

Interim Report for the
H1 2014 and
the quarter
ended 30 June 2014

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



FINANCIAL HIGHLIGHTS

Second quarter and H1 2014

- From July 2013 the Company's production and sales of crude oil discontinued temporarily, as the result there was no production of oil in Q2 2014 (Q2 2013: 30.6 Mbbbl)
- In May 2014 the Company started the test production from the well 24 on Fedortsevskoye field. The production test indicates that the well 24 has a minimum production capacity of 6 metric tons per day, which corresponds to approximately 40 bbl per day. Furthermore, in July 2014 the Company conducted production tests of the well 21, the second well located on the Fedortsevskoye oil field. The tests indicate that the well 21 has a production capacity in the range of 12 – 18 metric tons per day, corresponding to 85 – 130 bbl per day.
- H1 2014 EBITDA amounted to 60 TSEK (H1 2013: 3,183 TSEK)
- Operating loss amounted to 1,711 TSEK in Q2 2014 (Q2 2013: loss of 85 TSEK)
- H1 2014 net result was a loss of 1,014 TSEK (H1 2013: a loss of 3,720 TSEK), including a net finance loss of 696 TSEK

TABLE KPIs

	H1 2014	H1 2013	Q2 2014	Q2 2013	2013
Production, Mbbbl	-	58.6	-	30.6	62.2
Production, bopd	-	324	-	336	170
Revenue TSEK	318	84,814	66	44,741	103,770
EBITDA TSEK	60	3,183	(1,869)	944	(9,088)
EBITDA margin (%)	18.9%	3.8%	(2831.8%)	2.1%	(8.8%)
Operating income/loss TSEK	(2,502)	979	(1,711)	(85)	(2,356)
Net result TSEK	(1,014)	(3,720)	(964)	(2,076)	(15,696)

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 <i>mille</i>)
Mmbbl	Million barrels
Mmboe	Million barrels of oil equivalents
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 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 located in the Russian Federation. The Group is engaged in the exploration and production of oil in the Volga-Ural region of the Russian Federation, including in Perm. 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. 2,5 % of all Russian oil production originates from the Perm Region. The Volga-Ural region is located in the European part of Russia.

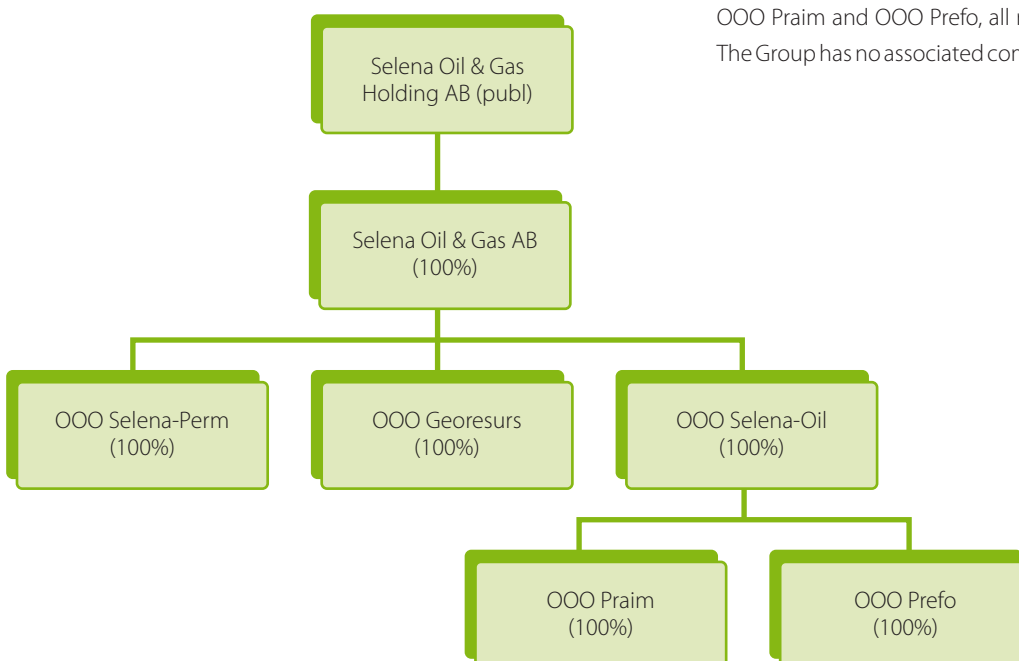
The Group was formed by entrepreneurs Mr. Oleg Popov, Mr. Indrek Rahumaa, Mr. Jurgen Lamp and Mr. Vyacheslav Pershukov H2 2010 with the purpose to consolidate various oil and gas assets in the Volga-Ural region of the Russian Federation, more specifically in Perm and Udmurtia regions.

