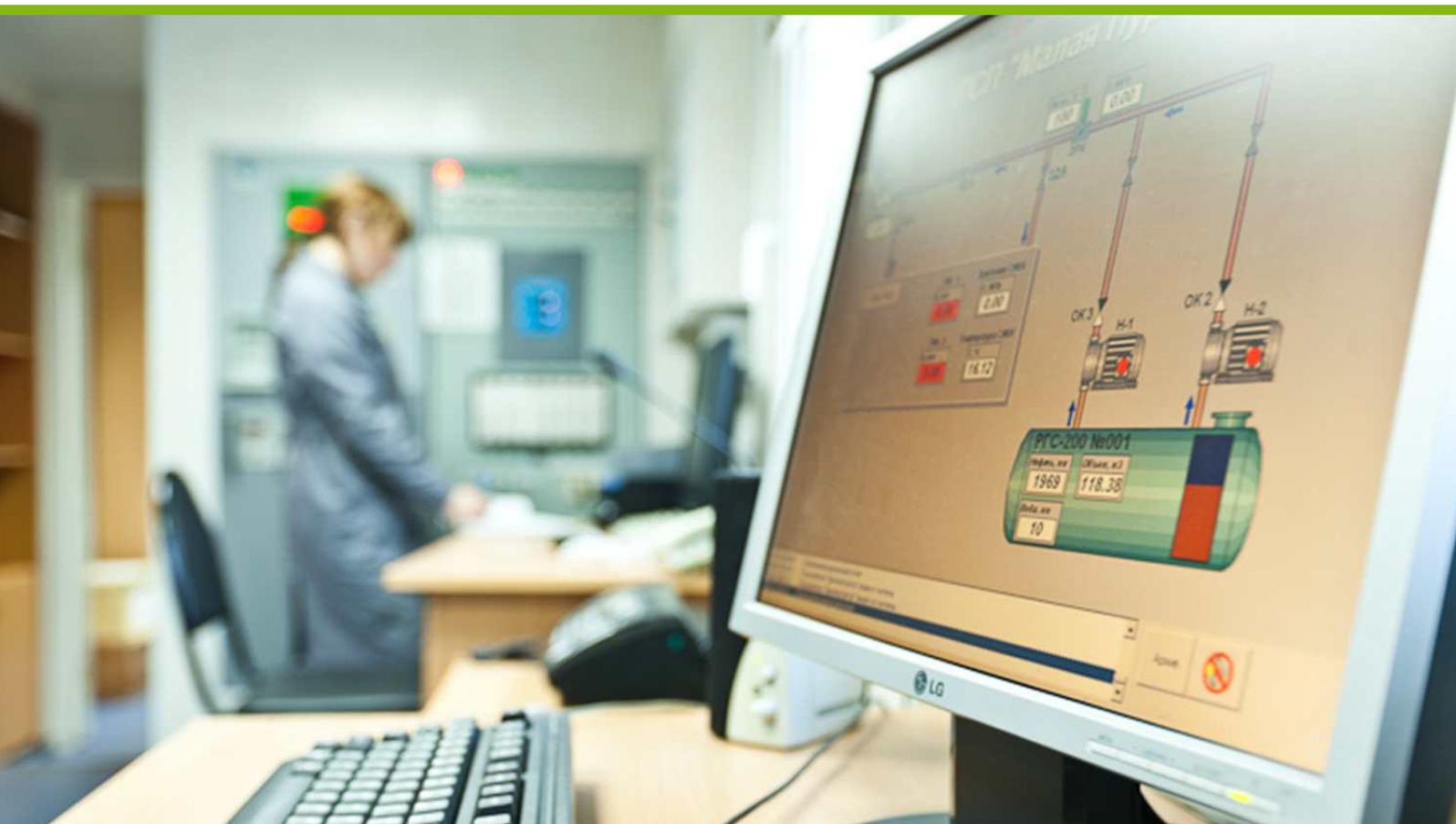


Interim Report  
**for the quarter**  
ended 31 March 2013

Selena Oil & Gas Holding AB  
company registration number 556643-6613



# HIGHLIGHTS

## First quarter 2013

- Q1 2013 production of 28.0 Mbbbl down 11.4% as compared to Q1 2012 (Q1 2012: 31.6 Mbbbl)
- Average production level in Q1 2013 was 311 bopd, down 1.9% as compared to average 2012 (2012: 317 bopd)
- Q1 2013 EBITDA of 2,239 TSEK (Q1 2012: 596 TSEK)
- Operating income in Q1 2013 of 1,064 TSEK (Q1 2012: loss of 437 TSEK)
- Q1 2013 net result a loss of 1,644 TSEK (Q1 2012: a profit of 3,171 TSEK), including a net finance loss of 2,176 TSEK
- During Q1 2013 the Group reassessed its financial performance for 12 months period ended 31 December 2012 and its financial position as of 31 December 2012 as reported on 28 February 2013. As the result, certain adjustments to the earlier reported numbers are expected in the final audited annual report; specifically, total assets expected to be reported will amount to 147,858 TSEK (reported earlier: 145,857 TSEK, decrease by 2,001 TSE) and the loss for the 12 months period ended 31 December 2012 is expected to amount to 9,976 TSEK (reported earlier: 7,541 TSEK, difference 2,435 TSEK). More detailed explanation of the expected variances for the annual report is provided in note 7 of this report. For the purposes of the comparable financial information the expected financials are used throughout this report.

