



Interim Report for the
three months
ended 31 March 2011

Selena Oil & Gas AB

company registration number 556814-3084



HIGHLIGHTS

First quarter 2011

- Production of 25.4 Mbbl up 7.6% as compared to first quarter 2010 (Q1 2010: 23.6 Mbbl)
- 9.0 Mbbl of third party oil sold through own Transneft Access Point (Q1 2010: 3.4 Mbbl, increase of 163.2%)
- EBITDA of 668 TSEK up 4 times as compared to pro forma EBITDA for the first quarter 2010 (Q1 2010: 156 TSEK)
- Net result a profit of 212 TSEK (Q1 2010: loss of 115 TSEK)
- Net debt 16,887 TSEK
- Acquisition of license for Komarikhinskoye oil and gas field completed
- DeGolyer & MacNaughton assessment of reserves commissioned and in progress

Second quarter 2011 progress to date

- Acquisition of OOO Georesurs completed
- Reverse take-over of Emitter Holding AB completed, Emitter Holding AB renamed to Selena Oil & Gas Holding AB (publ)
- Company description review pending by the Stock Exchange

	Q1 2011	Q1 2010	2010
Production, Mbbl	25,4	23,6	93,8
Production, bopd	282	262	260
Revenue TSEK	8,574	6,038	23,327
EBITDA TSEK	668	156	877
EBITDA margin (%)	7,8%	2,6%	3,8%
Operating loss TSEK	(999)	(676)	(3,514)
Net result TSED	211	(115)	(2,699)

Abbreviations

EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EUR	Euro
RUR	Russian rouble
SEK	Swedish krona
USD	US dollar
TSEK	Thousand SEK
TUSD	Thousand USD
TRUB	Thousand RUB

Oil related terms and measurements

boe	Barrels of oil equivalents
boepd	Barrels of oil equivalents per day
bopd	Barrels of oil per day
Mbbl	Thousand barrels (in Latin mille)
Mmbbl	Million barrels
Mboe	Thousand barrels of oil equivalents
Mboepd	Thousand barrels of oil equivalents per day
Mbopd	Thousand barrels of oil per day

BACKGROUND INFORMATION

Selena Oil & Gas AB ("SAB", "Parent" or the "Company", and together with its subsidiaries the "Group") is an independent Swedish oil and gas holding company with proved and producing assets based in the Russian Federation. The Group is engaged in the production and transportation of oil in the Volga-Ural region of the Russian Federation, including in Perm and Udmurtia. The Volga-Ural region has a well-developed infrastructure as well as a high concentration of heavy industry. Several major oil and gas pipelines pass through the region. The Volga-Ural region is located in the European part of Russia.

The Company was established by entrepreneurs Mr. Oleg Popov, Mr. Indrek Rahumaa, Mr. Jürgen Lamp, Mr. Vyacheslav Pershukov and

Mr. John Bonfield on 7 July 2010 with the purpose to consolidate various oil and gas assets in the Volga-Ural region of the Russian Federation, more specifically in Perm and Udmurtia regions.

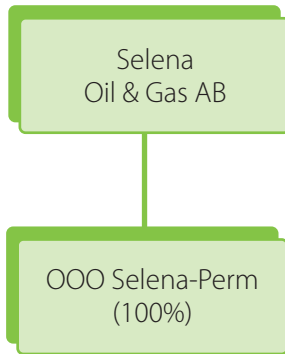
The Company acquired its first energy assets in November 2010 when the agreement was signed for the contribution in kind of OOO Selena-Perm and OOO Selena-Neft to the capital of the Company. The operations of these subsidiaries involve the exploration and extraction of oil. OOO Selena-Perm and OOO Selena-Neft were merged in January 2011 with OOO Selena-Perm as the surviving entity. The history of OOO Selena-Perm dates back to 1997, and it started oil production in 2001.



GROUP STRUCTURE

Group structure as of 31 March 2011

The Group's structure as of 31 March 2011 is presented below. The financial information for the three months' period ended 31 March 2011 is prepared on the basis of the Group structure below.