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 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 (renamed to OOO Selena-Oil), together with its subsidiaries, all located in Perm and Udmurtia region of Russia.

GROUP STRUCTURE

Group structure

The structure of the Group is presented below:



As of 30 June 2014 the Group consisted of Selena Oil & Gas Holding AB (publ), its subsidiary Selena Oil & Gas AB registered in Sweden, and three 100% subsidiaries: OOO Selena-Perm, OOO Georesurs, OOO Selena-Oil (previously OOO KRT-OilGasTrans) with its subsidiaries OOO Praim and OOO Prefo, all registered in the Russian Federation. The Group has no associated companies

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 2013.

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

	SEK/RUB	SEK/USD
Average H1 2014	0.1864	6.5290
Closing rate 30.06.2014	0.1988	6.7406

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.

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

On 17 March 2014 Selena Oil & Gas Holding AB received a bankruptcy petition from the creditor, filed at the district court of Stockholm (Stockholms Tingsrätt). The petition was filed by the creditor in relation to the unsettled debt. The bankruptcy petition was subsequently withdrawn on the basis of settlement agreement between the Company and the creditor.

Establishing a full control over Komarihinskoye oil and gas field

On 2 April 2014 the Company reported that it has through its subsidiary Selena Oil & Gas AB (SOG) completed a transaction in order to regain full control of OOO Selena-Perm. OOO Selena-Perm has been reorganized, as communicated earlier, and holds the license for Komarihinskoye oil and gas field.

The agreement for SOG regaining full control of OOO Selena Perm was signed on 12 March 2014. The transaction was registered with local authorities on 25 March 2014. No cash transfers have been involved in the settlement of the transaction. As a consequence of this transaction, Selena Oil & Gas AB as sole shareholder of OOO Selena-Perm exercises full control over the restructured subsidiary and its main asset - Komarihinskoye oil and gas field.

Delisting from First North Premier

On 6 March 2014 the Disciplinary Committee of NASDAQ OMX made its decision to dismiss Selena Oil & Gas Holding AB shares from trading on First North Premier. The company's shares were for a transitional period until 9 May 2014 continued to be traded on First North Premier. The complete decision from the Disciplinary Committee is available on NASDAQ OMX's website.

The Company's shares were removed from trading on NASDAQ OMX First North Premier on 9 May 2014. As a result, the trading of the Company's shares will be interrupted for a period of time. The Company considers that the Disciplinary Committee's decision is unfair and detrimental to the interest of shareholders.

It is the Company's intention, to seek listing of its shares as soon as possible, at an exchange for public trading which is attractive to its shareholders. Preparatory work is in progress and it's the management's opinion that a solution will be ready to be presented shortly.

Start of production from Fedortsovskoye field

On May 5 the Company announced reaching an important milestone in its strategy to establish oil production by conducting a production test of the well 24, located on the Fedortsevskoye oil field. The test indicated that the well 24 has a minimum production capacity of 6

metric tons per day, which corresponds to approximately 40 bbl per day.

On August 18 the Company informed public that the conducted production tests of the well 21, the second well located on the Fedortsevskoye oil field, indicate that the well 21 has a production capacity in the range of 12 – 18 metric tons per day, corresponding to 85 – 130 bbl per day. The company estimates that the well 21 has a capacity to reach a daily production in excess of 150 bbl per day when commissioned for full production.

AGM resolutions

The Annual General Meeting of Selena Oil & Gas Holding AB (publ) on 25 June 2014 resolved to adopt the submitted income statement and balance sheet, the consolidated income statement and the consolidated balance sheet for 2013. The AGM also adopted the proposed dispositions of the Company's result as presented in the Company's Annual Report for 2013.

Shareholders representing more than ten percent of capital and votes, voted to deny discharge from liabilities for Directors Nadezhda Popova, Yuri Gusev, Oleg Popov, Dmitry Ermakov, Aleksejs Rjabijis, Lars Bergström, Jürgen Lamp, Indrek Rahumaa, Per-Olof Sjöstedt, Paul Waern and Staffan Thorstensson and also for CEO Magnus Stuart.

The AGM resolved to re-elect Board members Lars Bergström, Indrek Rahumaa, Jürgen Lamp, PeO Sjöstedt, and Paul Waern. It was noted that Staffan Thorstensson declined re-election.

