar) during the 2023 financial year, as well as any benefits in-kind granted by the Company or its subsidiaries for services that have been performed for Crown Energy, regardless of in which capacity the services have been performed and regardless of who has performed the service.

Senior executives (SEK thousands)	Fixed salary and other benefits	Variable remuneration	Pension costs	Amount
Yoav Ben-Eli, board member and CEO <sup>1</sup>	7,293	-	-	7,293
Other senior executives (three persons) <sup>2</sup>	3,386	450	254	4,090

<sup>1</sup> Yoav Ben-Eli receives his remuneration from Crown Energy's subsidiary in Angola via a consultancy agreement and is since January 2022 employed by the Company. The agreement amounts to EUR 40,500 per month, and the total payments for 2023 amounted to SEK 6,524,000. Yoav Ben-Eli received a salary of approximately SEK 53,000 per month from the Company during 2023.

<sup>2</sup> Including a person that is not a senior executive as per the date of this Information Memorandum.

### Remuneration guidelines

Guidelines for the remuneration of senior executives at Crown Energy are adopted by the annual general meeting and currently cover the CEO and the CFO, who are part of the management team and are employed by the Company. The policy is to offer remuneration that is market-based and competitive. The level of remuneration should be based on position, competence, experience and performance.

The annual general meeting adopted the following remuneration guidelines on 15 June 2022. The board shall be entitled to deviate from the guidelines in individual cases if there are specific reasons for doing so. In the event of such a deviation, information about the deviation and the reason for it must be reported at the next annual general meeting.

Remuneration of the CEO and other senior executives shall consist of a fixed, market-based salary. Any benefits, where such exist, shall constitute only a limited portion of the remuneration.

The CEO and other senior executives shall have defined contribution pension plans, which means that vesting occurs through the Company's annual payment of premiums. The pension provision for the CEO shall be 30% of the CEO's annual salary. Pensions for other senior executives must be in line with the ITP plan.

Upon termination by the Company, severance pay for senior executives can be paid in an amount corresponding to a maximum of 24 monthly salaries, including fixed salary during the notice period.

Decisions about share and share price-related incentive schemes for senior executives shall be resolved on by the annual general meeting. Share and share price-related incentive schemes shall be designed with the aim of achieving a greater alignment of interests between the participating executives and the Company's shareholders. Schemes that involve the acquisition of shares shall be designed to promote personal shareholdings in the Company. The vesting period, or the period from the conclusion of the agreement until shares may be acquired, shall not be less than three years. Board members who are not also employees of the Company shall not participate in schemes directed to the management or other employees. Share options shall not be included in schemes directed to the board.

In specific cases, the Company's board members shall be allowed to receive fees for services rendered within their respective areas of expertise that do not constitute board work. Fees for these services shall be market-based, approved by the board and disclosed at the annual general meeting.

#### Agreement on compensation after completion of service

The Company has not entered into an agreement with any member of the Company's administrative, executive or governing bodies that entitles such member to benefits after resigning from their service. As per the date of this Information Memorandum, there have been no provisions in relation to occupational pensions.

A mutual notice period of twelve months applies between the Company and the CEO. For other senior executives, the notice period ranges from three to twenty four months.

#### **Auditing**

The auditor shall review the Company's annual reports and accounting, as well as the management of the board of directors and the CEO. Following each financial year, the auditor shall submit an audit report and a consolidated audit report to the annual general meeting.

Pursuant to the Company's articles of association, the Company shall have no less than one and not more than two auditors and not more than two deputy auditors. The Company's auditor is PwC, with Martin Johansson as auditor in charge. The Company's auditor is presented in more detail in section "*Board of directors, senior executives and auditor*".



## **Internal control**

The following is a brief description of how internal control and financial reporting works in the Company. In addition to what is set out below, the Company engages ProExecutive for accounting assistance.

### Control environment

The control environment forms the basis of internal control of financial reporting. The Company's internal control structure is based on a clear division of responsibilities and duties between the board and CEO as well as within operational activities. In addition to guidance documents such as instructions for the board and CEO, the disclosure policy and the financial reporting policy, there are also guidelines and policies for operating and administrative activities. All guidance documents and process descriptions are communicated within the organisation and are available and known to the staff concerned.

### Risk assessment

The Company identifies, analyses, and makes decisions on managing the risk of errors in the financial statements. Currently, the business is relatively small and involves a limited number of persons. The Company has identified the operational processes and earnings and balance sheet items for which there is a risk that errors, omissions, or irregularities could occur if the necessary control elements were not built into routines. The Company's risk assessment analyses how and where errors may occur in the procedures. Issues that are important to risk assessment are things such as whether assets and liabilities exist on a given date, accurate valuation, whether a business transaction actually occurred, and whether items are recognised in accordance with laws and ordinances.

### Control activities

A number of control measures were established based on the Company's risk assessments. These are both of a preventive nature, meaning that they are designed to avoid reporting losses or errors, and of an investigative nature. The controls will also ensure that errors are corrected.

### Information and communication

Internal regulations, policies, and procedural descriptions are available on the Company's internal network. Internal communication to and from the board and management takes place through regular meetings, either physically or by telephone. To ensure that external communication with the stock market is accurate, there is a disclosure policy that regulates how investor relations are managed.