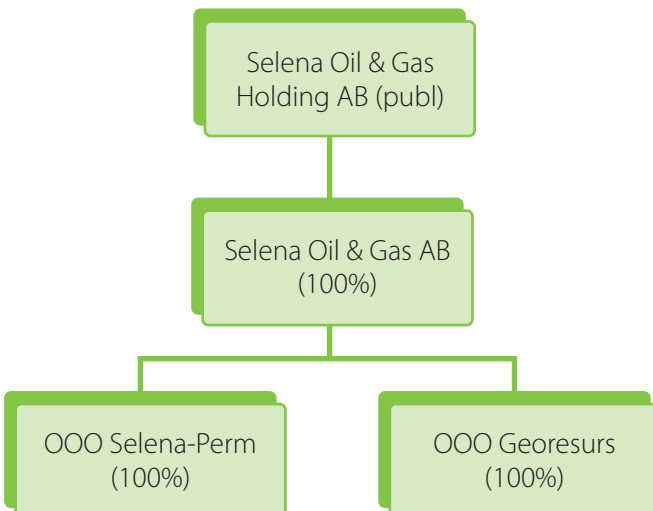


The parent company's full name is Selena Oil & Gas AB (until 9 February 2011: Altare AB). It is a limited company with its head office in Stockholm. The corporate identification number is 556814-3084. The address of the parent company is Wallingatan 32/34, 10130 Stockholm.

Selena Oil & Gas AB is a holding company and was incorporated as a special purpose vehicle with the purpose of forming the Group as described above. As at the date of this report, SAB is not engaged in any independent operations. The management is considering a corporate restructuring of the newly formed Group in order to ensure efficiency and transparency of the Group, which could result in elimination of Selena Oil & Gas AB through liquidation, merger or other equivalent proceedings.

Group structure after the reporting period

After the end of reporting period, the structure of the Group changed and is presented below:



As at the date of this report the Group consists of Selena Oil & Gas Holding AB (publ) (previously Emitter Holding AB, further SOG) and three 100% subsidiaries: Selena Oil & Gas AB, registered in Sweden, and OOO Selena-Perm and OOO Georesurs, both registered in the Russian Federation.

Selena Oil & Gas Holding AB

SOG is the ultimate holding company of the Group and does not carry out independent operations. SOG current majority shareholders – Bryum Estonia AS, Mr. Oleg Popov, Ms. Nadezhda Popova and Ms. Elena Popova – acquired their shareholding in SOG in the course of a reverse take-over transaction, whereas the General Meeting of shareholders of SOG that took place on 6 May 2011 resolved to issue to Bryum Estonia AS, Mr. Oleg Popov, Ms. Nadezhda Popova and Ms. Elena Popova shares of SOG corresponding to 97.5% of all the shares of SOG. The new shares of SOG issued to the aforementioned persons were paid for with a contribution in-kind, i.e. 100% of the shares of Selena Oil & Gas AB. The same General Meeting of shareholders resolved to change the business name of SOG from Emitter Holding AB to Selena Oil & Gas Holding AB and to change the objective of the company.

SOG was registered with the Swedish Companies Registration Office on 24 April 2003. The objective of SOG before the reverse take-over was to, by itself or through wholly-own subsidiaries, develop and produce, as well as trade in, equipment for receiving, forwarding and measurement of satellite signals, as well as to own and manage shareholdings in subsidiaries and associated companies, and conduct related activities. These operations were carried out through its subsidiary Emitter International AB. At the General Meeting of shareholders that took place on 6 May 2011, it was resolved to distribute the shares held in Emitter International AB to the shareholders of SOG. Share distribution of Emitter International AB has been completed. Share register of Emitter International is now held by the Emitter International and shares are not registered with Euroclear. All enquiries related to Emitter business are now handled by the management of Emitter International AB.

BASIS FOR PREPARATION OF THE INTERIM REPORT

This interim report has been made pursuant to the requirements of IAS 34 Interim Financial Reporting of the International Accounting Standards and the International Financial Reporting Standards (IFRS) adopted by the European Union. The same accounting methods were used in the preparation of interim reports as in the Annual Report for the financial year which ended on 31 December 2010.

This interim report shows results in thousands of SEK (TSEK). Exchange rates used for the conversion of subsidiary financial information are:

	RUB/USD	USD/SEK	SEK/RUB
Average Q1 2011	29.1640	6.4646	0.2217
Closing rate 31.03.2011	28.4290	6.3416	0.2231

This Interim Report has not been audited.

The financials of the Parent company are prepared in accordance with accounting principles generally accepted in Sweden, applying RFR 2 issued by the Swedish Financial Reporting Board and the Annual Accounts Act (1995: 1554). RFR 2 requires the Parent company to use similar accounting principles as for the Group, i.e. IFRS to the extent allowed by RFR 2. The Parent company's accounting principles do not in any material respect deviate from the Group's principles.

