



PRESS RELEASE 19<sup>th</sup> NOVEMBER 2021

## **Operational update**

Petrogrand AB (Publ) ("Petrogrand") is pleased to provide the following operational update:

### **Update regarding new bank relations**

In the annual report for 2020, Petrogrand communicated that the company's bank had unilaterally terminated the company's engagement. The company believes that the reason for the termination is the increasingly restrictive attitude of the major Swedish banks towards companies with business abroad and towards companies with a connection to oil & gas. All major Swedish banks have acted in unison and during 2020 a large number of companies have had their banking engagements terminated.

It is very pleasing to be able to announce that Petrogrand now has established a bank connection with a major European bank. The bank operates internationally and in addition has well established business in Russia.

### **Claim on Lemerdo Ltd**

In the annual report for 2020, the company also communicated that a claim was made towards Lemerdo Limited and a former CEO of Petrogrand. In 2015, the then Board of Directors and the former CEO formulated a claim for damages, which was subsequently assigned to a Russian company. Shortly afterwards, the Russian company thereafter in its turn assigned the claim to a Cypriot company, Lemerdo Limited. The claim has since been the subject of a legal process in both the district court (tingsrätten) and the court of appeal (Svea hovrätt) where it was also revealed that the former CEO is the ultimate beneficiary owner of Lemerdo Limited. The assignment agreement included a right for Petrogrand to receive 50% of any payments under the claim. The claim for damages was regarding breach of contract when Petrosibir AB (then Shelton Petroleum AB) in December 2013 rejected Petrogrand's request to convert a convertible loan that Petrosibir had issued.

In mid-April 2021, the company became aware that the parties had settled out of court. The outcome of the settlement is unknown to the company. The parties have, despite Petrogrand's written claim, not shown any sign of recognizing Petrogrand's rights.

The company has reviewed the circumstances surrounding the assignment and conducted an internal investigation and may initiate proceedings in Sweden and Russia to assert its rights.

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About Petrogrand

For more information visit the company's webpage [www.petrogrand.se](http://www.petrogrand.se)