### Follow-up

A follow-up of operations is mainly done in connection with regular board meetings. The Company's auditors regularly review the internal controls. The Company intends to update procedural descriptions, policies, and guidance documents as necessary, but at least annually. The board shall receive quarterly financial results, including management's comments on operations. The Company's auditor participates in at least one board meeting to present its observations of the Company's internal routines and control systems.

### Internal auditing

The Company currently has a simple legal and operational structure along with established management and internal control systems. As a result, the board determined in 2018 that a separate internal audit function was not necessary. The board regularly monitors the Company's assessment of internal control through contact with the Company's auditors and by other means.

## **SHARE CAPITAL AND OWNERSHIP STRUCTURE**

### **Shares and share capital**

Pursuant to the Company's articles of association, the Company's share capital may not be less than SEK 14,000,000 and not more than SEK 56,000,000 and the number of shares may not be less than 477,000,000 and not more than 1,908,000,000. There is one share class in the Company. As per the date of this Information Memorandum, the Company's share capital amounts to approximately SEK 14,032,864.563 and the Company have issued a total of 477,315,350 shares. The shares are denominated in SEK and the quota value of each share is approximately SEK 0,0294. The Company's shares will be traded on Nordic SME under the short name (ticker) CRWN.

All shares in the Company have been issued in accordance with Swedish Law. All issued shares have been fully paid and are freely transferrable. The shares in Crown Energy are not subject to an offer made as a result of a mandatory bid, redemption right or redemption obligation. No public takeover offer has been made for the shares in Crown Energy during the current or preceding financial year.

### **Certain rights associated with the shares**

The rights associated with the shares issued by the Company, including those pursuant to the articles of association, can only be amended in accordance with the procedures set out in the Swedish Companies Act.

### Voting rights

Each share in the Company entitles the holder to one vote at general meetings. Each shareholder is entitled to cast votes equal in number to the number of shares held by the shareholder in the Company.

### Preferential rights to new shares

If the Company issues new shares, warrants or convertibles in a cash or set-off issue, the shareholders have, as a main rule, preferential rights to subscribe for such securities in proportion to the number of shares held prior to the issue. The articles of association of the Company do not restrict the Company's ability to issue new shares, warrants or convertibles with deviation from the shareholders' preferential rights under the Swedish Companies Act.

### Right to dividend and surplus in the event of liquidation

All shares in the Company give equal rights to dividends and the Company's assets and possible surpluses in the event of liquidation.

Resolutions regarding dividends are passed by the general meeting. All shareholders that are registered in the share register maintained by Euroclear Sweden AB on the record date adopted by the general meeting shall be entitled to receive dividends. Dividends are normally paid out to shareholders, through Euroclear Sweden AB, in cash on a per share basis but may also be paid out in kind. If a shareholder cannot be reached through Euroclear Sweden AB, such shareholder retains its claim on the Company to the dividend amount. Such claim is subject to a limitation period of ten years. Upon the expiry of the period of limitation, the dividend amount shall pass to the Company.

There are no restrictions on the right to dividends for shareholders domiciled outside Sweden. Except for possible limitations resulting from banking and clearing systems, payment is made in the same manner as for shareholders residing in Sweden. Shareholders not resident in Sweden for tax purposes must normally pay Swedish withholding tax on dividends distributed by the Company.

### Central securities register

The Company's shares are registered in a CSD register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479) (*Sw. lagen om värdepapperscentraler och kontoföring av finansiella instrument*). This register is managed by Euroclear Sweden AB, Box 191, SE-101 23 Stockholm. No share certificates have been issued for the Company's shares. The ISIN code for the Company's share is SE0004210854.

### Share capital development

The below table shows the historical development in the Company's share capital since its formation on 13 April 2010.

Year	Transaction	Increase in number of votes	Change in number of shares	Change in share capital (SEK thousand)	Capitalisation excl. issue expenses (SEK thousand)	Total number of shares	Total share capital (SEK thousand)	Quota value (SEK)	Subscription price per share
2010	Incorporation	50,000	50,000	50	50	50,000	50	1.00	-
2011	Directed share issue	450,000	450,000	450	450	500,000	500	1.00	1.00
2011	Share split (3,406:2)	1,702,500,000	1,702,500,000	-	-	1,703,000,000	500	0.0003	-
2011	Directed share issue	116,820	116,820	-	0	1,703,116,820	500	0.0003	0,0003
2011	Reverse share split (1:100)	1,686,085,652	1,686,085,652	-	-	17,031,168	500	0.0294	-
2012	Directed share issue	181,666	181,666	5	3,347	17,212,834	505	0.0294	18.43
2012	Non-cash issue <sup>1</sup>	1,135,411	1,135,411	34	16,987	18,348,245	539	0.0294	14.96
2012	Preferential rights issue <sup>2</sup>	1,529,020	1,529,020	45	10,703	19,877,265	584	0.0294	7.00
2012	Directed share issue	4,285,714	4,285,714	125	30,000	24,162,979	709	0.0294	7.00
2012	Offset issue <sup>3</sup>	1,592,051	1,592,051	48	11,144	25,755,030	757	0.0294	7.00
2013	Non-cash issue	1,842,715	1,842,715	54	18,611	27,597,745	811	0.0294	8.14
2014	Redemption of convertibles	246,934	246,934	8	1,845	27,844,679	819	0.0294	-
2014	Redemption of convertibles	298,732	298,732	8	2,398	28,143,411	827	0.0294	-
2015	Redemption of convertibles	100,000	100,000	3	837	28,243,411	830	0.0294	-
2015	Offset issue	25,828,733	25,828,733	759	78,673	54,072,144	1,589	0.0294	3.03
2015	Preferential rights issue	1,475,229	1,475,229	44	4,869	55,547,373	1,633	0.0294	3.33
2016	Directed share issue	5,500,000	5,500,000	162	11,000	61,047,373	1,795	0.0294	2.00
2016	Redemption of convertibles	6	6	0	1	61,047,379	1,795	0.0294	-
2016	Directed share issue	31,500,000	31,500,000	926	63,000	92,547,379	2,721	0.0294	2.00
2016	Change in voting rights, ordinary shares <sup>4</sup>	832,926,411	n/a	n/a	n/a	n/a	n/a	n/a	-
2016	Private placement (discounted), C shares <sup>4</sup>	363,401,823	363,401,823	10,684	1	455,949,202	13,405	0.0294	0.0294
2017	Conversion of C shares to ordinary shares	3,179,411,739	n/a	n/a	n/a	455,949,202	13,405	0.0294	-
2017	Withdrawal of C shares	10,133,852	10,133,852	-298	n/a	445,815,350	13,107	0.0294	-
2017	Redemption of warrants	315,000,000	31,500,000	926	63,000	477,315,350	14,033	0.0294	-