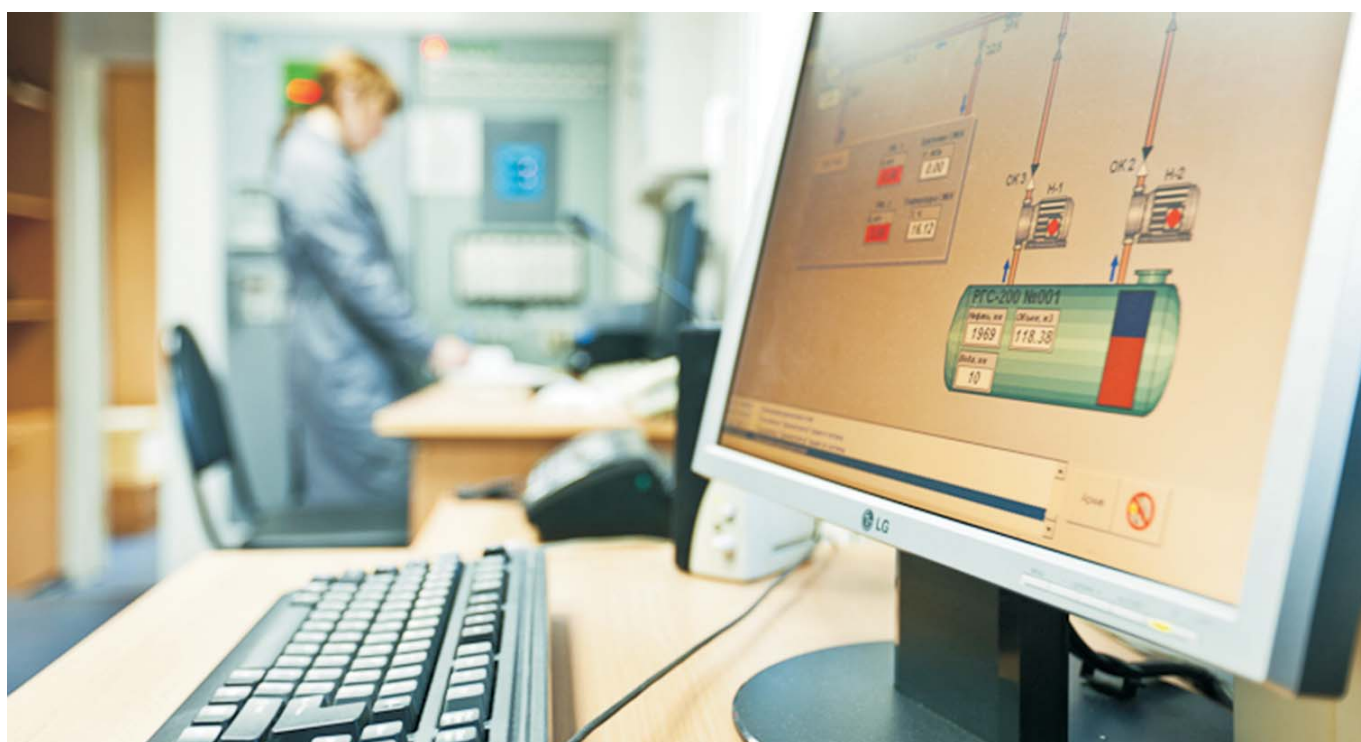
Comparable information for Q1 2010

Selena Oil & Gas AB was established on 7 July 2010 and had no substantial operations in 2010. Selena Oil & Gas AB acquired 100% of

the shares in OOO Selena-Perm and OOO Selena-Neft on 26 November 2010. As the result, Selena Oil & Gas AB is consolidating the financial results of its Russian subsidiaries starting from 31 December 2010; therefore, the statement of comprehensive income presented in this report for 2010 reflects the results of operations of Selena Oil & Gas AB as a stand-alone entity for period from 7 July 2010 to 31 December 2010.

For the purpose to provide the comparative information for 2010, the management has prepared the pro forma financial information presented in this report to illustrate how the acquisition of OOO Selena-Perm and OOO Selena-Neft might have affected the the results of operations of the Group, had SAB been established on 1 January 2010 and had the acquisition of subsidiaries been undertaken on 1 January 2010. Pro forma information for 2010 is part of the audited financial statements of the Group. Due to the fact that the consolidated statement of financial position of the Group as of 31 December 2010 presented in this report already includes full assets and liabilities of the Group, the pro forma financial information presents only the statement of comprehensive income for Q1 2010 and the financial year 2010.

The pro forma financial information has been prepared for illustrative purposes only and because of its nature the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the actual results of the Group in Q1 2010 and in 2010, nor does it provide any basis to forecast results for any future periods.



Komarikhinskoye field acquisition

On 24 February 2011 OOO Selena-Perm participated in an auction for and won the licence for the exploration, development and production on the Komarikhinskoye field for 8,534 TSEK (1,320 TUSD). The subsoil licence no ПЭМ 15133 НЭ was issued on 30 March 2011 and will be valid until 2031. Komarikhinskoye field is located 45 km north from Visokovskoye field (which is already developed by the Group) and it will be relatively easy and feasible to integrate it with the production and logistics system of Visokovskoye. The Group will have this field evaluated according to the PRMS standards by the end of Q2 2011.