## TABLE KPIs

	Q1 2013	Q1 2012	2012
Production, Mbbbl	28.0	31.6	115.9
Production, bopd	311	348	317
Revenue TSEK	40,073	10,472	68,258
EBITDA TSEK	2,239	596	(2,586)
EBITDA margin (%)	5.6%	5.7%	(3.8%)
Operating loss TSEK	1,064	(437)	(5,082)
Net result TSEK	(1,644)	3,171	(9,976)

## Abbreviations

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

## Oil related terms and measurements

<b>boe</b>	Barrels of oil equivalents
<b>boepd</b>	Barrels of oil equivalents per day
<b>bopd</b>	Barrels of oil per day
<b>Mbbbl</b>	Thousand barrels (in Latin mille)
<b>Mmbbl</b>	Million barrels
<b>Mmboe</b>	Million barrels of oil equivalents
<b>Mboe</b>	Thousand barrels of oil equivalents
<b>Mboepd</b>	Thousand barrels of oil equivalents per day
<b>Mbopd</b>	Thousand barrels of oil per day

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## BACKGROUND INFORMATION

Selena Oil & Gas Holding AB (publ) ("SOGH", "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 Group was formed by entrepreneurs Mr. Oleg Popov, Mr. Indrek Rahumaa, Mr. Jurgen Lamp and Mr. Vyacheslav Pershukov in H2 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.

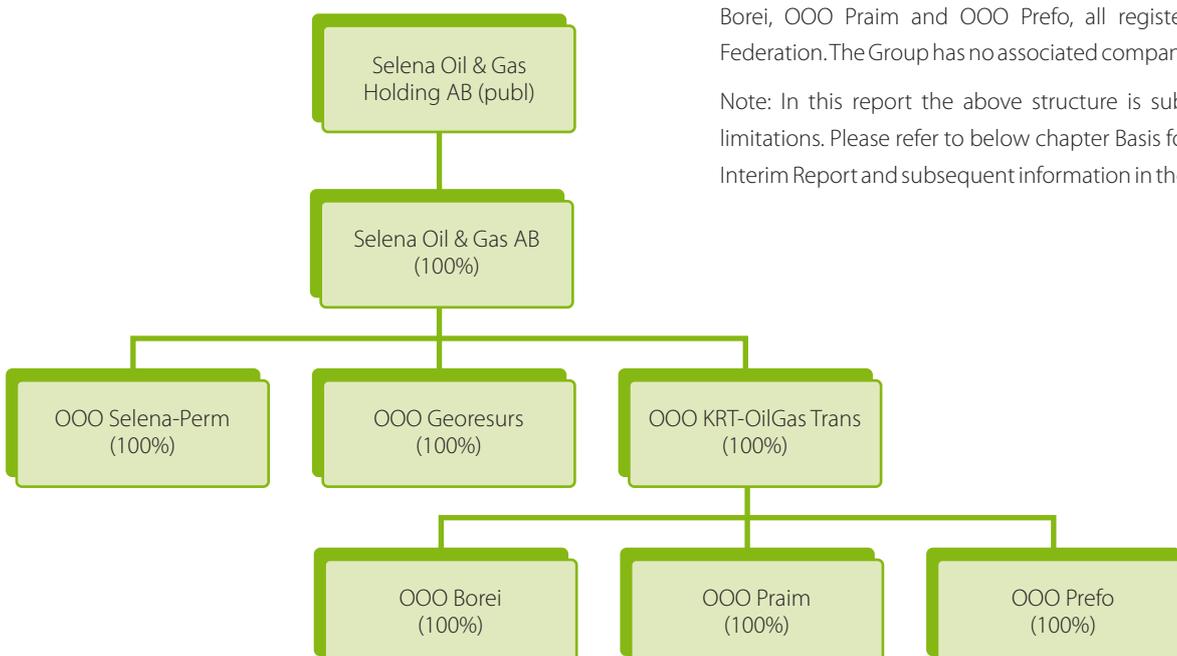
The Group acquired its first energy assets in November 2010 when the agreement was signed for the contribution in kind of OOO Selena-Perm and OOO Selena-Neft to the capital of Selena Oil & Gas AB. OOO Selena-Perm and OOO Selena-Neft were merged in January 2011 with OOO Selena-Perm as the surviving entity. Subsequently, Selena Oil & Gas AB through the reverse acquisition acquired a NASDAQ OMX First North listed company Emitter Holding AB (publ), subsequently renamed to Selena Oil & Gas Holding AB (publ), currently a public company and a legal parent company of the Group. The operations of the Group involve the exploration and extraction of oil. The history of the Group's core subsidiary dates back to 1997, and it started oil production in 2000. In 2011 the Group acquired Russian companies OOO Georesurs and OOO KRT-OilGasTrans, together with its subsidiaries, all located in Perm and Udmurtia region of Russia.