PricewaterhouseCoopers AB was re-elected as auditors, with Martin Johansson as responsible auditor until end of the annual general meeting 2015. It was resolved to set Director's fees at SEK 125,000 for each Board member and at SEK 150,000 for the Chairman. The auditors will be paid in accordance to approved invoicing.

It was resolved to authorize the Board of Directors with a mandate to decide on new share issues as proposed in the notice to the AGM. The AGM also resolved to adopt the proposed principals for establishment of appointment of a Nomination Committee

The special audit report was submitted at the AGM in accordance to the resolution made at the AGM 2013 to adopt the presented special audit report.

Production update

In May 2014 the Company reached an important milestone in its strategy to establish oil production by conducting a production test of the well 24, located on the Fedortsevskoye oil field. The test indicated that the well 24 has a minimum production capacity of 6 metric tons per day, which corresponds to approximately 40 bbl per day.

Subsequent to the end of H1 2014 the Company informed public that the conducted production tests of the well 21 in July 2014, the second well located on the Fedortsevskoye oil field, indicate that the well 21 has a production capacity in the range of 12 – 18 metric tons per day, corresponding to 85 – 130 bbl per day. The company estimates that the well 21 has a capacity to reach a daily production in excess of 150 bbl per day when commissioned for full production. The plan for next developments include addition of an increased storage capacity and the construction of a subsurface pipeline, connecting the well 21 to the Fedortsevskoye production terminal.

Selena Oil & Gas Holding AB has now established capacity to produce both from the well 21 and the well 24 and is preparing plans for financing the acquisition of the third well, the well 23, scheduled during the third quarter of 2014. After materializing these plans, Selena Oil & Gas Holding AB anticipates reaching a production from Fedortsevskoye oilfield of around 250 bbl per day.

Oilfield Fedortsevskoye holds estimated 2.8 million bbl of 1P and 6,6 million bbl of 2P reserves, and has an estimated potential of reaching a daily production of 1 500 bbl, fully developed.

Revenue and results

Due to temporary discontinuance of production from July 2013 the sales amounted to 318 TSEK in H1 2014 representing a decrease of 99.6% as compared to H1 2013. As the well 24 launched by the Company in Q2 2014 was not yet put into full production the sales revenue amounted only to 66 TSEK in Q2 2014. The well 24 was "temporarily abandoned" for more than 30 years and the process to restore it to full and robust production is expected to take several months. During this period, the quality of lifted oil containing liquid will be varying and the Company is expecting to receive discounted revenue.

EBITDA amounted to 60 TSEK in H1 2014 as compared to 3,183 TSEK in respective period in 2013. EBITDA was positively impacted by the gain related to forgiveness of a loan by Ms. Nadezhda Popova to the Group's subsidiary OOO Selena-Perm in the amount of 2,585 TSEK (recorded as other income in H1 2014).

Net result for H1 2014 was a loss of 1,014 TSEK including net finance loss in amount 696 TSEK.

Investments

Investments amounted to 2,430 TSEK in H1 2014 and related to improvement of the wells and infrastructure related investments on Fedortsevskoye field.

Financial position and liquidity

Total assets of the Group amounted to 98,616 TSEK and increased by 3.0% as compared to the position as of 31 December 2013.

The Group's equity attributable to the equity holders of the Company amounted to 62,876 TSEK as of 30 June 2014.

Total loans and borrowings amounted to 15,664 TSEK and increased by 19.1% as compared to the balance as of 31 December 2013. For further details of the borrowings please refer to note 3 and note 5 of this report.

Cash and cash equivalents balance increased from 66 TSEK to 528 TSEK as of 30 June 2014.

Reserves

The company's reserves and prospective resources are as follows:

Mmboe	1P	2P	3P
Kulighinskoye field	2.2	4.4	7.1
Fedortsovskoye field	2.8	6.6	9.1
Borkmoskoye field	0.7	1.0	3.1
Komarihinskoye field	1.0	2.6	4.5
Tayozhniy area	2.6	3.7	8.1
Tokaresvskiy area	no assessment		
Total	9.2	18.2	31.9
Prospective resources	25.8		
Prospective resources Pg-adjusted	7.0		

Comments on the Parent

The legal parent of the Group from 6 May 2011 is Selena Oil & Gas Holding AB, registration number 556643-6613. 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 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 76,975 TSEK as of 30 June 2014 and net loss amounted to 2,325 TSEK for the period ended 30 June 2014.