OOO Georesurs acquisition

On 17 April 2011 SAB acquired a Russian company OOO Georesurs for a total purchase consideration of 3,491 TSEK (540 TUSD). OOO Georesurs has no operations at this point but holds exploration licences for 3 blocks in the Perm region of the Russian Federation – Anelko-Patrakovski, Patrakovsko-Timenski and Chikalinski blocks. In total these 3 blocks have 84 million boe of category D resources according to the Russian classification. As these resources are located in the same region, and Chikalinski specifically is located close to Visokovskoye field owned by OOO Selena-Perm, the management sees a good opportunity in exploring and developing these assets in the future. The Group is currently in the process of the audit of the resources, and the classification of resources according to the PRMS standards is expected to be available by the end of Q2 2011.

DeGolyer and MachNaughton report

In the beginning of the year the Group commissioned a geological audit by an international oil engineering and consulting firm DeGolyer & MacNaughton for all of the fields owned by the Group, including the Komarikhinskoye Field and exploration blocks acquired in March 2011. The results will be published in the end of Q2 2011.

Process to obtain connection to the Gazprom pipeline

In Q1 OOO Selena-Perm contacted Gazprom to start the process of connecting the Visokovskoye gas field to the Gazprom pipeline system. The Group received preliminary technical conditions from Gazprom and preparations were made for signing the contract. Gazprom is in the process of preparation of a thorough analysis and final technical conditions for the field to be connected to the pipeline.

New CFO

Ms. Baiba Gegere joined the Group's management team as the Chief Financial Officer in April 2011. Ms. Gegere is a Latvian resident and holds a degree from Vidzeme University, and is ACCA certified. She started her career and spent 4 years with KPMG Baltics, then gained experience from Lattelecom and Alta Capital Partners to become the Chief Financial Officer of Silvano Fashion Group, a company with operations in Belarus and Russia, listed on OMX NASDAQ Tallinn and the Warsaw Stock Exchange.

IFRS reporting of the Group

Subsequent to the end of Q1 2011 the management completed the First time adoption for the financial reporting of OOO Selena-Perm and OOO Selena-Neft. Financial statements in accordance with the International Financial Reporting Standards (IFRS) were prepared for the three-year period for the underlying subsidiaries of the Group. Furthermore, IFRS financial statements of the Group were prepared for 2010. The Group intends to continue with ensuring full IFRS compliance in subsequent reporting. The Group's auditor for 2010 and 2011 is PwC.

Reverse takeover of Emitter Holding AB

On 6 May 2011 the shareholders of Emitter Holding AB (publ) resolved to issue 4,031,250,038 new shares of Emitter Holding AB in exchange for the contribution in kind of SAB shares. The name of Emitter Holding AB (publ) was changed to Selena Oil & Gas Holding AB (publ) in Q2 2011. Consequently, shareholders of SAB currently control approximately 97.5% of Selena Oil & Gas Holding AB (publ). As the result of the transaction, SAB with its new legal parent company Selena Oil & Gas Holding AB (publ) will become a NASDAQ OMX Stockholm First North listed company. The approval of the submitted Company Description to the Stock Exchange is pending as of the date of this report.

GROUP'S CORE ASSETS

As at the date of this report the Group owns two oil fields (Azinskoye and Dubrovinskoye) and two oil and gas fields (Visokovskoye and Komarikhinskoye). The Group also owns a Transneft Access Point, a direct access facility permitting the Group to deliver oil directly to a major oil pipeline. The Group furthermore owns 19 active wells and the necessary infrastructure for operating its assets, including railroads, storage facilities etc. The Group is also actively exploring opportunities to acquire additional oil and gas fields in the Russian Federation.

The Group's 2010 production was approximately 260 bbls/day of crude oil. The Group currently earns its revenue from sales of crude oil. Over the coming years, the Group's revenue structure is expected to change to also include sales of natural gas and revenue from oil trading activities, primarily sale of crude oil from other producers in the region to the pipeline through the Group's Transneft Access Point.

The Group holds licenses to four oil and gas fields with proven reserves, 3 licenses for prospective resources, and owns the infrastructure necessary for their operation.

Visokovskoye oil and gas field is the largest field owned by the Group. In 2010, the field produced 58.3 Mbbls of oil. The Visokovskoye field has gas reserves, however, currently does not produce natural gas. The field is located very favorably in the direct vicinity of the Gazprom pipeline with excess capacity in a region with many industrial consumers of natural gas and a clear deficit of gas supply. It therefore offers considerable potential to expand the Group's operations with respect to natural gas.