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## GROUP STRUCTURE

### Group structure

The structure of the Group is presented below:



The Group consists of Selena Oil & Gas Holding AB (publ) (previously Emitter Holding AB, further SOGH), its subsidiary Selena Oil & Gas AB registered in Sweden, and three 100% subsidiaries: OOO Selena-Perm, OOO Georesurs, OOO KRT-OilGasTrans with its subsidiaries OOO Borei, OOO Praim and OOO Prefo, all registered in the Russian Federation. The Group has no associated companies.

Note: In this report the above structure is subject to exceptional limitations. Please refer to below chapter Basis for preparation of the Interim Report and subsequent information in the report.

## BASIS FOR PREPARATION OF THE INTERIM REPORT

This interim report from the Parent company Selena Oil & Gas Holding AB is prepared with the prerequisite of a full consolidation in Selena Oil & Gas AB of all its subsidiaries. Furthermore, the position of Selena Oil & Gas AB is assumed to be unchallenged in relationship to major creditors.

Should any of above prerequisites lapse in course of the future events or be subject to any and all forward compromising actions relating to Selena Oil & Gas Holding AB or its subsidiary Selena Oil & Gas AB, this interim report may be subject to material changes and may need to undergo major revisions. Any and all such revisions may ultimately constitute that Selena Oil & Gas Holding AB is no longer a going concern, and must be subject to reconstruction activities.

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 2012.

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

	RUB/USD	SEK/USD	SEK/RUB
Average Q1 2013	30.4158	6.4313	0.2114
Closing rate 31.03.2013	31.0834	6.5298	0.2101

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.

## SIGNIFICANT EVENTS IN Q1 2013

### Resolutions of Extraordinary General Meeting from 14 January 2013

Subsequently to the year end the Extraordinary General Meeting was held on 14 January 2013. The EGM resolved that the board of directors shall consist of four ordinary members without deputy members for the period until the end of the next annual general meeting.

Furthermore, it was resolved that Mr. Indrek Rahumaa, Mr. Staffan Torstensson, Mr. Yury Gusev, Mr. Paul Waern and Ms. Nadezhda Popova (i.e. all current directors) are discharged from their positions as ordinary members of the board of directors and new board of directors was elected with Mr. Oleg Popov, Mr. Dmitry Ermakov, Mr. Aleksejs Rjabijis and Mr. Magnus Stuart being new ordinary members of the board of directors for the period until the end of the next annual general meeting.

### Change of managing director

On 14 January 2013 the board of directors of Selena Oil & Gas Holding AB (publ) resolved to relieve the managing director Jürgen Lamp from his duties. The board of directors resolved to discharge Jürgen

Lamp and to elect the board member Magnus Stuart as new managing director of the company on 16 January 2013.

On 12 April 2013, the managing director and board member Magnus Stuart decided to resign all duties in the Company and its subsidiary Selena Oil and Gas AB for the personal reasons.

The Company decided to initiate the process to recruit a new CEO and expects to hold an extraordinary shareholders meeting on 31 May 2013 to elect a new board member.

### A creditor's filing of a bankruptcy of the Group's subsidiary Selena Oil & Gas AB

On 14 February 2013 the Group received a bankruptcy petition from the creditor, filed at the district court of Stockholm (Stockholms Tingsrätt). The petition was applicable to the wholly owned subsidiary Selena Oil & Gas AB. The petition was filed by the creditor in relation to the unsettled debt. The bankruptcy petition was later suspended and subsequently fully withdrawn on the basis of settlement agreement between the wholly owned subsidiary Selena Oil & Gas AB and the creditor.

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## SIGNIFICANT EVENTS IN Q1 2013

### The auction of the shares of Selena Oil & Gas AB

On 18 April 2013 the company confirmed that the shares of its 100% subsidiary Selena Oil & Gas AB are subject to the auction on 26 April 2013. The auction was arranged by Bryum Limited UK pledgee to recover its loan obligations. Bryum Limited UK is a creditor of Selena Oil & Gas AB on the basis of loans granted in the principal amount of USD 2,158 million, secured by 100% pledge of shares in Selena Oil & Gas AB. The auction did not take place due to ongoing negotiations of the settlement.

### Extraordinary General Meeting to be held on 31 May 2013

Selena Oil & Gas Holding AB (publ) has convened an extraordinary general meeting of its shareholders to be held on 31 May 2013 with the proposed agenda as follows:

1. Opening of the general meeting and election of the chairman of the general meeting
2. Preparation and approval of the voting list
3. Approval of the Agenda
4. Election of one or two persons to verify the Minutes
5. Determination of whether the general meeting has been duly convened
6. Approval of the transactions between Ms. Nadezhda Popova and Selena Oil & Gas AB including the reorganisation of OOO "Selena-Perm" and granting authorisation to the Board of Directors to negotiate and complete such transactions
7. Removal and election of board members
8. Closing of the general meeting

As an item on the agenda of the meeting, certain transactions between Selena Oil & Gas AB and Ms. Nadezhda Popova are proposed. In the notice convening the meeting, the Company published additional information regarding the said agenda item based on the

offer received from Ms. Popova.

