

Press release
Stockholm, 28 May 2018

New sales channel established and all oil produced during January-April 2018 sold on pre-payment

Zhoda Investments ("Zhoda") presents an operational update on the oil operations near Poltava in Ukraine. During the first four months of the year, Zhoda's 45 per cent share of the field production amounted to 33 000 barrels. The company has successfully established a new sales channel to reduce the lead-time from production to receipt of payments. All of the oil produced during the first four months of the year has been sold on pre-payment, and this has generated revenues of approximately SEK 16 million.

"We have taken several important steps in the development of our oil operations. We are very pleased that last year the license was renewed for 20 years. The fact that we on several occasions now have been able to sell oil on pre-payment is a break through. It improves cash flow and reduces the credit risks. At today's oil price the oil operations are very profitable and during the year we expect to resume a dividend program from the operator to the shareholders, including Zhoda", says Robert Karlsson, CEO of Zhoda Investments.

Production during January-April amounted to 279 barrels per day. The company expects to increase this to over 300 barrels per day during the year by executing a work over program including pump optimizations.

Given a continued stability in production and sale of oil, Zhoda expects to be able to resume a dividend program to the parent company from the oil operations during 2018. The royalty on production was decreased from 45% to 29% of the oil price during 2017, and this has significantly increased profitability.

Zhoda Investments fully owned subsidiary holds 45 per cent of the capital in the license holder and operator of the Lelyaki field. All amounts above relate to Zhoda's 45 per cent holding in the operator.

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About Zhoda Investments

Zhoda Investments invests in selected unlisted European ventures and drives growth and profitability through active ownership and an entrepreneurial approach. Zhoda owns an organic winery in Dalmatia with a 47-hectare state of the art vineyard producing red wine from the local Babic grape. Zhoda has also acquired a winery on the Dalmatian island of Korcula that produces white premium wines from the indigenous Posip grape. The group also holds a 45 per cent interest in the Lelyaki oil field in Ukraine with 2P proven and probable oil reserves of 8 million barrels net to the company. Zhoda Investments is actively pursuing new investments. The company's shares are traded on Pareto Securities OTC. For more information, visit www.zhodainvestments.com.

This is an English translation of the Swedish original. In case of discrepancies, the Swedish original shall prevail.