

Press release
Stockholm, 15 September 2021

Zhoda Investments granted investment subsidy of SEK 15 million for the construction of a new winery

Zhoda Investments' wholly owned subsidiary Testament Winery is Croatia's first Swedish winery. The goal is to create Croatia's best wine. The company has been granted an investment subsidy of up to SEK 15 million for the construction of a new winery designed to increase and optimize production capacity and create new revenue streams from sales and tastings at the winery.

"Testament Winery has established a strong brand and doubled sales every year the past four years. We have now proven that we are able to meet the increasing demand both in Croatia and internationally of sustainably produced wines made on local Dalmatian grapes. The success at Decanter, the world's most influential wine competition, as well as the fact that the wines now are sold at several Michelin star restaurants is very encouraging. We are now ready to take the next step in the development of the wine operations. The granted investment subsidy plays an important role in the financing of the new winery, which will take us several steps towards reaching the vision of a production of one million bottles per year", says Robert Karlsson, CEO of Zhoda Investments.

Testament Winery operates a 50-hectare organic vineyard in the Croatian coastal region of Dalmatia. Following the acquisition in 2017, Zhoda has developed the operations from grape farming into one of Croatia's most successful wineries selling award-winning premium wines under the brand Testament.

In order to take new steps towards reaching the vision of one million bottles per year, Testament Winery intends to build a brand new winery with increased and improved capacity for production and ageing. The winery will also become an attractive wine and gastro landmark, allowing for new revenues streams from sales and tastings at the winery. The company has contracted Croatia's leading wine architect to design the winery, which will make an impact not only on the wine market in Croatia, but all around the Mediterranean.

In order to finance the construction, the company has applied for and been granted an investment subsidy from the EU Structural and Development Funds of fifty per cent of an investment up to three million euro, equivalent to a granted subsidy of up to euro 1.5 million. Following the completion of the ongoing tender for the construction, Testament will be able to provide further information on the total investment amount. The company has also initiated discussions with banks regarding debt financing.

All Swedish wine lovers are invited to join Testament's wine club at www.testamentvanner.com.

For more information, please contact:

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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. In the coastal region of Dalmatia in Croatia, Zhoda owns and manages Testament Winery and Black Island Winery. Based on indigenous organic grapes and a two thousand year old wine tradition, it is Zhoda's award-winning winemakers' objective to create Croatia's best wine and to become the country's leading exporter of premium wines. The vision is to reach a production of one million bottles per year. 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.

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