The offer affords the Company a possibility to resolve several pending dispute regarding the ownership of its Russian assets and to significantly reduce the Company's debt, and an opportunity to move forward with the development of the oil and gas fields in its portfolio.

The transactions, if approved, will involve a divestment of OOO "Selena-Perm"'s assets (including its production business), except the Komarihinskoye oil field, but will leave the Company with 2P reserves at an estimated 18.7 Mmboe. In exchange, Ms. Popova will settle in full the Company's debt to Bryum Limited based on a 2,158,000 USD loan and the accrued interest and penalty interest. The transaction would also involve a settlement of the pending dispute pertaining to the share capital increase in OOO "Selena-Perm", as disclosed earlier. The Company will continue to hold and develop the assets within the OOO "KRT-OGT" group of companies. The proposed transactions, if approved, will be done in full compliance with Swedish legislation.

It is the present Board of Directors' considered opinion that the proposed settlement is in the best interest of all of the Company's shareholders and stakeholders. The proposed debt reduction will ensure the sustainability of the Company's debt burden and address the critical liquidity concerns, while the settlement of pending disputes offers a way out of the stalemate in which the Company found itself over the recent months and allows the management to focus on and devote their full attention to the Company's core objectives.

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## COMMENTS ON THE RESULTS OF Q1 2013

### Production update and status

Production volume in Q1 2013 decreased by 11.4% as compared to the respective period in 2012 and amounted to 28.0 Mbbl. The Group's production was 311 bopd in Q1 2013. Decrease of the level of production is explained by increase of the proportion of the water in the fluid extracted. The management estimates that the current

ongoing reconstruction measures on the wells of Dubroviskoye and Visakovskoye fields will lead to the production level to return to the peak levels of 2012.

### Revenue and results

The Group's sales amounted to 40,073 TSEK in Q1 2013 representing

an increase of 282.7% as compared to Q1 2012. The volumes of own oil sold decreased by 11.5% and average oil price in Q1 2013 amounted to 309 SEK/bbl (48.0 USD/bbl) which was lower as compared to the respective period in 2012. Sales of third party oil in Q1 2013 amounted to 96.0 Mbbbl, while in Q1 2012 there were no sales of third party oil (12M 2012: 96.5 Mbbbl). The Group is not subject to significant seasonality or cyclicalities of the business.

EBITDA amounted to 2,239 TSEK in Q1 2013 as compared to 596 TSEK in respective period in 2012.

Net result for Q1 2013 was a loss of 1,644 TSEK and was heavily impacted by foreign currency exchange loss - net finance loss amounted to 2,176 TSEK in Q1 2013 and relates to the loss from Group's USD denominated liabilities value increase in SEK terms as the result of unfavourable SEK/USD movements and intercompany lending in RUB.

### Investments

Investments amounted to 890 TSEK in Q1 2013 and related to maintenance and improvement of wells on Dubrovinskoye field.

### Financial position and liquidity

Total assets of the Group amounted to 143,037 TSEK and decreased by 3.2% as compared to the position as of 31 December 2012.

The Group's equity attributable to the equity holders of the Company amounted to 81,862 TSEK as of 31 March 2013.

Total loans and borrowings amounted to 28,754 TSEK and increased by 0.9% as compared to the balance as of 31 December 2012. For further details of the borrowings please refer to note 3 and note 5 of this report.

Cash and cash equivalents balance increased from 275 TSEK to 860 TSEK.

On 10 January 2013 the loan in the amount of 15,346 TSEK provided by Bryum Limited UK was secured with a pledge over 100% of shares in the Group's subsidiary Selena Oil & Gas AB and extended to 31 March 2013. Bryum Limited UK loan further transaction is subject to the EGM resolutions for 31 May 2013.

### Employees

As of 31 March 2013 the Group employed 96 employees (2012: 89 employees).

### Comments on the Parent

The legal parent of the Group from 6 May 2011 is Selena Oil & Gas Holding AB (publ) (previously – Emitter Holding AB). The name of the Parent company was changed in Q2 2011.

Selena Oil & Gas Holding AB (publ) registration number is 556643-6613 and the legal/postal address of the company is P.O. Box 7614, SE-

103 94 Stockholm, Sweden.

The Swedish parent company Selena Oil & Gas Holding AB (publ) is a holding company without significant operations. It supports the subsidiary companies with financing and pursues the Group's strategy in terms of new acquisitions and M&A initiatives as well as has the corporate headquarter and investor relations function.

The net assets of the Parent company amounted to 393,900 TSEK as of 31 March 2013 and net loss amounted to 479 TSEK for the period ended 31 March 2013.