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- 1) Refers to payment for the acquisition of Amicoh Resources Ltd. The issue proceeds were offset against the purchase price liability recognised in 2011 in relation to the seller, Moco Resources Ltd.
  - 2) SEK 7,245,070 of the total capital employed refers to settlement of loans from the majority shareholder.
  - 3) Settlement of loans from the majority owner.
  - 4) Registered with the Swedish Companies Registration office in 2016. The shares and votes from the directed issue were transferred to the recipient in February 2017.

### **Convertibles, warrants, etc.**

As per the date of this Information Memorandum, there are no outstanding warrants, convertibles or other financial instruments in the Company.

### **Share-related incentive programmes**

As per the date of this Information Memorandum, there are no implemented or resolved share-related incentive programmes in the Company.

### **Ownership structure**

To the Company's knowledge, save as is set out in the table below, no persons have a direct or indirect holding corresponding to five per cent or more of the number of shares or votes in the Company as per the date of this Information Memorandum.

Shareholder	Number of shares and votes	% of shares and votes
Yoav Ben-Eli, through company <sup>1</sup>	343,817,971	72.0
Cement Fund SCSp <sup>2</sup>	63,000,000	13.2
Veronique Salik	29,496,530	6.2
Other shareholders	41,000,849	8.6
<b>Total</b>	<b>477,315,350</b>	<b>100.0</b>

<sup>1</sup> The shares are owned by YBE Ventures Ltd, which is wholly owned by board member/CEO Yoav Ben-Eli.

<sup>2</sup> Chairman of the board Pierre-Emmanuel Weil was previously the responsible director of Cement Fund SCSp.

### **Shareholders' agreement**

The board of directors of the Company is not aware of any shareholders' agreements or other agreements between the Company's shareholders aimed at exercising a joint influence over the Company. The board of directors of the Company is neither aware of any other agreements nor similar that may lead to a change of control of the Company.

### **Listing on Nordic SME and delisting from NGM Main Regulated**

The board of directors of the Company has applied for admission to trading of the Company's shares on Nordic SME. NGM decided on 30 December 2024 that the Company meets the current listing requirements on Nordic SME, provided that certain customary conditions, including that no new information arises that affects the formal listing requirements. The estimated first day of trading in the Company's shares on Nordic SME is 13 January 2025 under the same short name (ticker) (CRWN). The board of directors of the Company has also applied for delisting of the Company's shares from NGM Main Regulated. The last day of trading in the Company's share on NGM Main Regulated is 10

January 2024. Shareholders in the Company do not need to take any actions in connection with the List Change. No new shares will be issued in connection with the List Change.

**Liquidity provider**

Crown Energy has entered into an agreement with ABG Sundal Collier ASA ("**ABG**") according to which ABG acts as a liquidity provider for the Company's share regarding the trading on NGM Main Regulated. ABG will continue to act as a liquidity provider for the Company's share regarding the trading on Nordic SME (provided that the Company's application for admission to trading is approved). The commitment means that the liquidity provider undertakes to, when possible, set prices on both the buy-side and sell-side, with the effect that the difference between the buy and sell price does not exceed a certain level. The purpose of the agreement is thus to promote the liquidity of the Company's share.

## **ARTICLES OF ASSOCIATION**

Articles of association Crown Energy AB

Reg. no 556804-8598

Adopted at the extraordinary general meeting on 17 December 2021.

### **§ 1 Company name**

The name of the company is Crown Energy AB. The company is a public company (publ).

### **§ 2 Registered office**

The board of directors has its registered office in Stockholm county, municipality of Stockholm.

### **§ 3 Object of the company**

The company shall, directly or indirectly, carry out business within the oil and gas industry, real estate industry, development of technology and application portfolios within environment, food and healthcare as well as sales and licensing of systems within such areas, invest in, develop and divest companies active in aforementioned activities, manage real property and chattels and to conduct activities related to the aforementioned.