Komarikhinskoye gas field was acquired by OOO Selena-Perm Q1 2011 in the course of a public auction. The field is located only 40 km from Visokovskoye field and 4 km from nearest Gazprom pipeline.

Azinskoye oil field is in the mature stage of its lifecycle and the oil field produced 27.2 Mbbls of oil in 2010. **Dubrovinskoye oil field** produced 8.3 Mbbls in 2010.

Furthermore, after the acquisition of OOO Georesurs, the Group also holds the exploration licences for 3 blocks in the Perm region – **Anelko-Patrakovski, Patravskovo-Timenski** and **Chikalinski blocks**.

The synergy between the fields and other operations of the Group lies in the possibility to integrate the infrastructure with the Visokovskoye field.

The Group owns and operates a **Transneft Access Point** allowing the Group to sell crude oil produced by the Group directly to the pipeline operated by OAO Transneft (the state-owned operator of oil pipelines in the Russian Federation responsible for transporting over 90% of all oil produced in Russia). The access point has a transit capacity of 6 Mbbl/day. Direct delivery of oil to OAO Transneft through the access point allows the Group to sell oil at a higher price compared to local competitors who do not own similar access facilities. The access point may also be used for oil trading, through buying oil from the local producers and selling it at a higher price.

The Group has built or acquired and operates a full logistical infrastructure to efficiently transport and sell oil produced by it, including railway links, terminals, storage facilities and trucks.



Production update and status

Production volume in Q1 2011 increase by 7.6% as compared to the respective period in 2010 and amounted to 25.4 Mbbbl. The Group's production was 282 bopd which is a growth of 8.5% as compared to the average production per day in 2010. In May 2011 the Group was producing 332 bopd. The increase is explained by the initiatives started by the new management after the formation of the Group in the end of 2010.

Furthermore, Q1 2011 was the first period when a thorough review and the plan for measures to increase production increase was compiled. In the end of Q1 2011 the preparations for renovation of 2 wells in Visokovskoye field were completed with the plan to complete the renovation by the end of Q2 2011. Additionally, acid treatment schedule was planned for the Dubrovinskoye field and hydrofracturing for the Azinskoye field which should both be completed in H2 2011.

The effect of the initiatives started is anticipated for H2 2011. Furthermore, early stage preparations for probable drilling in the Visokovskoye field in the beginning of 2012 have been commenced.

Revenue and results

The Group's sales amounted to 8,574 TSEK in Q1 2011 representing a growth of 42.0% as compared to pro forma sales of the respective period in 2010. The volumes of own oil sold decreased slightly as in Q1 2010 a significant part of sales related to sale of oil in stock. Average oil price amounted to 259 SEK/bbl (40.0 USD/bbl) representing an increase of approximately 55% as compared to the respective period in the previous year.

EBITDA amounted to 668 TSEK in Q1 2011 as compared to 156 TSEK pro forma EBITDA in the respective period in 2010. EBITDA margin amounted to 7.8% and EBITDA per barrel amounted to 28 SEK (4.3 USD/bbl). The relatively low EBITDA margin and EBITDA per barrel are explained by low current production volumes of the Group. The management anticipates the scalability of the operations while maintaining the fixed overhead levels relatively unchanged.

Net result for the period was a gain of 211 TSEK. Net finance income amounted to 734 TSEK and mainly related to foreign exchange gain on USD denominated borrowings.

Investments

Q1 2011 investments amounted to 9,942 TSEK with the single largest single investment into the acquisition of the licence for the Komarikhinskoye Field for the total consideration of 8,534 TSEK. In addition, investments related to well re-works commenced on Dubrovskoye oil field.

Financial position and liquidity

Total assets of the Group amounted to 54,769 TSEK and decreased slightly as compared to the position as of 31 December 2010. As the result of investments made in Q1 2011 the property, plant and equipment balance increased and amounted to 44,693 TSEK as of 31 March 2011.

Cash and cash equivalent balance decreased from 13,590 TSEK to 1,182 TSEK mainly as the result of investments made and partial repayment of borrowings. Furthermore, the cash and cash equivalent balance also decreased as the result of prepayments of charges related to the anticipated listing of the Group.

The Group's total equity amounted to 24,660 TSEK as of 31 March 2011. Negative retained earnings of the Group are explained by the Group's selected accounting policy application for common control transactions. In 2010 the shareholders' to the Company approved increase of the Company's share capital to 100,000 TSEK by issuing 9,995,000 new shares in favour of Oleg and Nadezhda Popovs paid by contribution of 100% shares of OOO Selena-Perm and OOO Selena-Neft. The difference in the amount of 225,035 TSEK between the fair value of the investments into the subsidiaries as recorded in the books of the Company and the value of net assets of the subsidiaries as of the date of contribution to the share capital of the Company was recorded as deduction to retained earnings in line with the Group's accounting policies for use of book value accounting with respect to Group accounting for common control transactions.