## GROUP'S FINANCIAL POSITION

### Consolidated Statement of Financial Position as of 31 March 2013

<i>In thousand SEK</i>	<i>Note</i>	<b>31 March 2013</b>	<b>31 December 2012</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		41,210	41,221
Intangible assets		83,620	84,471
Deferred tax asset		5,027	4,943
<b>Total non-current assets</b>		<b>129,857</b>	<b>130,635</b>
<b>Current assets</b>			
Inventories		1,830	4,194
Accounts receivable and prepayments		9,103	11,641
Loans issued		1,387	1,113
Cash and cash equivalents		860	275
<b>Total current assets</b>		<b>13,180</b>	<b>17,223</b>
<b>TOTAL ASSETS</b>		<b>143,037</b>	<b>147,858</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		70,471	70,471
Other equity		15,115	15,115
Translation reserve		(7,502)	(7,750)
Retained earnings		3,778	5,422
<b>Equity attributable to equity holders of the company</b>	2	<b>81,862</b>	<b>83,258</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		3,667	3,230
Loans and borrowings	3	1,795	1,353
Asset retirement obligations		4,836	4,828
<b>Total non-current liabilities</b>		<b>10,298</b>	<b>9,411</b>
<b>Current liabilities</b>			
Loans and borrowings	3	26,959	27,138
Accounts payable and accruals		17,609	22,906
Current income tax payable		5	6
Other current liabilities		6,304	5,139
<b>Total current liabilities</b>		<b>50,877</b>	<b>55,189</b>
<b>Total liabilities</b>		<b>61,175</b>	<b>64,600</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>143,037</b>	<b>147,858</b>

## GROUP'S INCOME STATEMENT

### Consolidated Income Statement for quarter ended 31 March 2013

<i>In thousand SEK</i>	<i>Note</i>	<b>Q1 2013</b>	<b>Q1 2012</b>	<b>2012</b>
Sales revenue		40,073	10,472	68,258
Cost of goods sold		(36,250)	(8,330)	(60,565)
<b>Gross profit</b>		<b>3,823</b>	<b>2,142</b>	<b>7,693</b>
Selling, general and administrative expenses		(2,759)	(2,579)	(12,775)
<b>Operating profit / (loss)</b>		<b>1,064</b>	<b>(437)</b>	<b>(5,082)</b>
Finance income / (expenses)		(2,176)	4,031	(2,063)
Other income / (expenses)		(220)	(310)	(2,526)
<b>Profit before income tax</b>		<b>(1,332)</b>	<b>3,284</b>	<b>(9,671)</b>
Income tax		(312)	(113)	(305)
<b>Net income / (loss)</b>		<b>(1,644)</b>	<b>3,171</b>	<b>(9,976)</b>
<b>Earnings per share</b>				
Basic earnings per share (SEK)	4	(0.03)	0.06	(0.19)
Diluted earnings per share (SEK)	4	(0.03)	0.06	(0.19)

### Consolidated Statement of Comprehensive Income for quarter ended 31 March 2013

<i>In thousand SEK</i>	<b>Q1 2013</b>	<b>Q1 2012</b>	<b>2012</b>
<b>Net income</b>	<b>(1,644)</b>	<b>3,171</b>	<b>(9,976)</b>
<b>Other comprehensive income</b>			
Currency translation	248	(236)	86
<b>Total comprehensive income / (loss), net of tax</b>	<b>(1,396)</b>	<b>2,935</b>	<b>(9,890)</b>

## GROUP'S CHANGES IN EQUITY

### Consolidated Statement of Changes in Equity for quarter ended 31 March 2013

<i>In thousand SEK</i>	Share capital	Other Equity	Currency translation	Retained earnings	Total
<b>As of 31 December 2011</b>	<b>58,093</b>	<b>30,263</b>	<b>(7,836)</b>	<b>15,398</b>	<b>95,918</b>
<b>Comprehensive income</b>					
Net profit / (loss) for the period	0	0	0	(9,976)	(9,976)
<b>Other comprehensive income</b>					
Effect on consolidation of foreign subsidiaries	0	0	86	0	86
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>86</b>	<b>(9,976)</b>	<b>(9,890)</b>
<b>Transactions with owners</b>					
New share issue (KRT acquisition transaction)	12,378	(12,378)	0	0	0
KRT acquisition transaction	0	(2,770)	0	0	(2,770)
<b>As of 31 December 2012</b>	<b>70,471</b>	<b>15,115</b>	<b>(7,750)</b>	<b>5,422</b>	<b>83,258</b>
<b>Comprehensive income</b>					
Net profit / (loss) for the period	0	0	0	(1,644)	(1,644)
<b>Other comprehensive income</b>					
Effect on consolidation of foreign subsidiaries	0	0	248	0	248
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>248</b>	<b>(1,644)</b>	<b>(1,396)</b>
<b>As of 31 March 2013</b>	<b>70,471</b>	<b>15,115</b>	<b>(7,502)</b>	<b>3,778</b>	<b>81,862</b>