### **§ 4 Share capital**

The share capital shall be at least SEK 14,000,000 and no more than SEK 56,000,000.

### **§ 5 Number of shares**

The number of shares shall not be less than 477,000,000 and not more than 1,908,000,000.

### **§ 6 Board of directors**

The board of directors shall consist of a minimum of 3 and a maximum of 10 directors, with a maximum of 5 deputy directors.

### **§ 7 Auditor**

For the review of the company's annual report as well as the management pursued by the board of directors and the managing director, one to two auditors with up to two deputy auditors, or a registered accounting firm shall be appointed until the end of the next annual general meeting after the auditor was elected.

### **§ 8 Convening of a general meeting**

Notice of a general meeting of shareholders shall be published in the Official Swedish Gazette as well as on the company's website. An announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

### **§ 9 Notice to attend at general meetings**

Right to attend in a general meeting is a shareholder that has been recorded in the share register in the way prescribed in Ch. 7 Sec. 28 § 3 the Swedish Companies Act and given notice to the company not later than on the day mentioned in the notice convening the meeting. This day may not be a Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not be earlier than the fifth business day before the Meeting.

A shareholder attending a general meeting may be accompanied by advisers, no more than two, only if the shareholder has given the company notice of his intentions to bring an adviser in accordance with the section above.

## **§ 10 Annual general meeting**

The annual general meeting shall be held annually within six (6) months after the end of the financial year. At the annual general meeting, the following matters shall be considered:

1. Election of chairman of the meeting.
2. Appointment of the keeper of the minutes.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or more persons to certify the minutes.
6. Examination of whether the meeting has been properly convened.
7. Presentation of the annual report and the auditors' report and the group annual report and the group auditor's report.
8. Resolution
  - (a) regarding adoption of income statement and balance sheet and the group income statement and the group balance sheet,
  - (b) decision regarding the profit or loss of the company in accordance with the adopted balance sheet, and
  - (c) discharge from liability of the board of directors and the managing director.
9. Determination of the number of directors and any deputy directors, and if applicable, auditors and any deputies.
10. Determination of fees to the board of directors and the auditors.
11. Election of the board of directors and any deputy directors and, if applicable, auditors and any deputies.
12. Any other matter to be dealt with by the meeting according to the Swedish Companies Act or the articles of association.

## **§ 11 Financial year**

The fiscal year of the company shall be 0101-1231.

## **§ 12 Central Securities Depository registration**

A shareholder or nominee that is registered in the share register and a CSD register on the record date, in accordance with Ch. 4 the Central Securities Depositories and Financial Instruments Accounts Act (SFS 1998:1479), or registered in a CSD account pursuant to Ch. 4 Sec. 18 first § item 6-8 of the aforementioned acts, is deemed to have the right to exercise the rights stipulated in Ch. 4 Sec. 39 the Swedish Companies Act (SFS 2005:551).



## LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

### General information

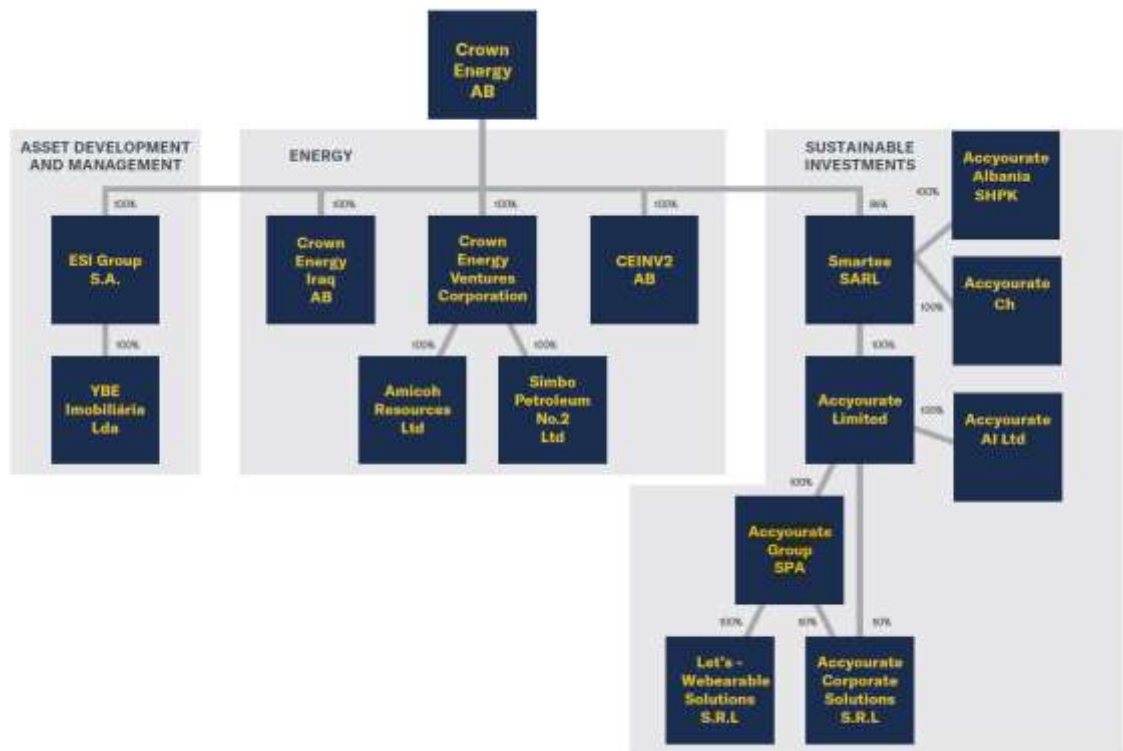
The registered legal and commercial name of the Company is Crown Energy AB (publ). The Company is a Swedish public limited liability company (Sw. *publikt aktiebolag*) with reg. no 556804-8598. The Company's LEI Code is 5493006YTJT851UEKX35. The Company has its registered office in Stockholm. The Company was formed on 13 April 2010 and registered with the Swedish Companies Registration Office on 14 April 2010. The current name was registered with the Swedish Companies Registration Office on 21 September 2011. The Company's address is Skeppargatan 27, SE-114 52 Stockholm, Sweden. The Company's telephone number is +46 8 400 207 20. The Company's website is [www.crownenergy.se](http://www.crownenergy.se). The Company's business is conducted in accordance with the Swedish Companies Act. The object of the Company's business is to directly or indirectly carry out business within the oil and gas industry, real estate industry, development of technology and application portfolios within environment, food and healthcare as well as sales and licensing of systems within such areas, invest in, develop and divest companies active in aforementioned activities, manage real property and chattels and to conduct activities related to the aforementioned. The Company's current articles of association was adopted on 17 December 2021.