Total loans and borrowings amounted to 18,069 TSEK which is a decrease of 1,672 TSEK as compared to the balance as of 31 December 2010. The decrease is explained by the amortization of principal on the loan of OOO Selena-Perm from Sberbank as well as by a partial repayment of a shareholder loan in the amount of 250 TUSD. In Q2 2011 further loan financing from the shareholder was received. For further details of the borrowings from the shareholder please refer to the Related Parties section.

Employees

As of 31 March 2011 the Group employed 91 employees. As of 31 March 2010 Parent company had no employees.

Comments on the Parent

The business of the Parent Company is investment in and management of oil and gas assets. The net assets of the Parent company amounted to 250,013 TSEK as of 31 March 2011. The net result of 528 TSEK for the three months' period ended 31 March 2011 includes selling, general and administrative expenses of 213 TSEK and net finance income of 741 TSEK generated mainly by foreign exchange gains on USD denominated loan.

Related party transactions

Bryum Limited UK (the parent company of Bryum Estonia AS which is a shareholder in SOG) has granted a loan to Selena Oil & Gas AB in order to finance the acquisition of certain energy assets in Russia and cover operational costs of the Group. The outstanding amount of the loan as at the date of this report is 2,050 TUSD. The interest rate applicable to the loan as agreed among the parties is 5% per annum. The final repayment date of the loan is 23 June 2012. The loan becomes payable if the Group is successful in raising certain amounts of additional financing.

Myrtyle Ventures Limited, a company related to Mr. Indrek Rahumaa (a member of the Board of Directors of SOG) subsequent to the end of the Q1 2011 undertook to provide loans to the Group under a stand-by loan facility in the amount of 500 TUSD. The loan facility carries an interest rate of 5% p.a. on amounts borrowed and is repayable by 23 June 2012.

In addition to the above, there are certain intra-group transactions between the Group companies and members of the management of OOO Selena-Perm; however, such transactions are not material for the operations of the Group as a whole.

All related party transactions of the Group have been made on market terms in all material aspects.



Selena Oil & Gas AB

As of 31 March 2011 the total number of authorised and issued ordinary shares of SAB was 10 million, with a par value of 10 SEK each. Each ordinary share carries one vote. All issued ordinary shares are fully paid. Share capital amounts to 100,000 TSEK and share premium amounts to 149,662TSEK.

Selena Oil & Gas Holding AB

On 6 May 2011, the General Meeting of shareholders of Selena Oil & Gas Holding AB (publ) resolved to issue to Bryum Estonia AS, Mr. Oleg Popov, Ms. Nadezhda Popova and Ms. Elena Popova shares of SOG corresponding to 97.5% of all the shares of SOG. The new shares of SOG issued to the aforementioned persons were paid for with a contribution in-kind, i.e. 100% of the shares of Selena Oil & Gas AB.

Additionally to the above, the same General Meeting of shareholders resolved a reverse split of the shares in SOG. The terms for the reverse share split are 1:100. The number of outstanding shares in SOG will, after the reverse split, amount to 41,347,500. The share capital of Selena Oil & Gas Holding AB amounts to 55,928TSEK.

GROUP'S INCOME STATEMENT

Consolidated Statement of Comprehensive Income for Three Months Period Ended 31 March 2011

<i>thousand SEK</i>	1 January 2011 - 31 March 2011	7 July 2010 - 31 December 2010	1 January 2010 - 31 March 2010 PRO FORMA	1 January 2010 - 31 December 2010 PRO FORMA
Sales revenue	8,574	0	6,036	23,327
Cost of goods sold	(6,373)	0	(5,597)	(20,891)
Gross profit	2,201	0	439	2,436
Selling, general and administrative expenses	(3,200)	(163)	(1,115)	(5,950)
Operating loss	(999)	(163)	(676)	(3,514)
Net finance (expense) / income	734	(14)	583	(345)
Other income	495	0	(22)	836
Profit before income tax	230	(177)	(115)	(3,023)
Income tax	(19)	0	0	324
Net income / (loss)	211	(177)	(115)	(2,699)
Currency translation	(1)	0	0	0
Comprehensive income / (loss)	210	(177)	(115)	(2,699)