## GROUP'S CASH FLOWS STATEMENT

### Consolidated Statement of Cash Flows for quarter ended 31 March 2013

<i>In thousand SEK</i>	Q1 2013	Q1 2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax	(1,332)	(8,124)
Adjustments for:		
Depreciation, depletion and amortization	1,395	5,374
Finance income	(31)	(52)
Finance costs	516	(215)
Other finance (income) / expense	101	1,258
(Gain) /loss on disposal of assets	53	446
Net foreign exchange (gain) / loss	(266)	(464)
<b>Operating cash flow before changes in working capital</b>	<b>436</b>	<b>0</b>
		<b>(1,777)</b>
<b>Changes in working capital:</b>		
Change in accounts receivable	2,538	(1,922)
Change in inventories	2,364	(57)
Change in accounts payable and accruals	(5,223)	116
Change in taxes payable	1,206	841
<b>Net cash generated by operating activities</b>	<b>1,321</b>	<b>3,610</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	7	0
Issuance of loans	(696)	0
Proceeds from sale of property, plant and equipment	88	0
Purchase of property, plant and equipment	(890)	(748)
Purchase of intangible assets	0	(67)
<b>Net cash used in investing activities</b>	<b>(1,491)</b>	<b>(815)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	1,370	2,025
Repayment of borrowings	(2,292)	(1,140)
Repayment of interest	(170)	(118)
<b>Net cash used in financing activities</b>	<b>(1,092)</b>	<b>767</b>
<b>Currency translation effect</b>	<b>1,847</b>	<b>(4,309)</b>
<b>Net change in cash and cash equivalents</b>	<b>585</b>	<b>(747)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>275</b>	<b>1,027</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>860</b>	<b>280</b>

## PARENT'S FINANCIAL POSITION

### Parent Company Statement of Financial Position as of 31 March 2013

<i>In thousand SEK</i>	31 March 2013	31 December 2012
<b>ASSETS</b>		
<b>Non-current assets</b>		
Shares in subsidiaries	322,500	322,500
<b>Total non-current assets</b>	<b>322,500</b>	<b>322,500</b>
<b>Current assets</b>		
Accounts receivable and prepayments	108	30
Loans issued	78,492	79,359
Cash and cash equivalents	32	3
<b>Total current assets</b>	<b>78,632</b>	<b>79,392</b>
<b>TOTAL ASSETS</b>	<b>401,132</b>	<b>401,892</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted reserve</b>		
Share capital	70,471	70,471
Restricted reserve	6,747	6,747
<b>Non-restricted reserve</b>		
Share premium	331,867	331,867
Retained earnings	(14,706)	(5,888)
Net income / (loss)	(479)	(8,818)
<b>Equity attributable to equity holders of the company</b>	<b>393,900</b>	<b>394,379</b>
<b>Current liabilities</b>		
Loans and borrowing	1,268	1,597
Accounts payable and accruals	5,287	5,226
Taxes payable	677	690
<b>Total current liabilities</b>	<b>7,232</b>	<b>7,513</b>
<b>Total liabilities</b>	<b>7,232</b>	<b>7,513</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>401,132</b>	<b>401,892</b>

## PARENT'S INCOME STATEMENT

### Parent Company Statement of Comprehensive Income for quarter ended 31 March 2013

<i>In thousand SEK</i>	Q1 2013	Q1 2012	2012
Revenue from sales	0	0	0
Cost of sale	0	0	0
<b>Gross profit</b>	<b>0</b>	<b>0</b>	<b>0</b>
Selling, general and administrative expenses	(512)	(859)	(3,679)
<b>Operating loss</b>	<b>(512)</b>	<b>(859)</b>	<b>(3,679)</b>
Net finance income / (expenses)	46	102	326
Other income / (expenses)	(13)	(158)	(468)
<b>Profit before income tax</b>	<b>(479)</b>	<b>(915)</b>	<b>(3,821)</b>
Income tax	0	0	0
<b>Net income / (loss)</b>	<b>(479)</b>	<b>(915)</b>	<b>(3,821)</b>
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income / (loss), net of tax</b>	<b>(479)</b>	<b>(915)</b>	<b>(3,821)</b>

## PARENT'S CHANGES IN EQUITY

### Parent Company Statement of Changes in Equity

<i>In thousand SEK</i>	RESTRICTED EQUITY		NON-RESTRICTED EQUITY		Total
	Share capital	Restricted reserve	Share premium	Retained earnings	
<b>As of 31 December 2011</b>	<b>58,093</b>	<b>6,747</b>	<b>273,807</b>	<b>(10,885)</b>	<b>327,762</b>
Net profit / (loss) for the period	0	0	0	(3,821)	(3,821)
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(3,821)</b>	<b>(3,821)</b>
New share issue (KRT acquisition transaction)	12,378	0	60,830	0	73,208
KRT-OGT acquisition costs	0	0	(2,770)	0	(2,770)
<b>As of 31 December 2012</b>	<b>70,471</b>	<b>6,747</b>	<b>331,867</b>	<b>(14,706)</b>	<b>394,379</b>
Net profit / (loss) for the period	0	0	0	(479)	(479)
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(479)</b>	<b>(479)</b>
<b>As of 31 December 2012</b>	<b>70,471</b>	<b>6,747</b>	<b>331,867</b>	<b>(15,185)</b>	<b>393,900</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 1. Accounting policies

This interim report for the period ended 31 March 2013 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 2012.