### Language of communication

Press releases and financial reports are published by the Company in English. Financial reports that are subject to filing with the Swedish Companies Registration Office will always be produced in Swedish as a primary language of choice. The same applies to any other press release or publication of documents that due to statutory requirements are to be produced in Swedish.

### Legal group structure

The Company is currently the parent company of 15 subsidiaries, including subsidiaries in Sweden, Angola, Luxembourg, UK, Italy, Israel, Albania and British Virgin Islands. An overview of the group structure is shown in the chart below.



### Material agreements

Other than as set out below, there are no agreements of material importance to the Company's business.

#### Acquisition agreement – AccYouRate group

On 3 February 2023, the Company acquired 10,200 shares in SmarTee S.a.r.l., corresponding to 85 per cent of SmarTee S.a.r.l. The total consideration payable for the acquisition of the shares is the aggregate of an initial consideration and an earn-out consideration. The initial consideration amounts to EUR 163 million which under the acquisition agreement shall be paid in nine instalments over 48 months, and the earn-out is a potential additional payment of up to 30 percent of any future financial upside during the first 24 months after the acquisition, less the initial consideration of EUR 163 million. The Company may pay any additional purchase price either in cash or in newly issued shares in SmarTee S.a.r.l., and any such earn-out consideration will only become payable upon certain commercial or financial milestones, such as a future capital increase or sale of a strategic asset, being met. As of the date of this Information Memorandum, the Company has negotiated with the SmarTee S.a.r.l. seller regarding an amended schedule for the instalment payments of the initial consideration. The seller has, during the ongoing negotiation, agreed that the payments for 2024 are postponed.

On 7 April 2021, SmarTee S.a.r.l. acquired the AccYouRate group at a total purchase price of EUR 10 million initially to be paid not later than 7 October 2022. On 21 October 2022 SmarTee S.a.r.l. and the previous owners of the AccYouRate group agreed to amend the payment schedule, so that the purchase price was to be paid not later than 20 December 2023. On 20 December 2023, SmarTee

S.a.r.l. and the previous owners of the AccYouRate group agreed to further amend the payment schedule, so that payment was to be made no later than 30 September 2024. In a strategic agreement signed on 30 April 2024, Crown Energy, SmarTee S.a.r.l., Proger S.p.A., and the previous owners of the AccYouRate group outlined terms for addressing outstanding liabilities and facilitating future development. Under this agreement, Proger and the previous owners of AccYouRate were to acquire a 0.65% stake in SmarTee S.a.r.l. at the same valuation applied during Crown Energy's initial acquisition in February 2023. Additionally, the EUR 10 million liability owed by SmarTee to the previous owners was to be converted into shares, while Crown Energy committed to providing EUR 1,750,000 in further financing to AccYouRate. This strategic plan also stipulated the conversion of both Crown Energy's loans (totaling EUR 8,470,000) and Proger's historical loans (EUR 300,000). However, the execution of these agreements was contingent upon shareholder approval. Following the rejection of the proposal by a minority shareholder at Crown Energy's EGM on 10 June 2024 and on 5 August 2024, the agreement could not be realised. Regarding the EUR 10 million liability, Crown Energy is continuing constructive discussions with the parties to explore alternative solutions in relation to this.

As the intention of the parties was to convert liabilities into equity, which due to the rejection by the minority shareholder could not be performed, Crown Energy has held ongoing and productive discussions with the creditors to ensure that the group has sufficient cash flows to maintain operations going forward in alignment with the mutual ambitions for the company. These discussions not only involve the EUR 10 million liability but also the payments relating to the purchase of SmarTee. As part of these discussions, the seller of SmarTee, have expressed flexibility and agreed to amendments to the payment schedule. More information about this can be found in the section covering significant events after 30 September 2024.

