

Press release  
Stockholm, 7 February 2019

## Operational and financial update from the oil operations 2018

**Zhoda Investments ("Zhoda") announces an operational and financial update for 2018 on the oil operations near Poltava, Ukraine. The company has maintained a stable oil production and all of the oil produced during the year was sold on prepayment.**

During 2018, Zhoda's 45 per cent interest in the field production amounted to 95,000 barrels. All of the oil produced during the year was sold on prepayment during 2018 for an amount of approximately SEK 52 million.

"The oil operations have had a solid development during the year. The new sales channel with prepayments has significantly improved cash flow and we are very glad that we have strengthened the oil operations balance sheet and resumed payment of dividends to the parent company", says Robert Karlsson, CEO of Zhoda Investments.

It has been a prioritized objective for Zhoda to strengthen the oil field operator's balance sheet by settling historic operational debt and to reach a financial position where the operator can resume payment of dividends. During 2018, the operator has settled SEK 20 million (an increase of SEK 4 million since the latest update as of 31 October 2018) of the SEK 26 million of historical debt at the beginning of the year.

Zhoda's 45 percent share of the operator's free cash flow after tax amounts to approximately SEK 20 million per year at the current production level. During the past few months, Zhoda Investments has received dividends of SEK 2 million, an increase of SEK 1 million since the latest update as of October 2018. Given continued stability in production and sales the operator expects to settle the outstanding historical payables during spring 2019. Following that, the operator expects to be able to distribute dividends to Zhoda corresponding to its share of the yearly cash flow, that is approximately SEK 20 million per year at the current level of production and oil price.

Zhoda Investments owns through its subsidiary 45 per cent of the license holder and operator of the Lelyaki oil field. All the amounts above relate to Zhoda's 45 per cent working interest 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 mainly producing red wine from the local Babic grape. Zhoda is also the owner of 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. For more information, visit [www.zhodainvestments.com](http://www.zhodainvestments.com).

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