## 2. Equity and share capital

The number of shares of the company amounts to 52,098,477 shares and the share capital now amounts to 70,470,630 SEK.

*Largest shareholders as of 31 March 2013:*

The major shareholders of the Company holding over 5% of the shares were as follows:

Shareholder	Number of Shares	Proportion
Nadezhda Popova	11,990,775	23.02%
Oleg Popov	11,990,526	23.02%
Elena Popova	10,072,251	19.33%
Yuri Gusev	9,147,758	17.55%
Bryum Estonia	2,875,859	5.52%
Altare Energy	2,509,137	4.82%
Others	3,512,171	6.74%
<b>Total</b>	<b>52,098,477</b>	<b>100.00%</b>

## 3. Loans and borrowings

The structure of non-current borrowings is as follows:

<i>In thousands of SEK</i>	31.03.2013	31.12.2012
Loans from related parties	337	444
Finance leases	1,458	909
<b>Total non-current borrowings</b>	<b>1,795</b>	<b>1,353</b>

The structure of current borrowings is as follows:

<i>In thousands of SEK</i>	31.03.2013	31.12.2011
Loans from related parties	23,346	23,178
Loans from companies	2,621	3,330
Finance leases	992	630
<b>Total current borrowings</b>	<b>26,959</b>	<b>27,138</b>

On 23 December 2010 the Company obtained short-term financing from Bryum Limited. The loan and accrued interest balance as of 31 March 2012 amounted to 15,685 TSEK. The interest rate is 10% p.a. and further details are disclosed in Note 5.

As at 31 March 2013 the effective interest rate on borrowings ranged between 5% p.a. to 13% p.a.

The Group does not apply hedge accounting and did not hedge its risks arising from currency liabilities or interest rate risks. The estimated fair value of borrowings approximates their carrying value.

## 4. Earnings per Share

The calculation of basic earnings per share at 31 March 2013 was based on the net profit / (loss) and a weighted average number of ordinary shares.

## NOTES TO THE FINANCIAL STATEMENTS

<i>In thousands of shares</i>	Q1 2013	2012
Number of shares at the beginning of the year,	52,098	52,098
<b>Weighted average number of ordinary shares in thousands</b>	<b>52,098</b>	<b>52,098</b>

	Q1 2013	2012
Weighted average number of ordinary shares in thousands	52,098	52,098
Profit / (loss) for the period, TSEK	(1,644)	(9,976)
Basic earnings per share (SEK)	(0.03)	(0.19)
Diluted earnings per share (SEK)	(0.03)	(0.19)

Diluted earnings per share do not differ from basic earnings per share as the Group has no financial instruments issued that could potentially dilute the earnings per share.

### 5. Balances and Transactions with Related Parties

Transactions with related parties for Q1 2013 and balances with related parties as of 31 March 2013 were as follows:

<i>In thousands of SEK</i>	Shareholders	Companies under common control	Key management personnel
Loans receivable	273	0	0
Loans payable	21,210	0	2,511

Bryum Limited UK (the parent company of Bryum Estonia AS which is a shareholder in SOGH) 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 and accrued interest as at 31 March 2013 was 15,685 TSEK. The interest rate applicable to the loan as agreed among the parties is 10% per annum. The final repayment date of the loan was 31 March 2012. According to the current agreement the loan is secured with a pledge over 100% of Selena Oil & Gas AB shares. Bryum Limited UK loan further transaction is subject to the EGM resolutions for 31 May 2013.

Furthermore, loan from Bryum Estonia AS in the amount of 389 TSEK was received on 23 December 2011 that carries 5% interest rate.

Myrtyle Ventures Limited, a company related to Mr. Indrek Rahumaa (a member of the Board of Directors of SOGH up to 14 January 2013) has issued a loan to the Company. The principal amount outstanding and accrued interest there of amounts to 283 TSEK as of 31 March 2013.

Mr. Paul Waern, member of the Board of Directors up to 14 January 2013, has granted a loan to the Company. The loan principal and accrued interest balance amounted to 968 TSEK as of 31 March 2013; the loan carries 5% interest rate.

In Q1 2013 certain loans were received from repaid to Mrs. N. Popova, a shareholder of SOGH. The loans are short-term and carry 7% interest rate.

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.

### 6. Consolidation of OOO Selena-Perm

OOO Selena-Perm total assets amounted to 60,100 TSEK and net assets amounted to 21,569 TSEK as of 31 March 2013. OOO Selena-Perm operations accounts for 100% of the Group's sales and its reserves account for 54.7% of total Group's 2P reserves.

### 7. Changes expected in 2012 annual report as compared to the earlier reported figures for 12 months 2012

Below are presented main changes that are expected to the Consolidated Statement of Financial position and Consolidated Statement of Comprehensive Income of the Annual Report as compared to the figures previously reported in the Interim Report for Q4 2012. The below are the expected adjustments by the management based on the audit work of 2012 financials to date.