#### Strategic Partnership with KAYA

On 5 February 2024, the Company entered into a strategic partnership cooperation agreement with KAYA and KAYA's shareholder. Under the agreement, the parties agree to cooperate in various defined projects. As part of the agreement, Crown Energy shall *inter alia* contribute with the provision of local facilities and resources in Angola, relationships and experience from operating in Angola, as well as funding for KAYA in certain cases. KAYA shall contribute with *inter alia* scientific know-how in the field of natural climate solutions, operational capacity in the form of experts, marketing and sale of ecosystem services such as carbon offsets, and the monitoring and evaluation of carbon removals. Under the agreement, Crown Energy through an Angolan subsidiary, provided a credit facility to KAYA of AOA 400,000,000, to be used for the cooperation. The credit has been fully advanced and is subject to an annual interest rate of six per cent and be repaid by 11 October 2025. At the discretion of Crown Energy, this debt may be converted into shares representing 10 per cent of the total share capital in KAYA. Further Crown Energy, under the agreement, also be entitled to have exclusivity in relation to acquire a majority share in KAYA. During the latter part of 2024 Crown Energy has increased its commitment towards the KAYA initiative by providing a further 500 000 EUR by ways of another convertible loan agreement. This second convertible loan grants Crown Energy the right to convert it into a minimum of an additional 10 % of the shares in KAYA. This convertible can also be repaid by 11 October 2025.

Notably, while the first convertible loan was provided from the Angolan subsidiary of Crown Energy to the Angolan subsidiary of KAYA and the second convertible between the parent company Crown Energy and the German parent company KAYA, both convertible loans grant Crown Energy the right

to convert the debt into shares at the parent company level. Sales agreement for C-View building in Angola

On 30 April 2019, Crown Energy entered into an agreement for the sale of the C-View property in Angola. The buyer is the Angolan State via the Ministry of Finance. The transaction was made in Angolan kwanza and was agreed to be paid over three years, with an inflation compensation uplift to be paid by the buyer together with the final instalment. The purchase price initially corresponded to SEK 575 million after transaction costs and before taxes and inflation compensation and was due to be paid in six bi-annual instalments over three years. The payment schedule has subsequently been amended, and Crown Energy has as of the date hereof received approximately [80] per cent of the initial purchase price (before inflation compensation).

C-View, up until the economic control is transferred to the buyer, continues to be managed by Crown Energy, which means that it is 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 the date of this Information Memorandum, the client had not taken 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 the Ministry of Finance are recognised as deferred income (classified as a contract liability) until economic control is transferred to the Ministry of Finance. As per 30 September 2024, the contract liability related to the C-View sale amounted to SEK 186,411 thousand, which in local currency corresponds to 80 per cent of the total sales price.

As stated above, 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 the changes in payments schedule of the agreement by the Angolan Governmental buyer. The second is that Crown Energy still awaits 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 Crown Energy 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 has not yet accounted for the inflation compensation.

#### Disposal of oil and gas assets

On 20 October 2021, the Company entered into an agreement for the disposal of (or granting of pre-emption rights over) its up-stream oil and gas assets, excluding licensed operations in South Africa but including its licence relating to the Salah Aldeen region in Iraq. The consideration under the

agreement amounted to up to USD 450 million before deduction of transaction costs. Under the terms of the agreement, the purchaser has the right to acquire (and/or is granted rights applicable in the event of Crown Energy's disposal) the Company's up-stream oil and gas assets, including all associated claims but excluding licensed operations in relation to Block 2B in South Africa. Any such acquisition will be effected through the acquisition of the entire issued share capital of the relevant subsidiary entities. Crown Energy has separately withdrawn from the joint venture relating to the operations in Block 2B in South Africa.

The total consideration amounts to USD 450 million before deduction of transaction costs. The first instalment was received by Crown Energy on 27 October 2021, amounting to USD 75 million.

Additionally, the purchaser is obliged to pay an additional USD 8 million to the Company on each six-month anniversary of signing the agreement with a final payment of USD 33 million on the five-year anniversary, up to an aggregate of USD 105 million as an additional consideration. As of the date hereof, the Company has received a total of USD 123 million under the agreement.

Any acquisition of a subsidiary entity will be subject to regulatory approval and customary closing conditions. It is expected that completion of the first acquisition contemplated shall occur prior to 20 October 2026. Following the acquisition of the initial subsidiary entity, the purchaser shall also pay up to USD 270 million in earn-out consideration during the earn-out period in case certain milestones are achieved.

#### **Intellectual property**

The Company's intellectual property rights portfolio consists mainly of patents, patent applications and trade secrets and know-how.

The Company's patents, held via its subsidiaries, are listed below.

<b>Description</b>	<b>Patent family</b>	<b>Status</b>	<b>Territory</b>
Clothing with a sensorized band and adjustable circumferential closure to fasten the band.	CA3121715	Pending.	Canada.
	EP3911191	Pending.	Europe.
	US 17/311400	Pending.	USA.
	102018000010886	Granted.	Italy.
Conductive polymeric composition and method for preparing the conductive polymeric composition.	CA3138429	Pending.	Canada.
	EP3963006	Pending.	Europe.
	US 17/607313	Pending.	USA.
	102019000006437	Granted.	Italy.
Biometric data acquisition system comprising a control unit and a sensorised garment.	102021000027287	Pending.	Italy.