GROUP'S FINANCIAL POSITION

Consolidated Statement of Financial Position as of 31 March 2011

<i>thousand SEK</i>	31 March 2011	31 December 2010
ASSETS		
Non-current assets		
Property, plant and equipment	44,693	36,461
Deferred tax asset	1,942	1,942
Other non-current assets	13	13
Total non-current assets	46,648	38,416
Current assets		
Inventories	849	674
Accounts receivable and prepayments	4,323	671
Loans issued	1,767	1,763
Cash and cash equivalents	1,182	13,590
Total current assets	8,121	16,698
TOTAL ASSETS	54,769	55,114
EQUITY AND LIABILITIES		
Equity		
Share capital	100,000	100,000
Share premium	149,662	149,662
Translation reserve	(1)	0
Retained earnings	(225,001)	(225,212)
Total equity	24,660	24,450
Non-current liabilities		
Deferred tax liabilities		
Loans and borrowings	13,389	16,431
Asset retirement obligations	3,307	3,244
Total non-current liabilities	16,696	19,675
Current liabilities		
Loans and borrowings	4,680	3,310
Accounts payable and accruals	4,717	5,212
Taxes payable	4,016	2,467
Total current liabilities	13,413	10,989
Total liabilities	30,109	30,664
TOTAL LIABILITIES AND EQUITY	54,769	55,114

GROUP'S CASH FLOW STATEMENT

Consolidated Statement of Cash Flows for period ended 31 March 2011

<i>thousand SEK</i>	1 January 2011 - 31 March 2011	7 July 2010 - 31 December 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	230	(177)
Adjustments for:		
Depreciation, depletion and amortization	1,172	0
Provision for impairment of trade and other receivables	90	0
Finance income	(150)	0
Finance costs	266	14
Other finance (income) / expense	136	0
Gain on disposal of assets	(495)	0
Net foreign exchange (gain) / loss	(986)	0
Operating cash flow before changes in working capital	263	(163)
Changes in working capital:		
Change in accounts receivable	(2,744)	(110)
Change in inventories	(175)	0
Change in accounts payable and accruals	(432)	253
Change in taxes payable	1,529	0
Net cash generated by operating activities	(1,559)	(20)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	168	0
Issuance of loans	(7,780)	0
Repayment of loans	7,758	0
Proceeds from sale of property, plant and equipment	0	0
Purchase of property, plant and equipment	(9,942)	0
Net cash used in investing activities	(9,796)	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	6,704	13,548
Repayment of borrowings	(7,631)	0
Repayment of interest	(323)	0
Contributions from shareholders	0	62
Net cash used in financing activities	(1,250)	13,610
Currency translation effect	197	0
Net change in cash and cash equivalents	(12,408)	13,590
Cash and cash equivalents at the beginning of the period	13,590	0
Cash and cash equivalents at the end of the period	1,182	13,590

GROUP'S CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the Three Months Period Ended 31 March 2011

<i>thousand SEK</i>	Share capital	Share premium	Currency translation	Retained earnings	Total
As of 7 July 2010	0	0	0	0	0
Net profit / (loss) for the period	0	0	0	(177)	(177)
Effect on consolidation of foreign subsidiaries	0	0	0	0	0
Total comprehensive income	0	0	0	(177)	(177)
Share issue	100,000	149,662	0	(225,035)	24,627
As of 31 December 2010	100,000	149,662	0	(225,212)	24,450
Net profit / (loss) for the period	0	0	0	211	211
Effect on consolidation of foreign subsidiaries	0	0	(1)	0	(1)
Total comprehensive income	0	0	(1)	211	210
As of 31 March 2011	100,000	149,662	(1)	(225,001)	24,660

PARENT'S INCOME STATEMENT

Parent Company Statement of Comprehensive Income for Three Months Period Ended 31 March 2011

<i>thousand SEK</i>	1 January 2011 - 31 March 2011	7 July 2010 - 31 December 2010
Selling, general and administrative expenses	(213)	(163)
Operating loss	(213)	(163)
Net finance (expense) / income	741	(14)
Profit before income tax	528	(177)
Income tax	0	0
Net income / (loss)	528	(177)
Currency translation	0	0
Comprehensive income / (loss)	528	(177)

PARENT'S FINANCIAL POSITION

Parent Company Statement of Financial Position as of 31 March 2011

<i>thousand SEK</i>	31 March 2011	31 December 2011
ASSETS		
Non-current assets		
Shares in subsidiaries	249,612	249,612
Other non-current assets	8,594	0
Total non-current assets	258,206	249,612
Current assets		
Accounts receivable and prepayments	2,140	110
Cash and cash equivalents	1,169	13,577
Total current assets	3,309	13,687
TOTAL ASSETS	261,515	263,299
EQUITY AND LIABILITIES		
Equity		
Share capital	100,000	100,000
Share premium	149,662	149,662
Retained earnings	351	(177)
Total equity	250,013	249,485
Non-current liabilities		
Loans and borrowings	11,158	13,560
Total non-current liabilities	11,158	13,560
Current liabilities		
Accounts payable and accruals	344	254
Total current liabilities	344	254
Total liabilities	11,502	13,814
TOTAL LIABILITIES AND EQUITY	261,515	263,299