## NOTES TO THE FINANCIAL STATEMENTS

### Consolidated Statement of Financial Position as of 31 December 2012

<i>In thousand SEK</i>	Expected in Annual Report	Reported in Interim Report	Difference
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	41,221	40,407	814
Deferred tax asset	4,943	1,713	3,230
<b>Total non-current assets</b>	<b>130,635</b>	<b>126,591</b>	<b>4,044</b>
<b>Current assets</b>			
Accounts receivable and prepayments	11,641	13,684	(2,043)
<b>Total current assets</b>	<b>17,223</b>	<b>19,266</b>	<b>(2,043)</b>
<b>TOTAL ASSETS</b>	<b>147,858</b>	<b>145,857</b>	<b>2,001</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Translation reserve	(7,750)	(7,757)	7
Retained earnings	5,422	7,857	(2,435)
<b>Equity attributable to equity holders of the company</b>	<b>83,258</b>	<b>85,686</b>	<b>(2,428)</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	3,230	0	3,230
Asset retirement obligations	4,828	3,630	1,198
<b>Total non-current liabilities</b>	<b>9,411</b>	<b>4,983</b>	<b>4,428</b>
<b>Current liabilities</b>			
Accounts payable and accruals	22,906	22,905	1
<b>Total current liabilities</b>	<b>55,189</b>	<b>55,188</b>	<b>1</b>
<b>Total liabilities</b>	<b>64,600</b>	<b>60,171</b>	<b>4,429</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>147,858</b>	<b>145,857</b>	<b>2,001</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Consolidated Income Statement for 12M 2012

<i>In thousand SEK</i>	Expected in Annual Report	Reported in Interim Report	Difference
Net finance income / (expenses)	(2,063)	(1,594)	(469)
Other income / (expenses)	(2,526)	(560)	(1,966)
<b>Profit before income tax</b>	<b>(9,671)</b>	<b>(7,236)</b>	<b>(2,435)</b>
Income tax	(305)	(305)	0
<b>Net income / (loss)</b>	<b>(9,976)</b>	<b>(7,541)</b>	<b>(2,435)</b>
<b>Earnings per share</b>			
Basic earnings per share (SEK)	(0.19)	(0.14)	(0.05)
Diluted earnings per share (SEK)	(0.19)	(0.14)	(0.05)

### Consolidated Statement of Comprehensive Income for 12M 2012

<i>In thousand SEK</i>	Expected in Annual Report	Reported in Interim Report	Difference
<b>Net income</b>	<b>(9,976)</b>	<b>(7,541)</b>	<b>(2,435)</b>
<b>Other comprehensive income</b>			
Currency translation	86	79	7
<b>Total comprehensive income / (loss), net of tax</b>	<b>(9,890)</b>	<b>(7,462)</b>	<b>(2,428)</b>

Explanation of main differences:

- Asset retirement obligation was reassessed as of the year end to reflect the revised liquidation cost of one well and current number of wells in the well fund. As a result of adjustment the Asset retirement obligations increased by 1,198 TSEK, Oil and Gas properties increased by 814 TSEK, Net finance expenses increased by 392 TSEK, Translation reserve increased by 7 TSEK.
- Deferred tax asset and deferred tax liability were netted in the Interim report resulting in net deferred tax asset of 1,713 TSEK, while gross amounts are to be presented in the Annual report with 4,943 TSEK for Deferred tax asset and 3,230 TSEK for Deferred tax liability.
- A provision was created for KRT Group input VAT in the amount of 2,043 TSEK based on the expectation that the companies of KRT Group are unlikely to recover this amount from tax authorities in the nearest future, thus decreasing accounts receivable and prepayments by 2,043 TSEK and increase of the loss for the period by the same amount.
- A reclassification of expenses from Finance expenses to Other expenses in the amount of 77 TSEK was made due for the purposes of more precise classification of the expenses.

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## CONFIRMATION BY THE BOARD OF DIRECTORS

The Board of Directors certifies that the interim report gives a true and fair overview of the Parent Company's and Group's operations, their financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, May 31, 2013

Oleg Popov

Chairman

Dmitry Ermakov

Director

Aleksejs Rjabijs

Director

### Financial Calendar

The subsequent financial reports will be disclosed by the Selena Oil & Gas Holding AB (publ) in 2013 on the dates indicated in the following table:

31 August 2013	Interim report, Q2
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### Certified Advisor

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

### For further information, please contact:

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*Selena Oil & Gas Holding AB (publ) (former Emitter Holding AB) is engaged in the production and transportation of oil and gas in the Volga-Ural region in the Russian Federation, including Perm and Udmurtia. The company is listed on NASDAQ OMX First North Premier in Stockholm under the ticker SOGH. For further information on Selena Oil & Gas Holding AB (publ), see the website [www.selenaoil.com](http://www.selenaoil.com)*

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## DISCLAIMER

*The statement 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, SOGH's actual future development may significantly deviate from that indicated in the company's informative statements. SOGH assumes no implicit liability to immediately update any such future evaluations.*