Wearable textile sensorised device, garment comprising the same and manufacturing method thereof.	102022000017160	Search report received.	Italy.
	PCT/IB2023/058118	[Search report expected by the end of 2023.]	WIPO.

### **Related party transactions**

Apart from what is described below, no transactions between board members or other related parties and subsidiaries occurred during the period of the financial history as presented in this Information Memorandum. It is the Company's view that these transactions have been carried out on commercial terms.

#### Purchases and sales within Crown Energy

Of the parent company's revenue for the first nine months 2024 amounting to SEK 1,988 thousand and for the full year 2023, amounting to SEK 3,429 thousand, 100 per cent (100) represents re-invoicing and management fees to other companies within the Crown Energy group. Of the Parent Company's total interest income, 91 per cent (100) relates to other entities within the Crown Energy 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 5,017 thousand for the period.

Yoav Ben-Eli received a salary of approximately SEK 53 thousand per month from the parent company for the period January-September 2024, totalling SEK 497 thousand.

Arnaldo Usai, the founder of AccYouRate Group S.p.a, received remuneration in 2023 through a consulting agreement for his role as Chairman of the Italian subsidiaries and for research and development activities. The compensation amounted to EUR 67.3 EUR thousand.

Proger Spa is performing management services in Italian subsidiaries within SmarTee Group, the services amounted to EUR 90 thousand for the reporting period.

#### ESI Angola

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 9,651 thousand during the period January – September 2024.

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 2023. As of 30 September 2024, this receivable amounted to the equivalent of SEK 48,203 thousand including interest.

### **Mentor and advisers**

Amudova AB acts as the Company's mentor. The agreement according to which Amudova AB is the Company's mentor is ongoing with 3 months mutual notice period. Amudova AB does not hold any shares in the Company as per the date of this Information Memorandum. Advokatfirman Hammarskiöld & Co AB acts as legal adviser to the Company in connection with the List Change, and may provide additional legal services to the Company.

### **Insurances**

Crown Energy holds adequate and customary insurance coverage for the conducted business. The Company's assessment is that the insurance coverage is comprehensive and sufficient. There can be no assurance, however, that the Company will not incur losses that is not covered by these insurances.

### **Permits**

#### Salah Aldeen – Iraq

On 19 October 2017, the Company – through Crown Energy Iraq AB – entered into a restated and amended production sharing contract with the local Salah Aldeen governorate in Iraq, whereby the Company has obtained an exclusive license to perform certain petroleum operations within the Salah Aldeen governorate. Under the license, the Company is the operator and holds the exclusive right to perform oil and gas work within the area. The contract is valid for an initial term of 15 years from 29 September 2011. The initial term is divided into two sub-periods, where the first sub-period ended 29 September 2023, and the second sub-period shall end three years thereafter. According to the agreement, the Company is entitled to move to the second sub-period provided that certain conditions are fulfilled or carried over to the second sub-period. Prior to the end of the first phase of the license, the Company informed the governorate of Salah Aldeen that the license was entering the second sub-period in accordance with the terms of the production sharing contract. The Company has, however, not received a formal confirmation from the governorate that the license has moved into the second phase.

Apart from what is stated above, the Company does not currently conduct any activities that require a permit.

### **Disputes**

The Company is not currently, and has not during the last 12 months, been involved in any authority, legal or arbitration proceedings (including proceedings that are pending or proceedings that, to the best of the Company's knowledge, threaten to be initiated) that have had, or could get, significant effect on the Company's financial position or profitability.

### **Request to appoint a special examiner**

On 23 July 2024 a shareholder holding at least one-tenth of all shares in Crown Energy AB (the "Company") requested that the Company, in accordance with Ch. 7 Sec. 13 of the Swedish Companies Act, convenes an extraordinary general meeting to decide on the appointment of a special examiner in accordance with Ch. 10 Sec. 21-22 of the Swedish Companies Act.

The date for the extraordinary general meeting was 9 September 2024. The shareholder had proposed that the special examiner shall review the management and accounts since 2021, focusing on the management's actions and its alignment with the company's and shareholders' best interests.

The shareholder further proposed that the examination was to include the acquisition of 85 % in SmarTee S.á.r.l. and the ongoing divestment of our oil and gas assets. The shareholder also proposed that the review shall assess the ongoing transition to the healthcare sector as well as determination of any pre-existing relationships between officials in SmarTee S.á.r.l. and Crown Energy AB.

During the Extraordinary General Meeting of 9 September 2024 shareholders representing more than one tenth of all shares in the company voted in favour of the proposal on the appointment of a special examiner, which meant that preconditions were fulfilled for applying for the special examination with the Swedish Companies Registration Office ("the SCRO"), in accordance with the proposal.

In November 2024 Crown Energy was informed by the SCRO that a special examiner had been appointed. The appointed examiner was the person proposed by the minority shareholder. As Crown Energy had certain inquiries in relation to the appointed examiner, such as the location in relation to the registered office of Crown, an appeal has been filed with the SCRO. The appeal is in relation to the appointment of the examiner itself and includes a request that the SCRO is instead to be the independent party deciding on what person to appoint. Crown Energy remains committed to cooperating fully with the examiner that is ultimately appointed.

#### **Costs**

The Company's total costs for the List Change are expected to amount to approximately TSEK 3,500 . Such costs are primarily attributable to costs for auditors, legal advice, mentor and investor relations.