PARENT'S CASH FLOW STATEMENT

Parent Company Statement of Cash Flows for period ended 31 March 2011

<i>thousand SEK</i>	1 January 2011 - 31 March 2011	Year ended 31 December 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	528	(177)
Adjustments for:		
Finance costs	184	14
Net foreign exchange (gain) / loss	(925)	0
Operating cash flow before changes in working capital	(213)	(163)
Changes in working capital:		
Change in accounts receivable	(2,045)	(110)
Change in accounts payable and accruals	89	253
Net cash generated by operating activities	(2,169)	(20)
CASH FLOWS FROM INVESTING ACTIVITIES		
Issuance of loans	(15,549)	0
Repayment of loans	6,955	0
Net cash used in investing activities	(8,594)	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	4,727	13,535
Repayment of borrowings	(6,303)	0
Repayment of interest	(69)	0
Contributions from shareholders	0	62
Net cash used in financing activities	(1,645)	13,597
Currency translation effect	0	0
Net change in cash and cash equivalents	(12,408)	13,577
Cash and cash equivalents at the beginning of the period	13 577	0
Cash and cash equivalents at the end of the period	1 169	13,577

PARENT'S CHANGES IN EQUITY

Parent Company Statement of Changes in Equity for the Three Months Period Ended 31 March 2011

<i>thousand SEK</i>	Share capital	Share premium	Retained earnings	Total
As of 7 July 2010	0	0	0	0
Net profit / (loss) for the period	0	0	(177)	(177)
Effect on consolidation of foreign subsidiaries	0	0	0	0
Total comprehensive income	0	0	(177)	(177)
Share issue	100,000	149,662	0	249,662
As of 31 December 2010	100,000	149,662	(177)	249,485
Net profit / (loss) for the period	0	0	528	0
Effect on consolidation of foreign subsidiaries	0	0	0	0
Total comprehensive income	0	0	528	528
As of 31 March 2011	100,000	149,662	351	250,013

AGM

The Annual General Meeting of Selena Oil & Gas Holding AB (publ) is scheduled for 30 June 2011. Further information is available on the company's web page www.selenaoil.com

Financial Calendar

The subsequent financial reports will be disclosed by the Selena Oil & Gas Holding AB (publ) in 2011 on the dates indicated in the following table:

31 August 2011 Unaudited interim report, Q2

30 November 2011 Unaudited interim report, Q3

29 February 2012 Unaudited interim report, Q4

Certified Advisor

Mangold Fondkommission is the Company's Certified Adviser and Liquidity Provider, telephone +46 8-503 015 50.

This report has not been subject to review by the company's auditors.

Stockholm, 15 June 2010

The Board of Selena Oil & Gas AB

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Selena Oil & Gas Holding AB (publ) (ticker SAB, ISIN-code SE0001175803) is engaged in the production and transportation of oil and gas in the Volga-Ural region in the Russian Federation, including in Perm and Udmurtia. As a result of a non-cash issue, decided upon on the extra General Meeting of Emitter Holding on the 6th of May, the Selena Oil & Gas Holding was listed on NASDAQ OMX First North in Stockholm, currently being on the Observation list. For further information on Selena Oil & Gas Holding AB (publ), see the website www.selenaoil.com

DISCLAIMER

The statements and assumptions made in the company's information regarding current plans, forecasts, strategy and other statements that are not historical facts are estimates or "forward looking statements" regarding future activities. Such future estimates comprise, but are not limited to, statements that include words such as "may occur", "plans", "expects", "estimates", "believes", "anticipates" or similar expressions. Such expressions reflect the management's expectations and assumptions made on the basis of information available at the date of this report. These statements and assumptions are subject to a large number of risks and uncertainties. These, in their turn, comprise but are not limited to:

- changes in the financial, legal and political environment of the countries in which the Company operates*
- changes in the available geological information concerning the Company's operations and reserves*
- the Company's capacity to continuously guarantee sufficient financing for the expansion plans*
- changes in currency exchange rates, in particular those relating to the RUR/USD rate*

Due to the background of the risks and uncertainties that exist for any oil production company in an active development stage, SOG's actual future development may significantly deviate from that indicated in the company's informative statements. SOG assumes no implicit liability to immediately update any such future evaluations.