#### **Brief information on the regulatory differences between NGM Main Regulated and Nordic SME**

Crown Energy is currently traded at the regulated market NGM Main Regulated. The List Change will entail a change of trading venue to Nordic SME, which is a multilateral trading facility (MTF). The change from a regulated market to an MTF entails in certain respects that the rules which the Company shall comply with relating to disclosure and corporate governance matters change. The result of this is, *inter alia*, that shareholders in the Company will no longer be obliged to make notifications of changes in major shareholdings, that the Company no longer has to publish regular financial information in accordance with IFRS and that certain provisions relating to regulated markets regulated in Swedish law will instead be applicable to the Company through so called self-regulation, e.g. with respect to related party transactions and public takeover offers.

The Company's intention is that the level and quality of the Company's provision of information and financial reporting are not materially reduced as a result of the changed listing venue.

#### **References to websites**

Information available on the Company's website or other websites that are referred to in the Information Memorandum does not form part of the Information Memorandum unless such information has explicitly been incorporated into the Information Memorandum by reference.

#### **Documents incorporated by reference**

The following documents are incorporated into the Information Memorandum by reference and thus form part of the Information Memorandum. The parts of the documents below that are not incorporated are either not relevant to an investor or are reproduced elsewhere in the Information Memorandum.



<b>Annual report for 2023 (audited)</b>	<b>Page</b>
<i>Management report</i>	29 - 32
<i>Income statement – Group</i>	33
<i>Balance sheet – Group</i>	34
<i>Changes in equity – Group</i>	35
<i>Cash flow analysis – Group</i>	36
<i>Income statement – Parent Company</i>	37
<i>Balance sheet – Parent Company</i>	38
<i>Changes in equity – Parent Company</i>	39
<i>Cash flow analysis – Parent Company</i>	40
<i>Notes</i>	41 – 73
<i>Auditor’s report</i>	75 – 78

<b>Interim report for the period 1 January – 30 September 2024 (reviewed by company auditor)</b>	<b>Page</b>
<i>Income statement – Group</i>	11 - 12
<i>Balance sheet – Group</i>	13
<i>Changes in equity – Group</i>	14
<i>Cash flow analysis – Group</i>	14
<i>Income statement – Parent Company</i>	17
<i>Balance sheet – Parent Company</i>	18
<i>Changes in equity – Parent Company</i>	19
<i>Notes</i>	21 – 31
<i>Auditor’s report</i>	36
<b>Interim report for the period 1 January – 30 September 2023 (reviewed by company auditor)</b>	<b>Page</b>
<i>Income statement – Group</i>	7 - 8
<i>Balance sheet – Group</i>	10
<i>Changes in equity – Group</i>	11
<i>Cash flow analysis – Group</i>	11

<i>Income statement – Parent Company</i>	14
<i>Balance sheet – Parent Company</i>	14
<i>Changes in equity – Parent Company</i>	15
<i>Notes</i>	16 - 25
<i>Auditor’s report</i>	26

**Documents available for inspection**

Copies of the following documents are, during the period of validity of the Information Memorandum, available for inspection during office hours at the Company’s main office (Skeppargatan 27, SE-114 52 Stockholm, Sweden): (i) the Company’s articles of association and certificate of incorporation, (ii) annual reports for the financial years of 2023, including auditors’ reports, (iii) interim reports for the period 1 January – 30 September 2024 and the period 1 January – 30 September 2023, and (iv) this Information Memorandum.

These documents are also available in electronic form on the Company’s website ([www.crownenergy.se](http://www.crownenergy.se)).

## **DEFINITIONS**

<b>ABG</b>	ABG Sundal Collier ASA.
<b>AOA</b>	Angolan kwanza.
<b>Data Protection Regulation</b>	The General Data Protection Regulation 2016/679/EU of the European Parliament and of the Council.
<b>EUR</b>	Euro. No additional abbreviations are used for thousands and millions.
<b>Euroclear Sweden</b>	Euroclear Sweden AB, reg. no 556112-8074.
<b>IFRS</b>	The International Financial Reporting Standards, as adopted by the EU.
<b>MDR</b>	Regulation (EU) 2017/745 of the European Parliament and of the Council of 5 April 2017 on medical devices.
<b>Nordic SME</b>	The multilateral trading platform and growth market for small and medium sized companies operated by NGM.
<b>NGM</b>	Nordic Growth Market NGM AB, reg. no. 556556-2138.
<b>PwC</b>	Öhrlings PricewaterhouseCoopers AB.
<b>SEK</b>	Swedish krona. No additional abbreviations are used for thousands and millions.
<b>The Code</b>	The Swedish Corporate Governance Code.
<b>The Company or Crown Energy</b>	Depending on the context, Crown Energy AB (publ), reg. no. 556804-8598, or the group in which Crown Energy AB (publ) is the parent company.
<b>The Information Memorandum</b>	This Information Memorandum.
<b>The List Change</b>	The Company's change of listing venue from NGM Main Regulated to Nordic SME.
<b>The Swedish Companies Act</b>	The Swedish Companies Act (2005:551).
<b>U.S. Securities Act</b>	The U.S. Securities Act of 1933, as amended.
<b>USD</b>	US dollars. No additional abbreviations are used for thousands and millions.

## **ADDRESSES**

### **The Company**

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