GROUP'S FINANCIAL POSITION

Consolidated Statement of Financial Position as of 30 June 2014

<i>In thousand SEK</i>	<i>Note</i>	31 March 2014	31 December 2013
ASSETS			
Non-current assets			
Property, plant and equipment		10,748	8,240
Intangible assets		75,526	75,631
Deferred tax asset		490	1,086
Total non-current assets		86,764	84,957
Current assets			
Inventories		0	0
Accounts receivable and prepayments		11,164	10,604
Loans issued		160	124
Cash and cash equivalents		528	66
Total current assets		11,852	10,794
TOTAL ASSETS		98,616	95,751
EQUITY AND LIABILITIES			
Equity			
Share capital		70,471	70,471
Other equity		15,115	15,115
Translation reserve		(11,422)	(11,161)
Retained earnings		(11,288)	(10,274)
Equity attributable to equity holders of the company	<i>2</i>	62,876	64,151
Non-current liabilities			
Deferred tax liabilities		0	36
Loans and borrowings	<i>3</i>	290	334
Total non-current liabilities		290	370
Current liabilities			
Loans and borrowings		15,354	12,853
Accounts payable and accruals	<i>3</i>	19,198	17,566
Current income tax payable		2	8
Other current liabilities		896	803
Total current liabilities		35,450	31,230
Total liabilities		35,740	31,600
TOTAL LIABILITIES AND EQUITY		98,616	95,751

GROUP'S INCOME STATEMENT

Consolidated Income Statement for quarter ended 30 June 2014

<i>In thousand SEK</i>	<i>Note</i>	H1 2014	H1 2013	Q2 2014	Q2 2013	2013
Sales revenue		318	84,814	66	44,741	103,770
Cost of goods sold		(225)	(78,640)	(40)	(42,390)	(96,949)
Gross profit		93	6,174	26	2,351	6,821
Selling, general and administrative expenses		(2,595)	(5,195)	(1,737)	(2,436)	(9,177)
Operating loss		(2,502)	979	(1,711)	(85)	(2,356)
Net finance income / (expenses)		(696)	(5,252)	571	(3,076)	(3,417)
Other income / (expenses)		2,506	(340)	(16)	(120)	(9,359)
Profit before income tax		(692)	(4,613)	(1,156)	(3,281)	(15,132)
Income tax		(322)	893	192	1,205	(564)
Net income / (loss)		(1,014)	(3,720)	(964)	(2,076)	(15,696)
Earnings per share						
Basic earnings per share (SEK)	4	(0.02)	(0.07)	(0.30)	(0.04)	(0.30)
Diluted earnings per share (SEK)	4	(0.02)	(0.07)	(0.30)	(0.04)	(0.30)

Consolidated Statement of Comprehensive Income for quarter ended 30 June 2014

<i>In thousand SEK</i>	H1 2014	H1 2013	Q2 2014	Q2 2013	2013
Net income	(1,014)	(3,720)	(964)	(2,076)	(15,696)
Other comprehensive income					
Currency translation	160	551	(2,968)	303	1,472
Currency translation loss on intragroup lending	(421)	0	4,978	0	(4,883)
Total comprehensive income / (loss), net of tax	(1,275)	(3,169)	1,046	(1,773)	(19,107)

GROUP'S CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for period ended 30 June 2014

<i>In thousand SEK</i>	Share capital	Other Equity	Currency translation	Retained earnings	Total
As of 31 December 2012	70,471	15,115	(7,750)	5,422	83,258
Comprehensive income					
Net profit / (loss) for the period	0	0	0	(3,720)	(3,720)
Other comprehensive income					
Effect on consolidation of foreign subsidiaries	0	0	551	0	551
Total comprehensive income	0	0	551	0	551
As of 30 June 2013	70,471	15,115	(7,199)	1,702	80,089
As of 31 December 2013	70,471	15,115	(11,161)	(10,274)	64,151
Comprehensive income					
Net profit / (loss) for the period	0	0	0	(1,014)	(1,014)
Other comprehensive income					
Effect on consolidation of foreign subsidiaries	0	0	160	0	160
Currency translation loss on intragroup lending	0	0	(421)	0	(421)
Total comprehensive income	0	0	(261)	(1,014)	(1,275)
As of 30 June 2014	70,471	15,115	(11,422)	(11,288)	62,876

GROUP'S CASH FLOWS STATEMENT

Consolidated Statement of Cash Flows for quarter ended 30 June 2014

<i>In thousand SEK</i>	H1 2014	H1 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	(692)	(4,613)
Adjustments for:		
Depreciation, depletion and amortization	56	2,544
Finance income	(34)	(40)
Finance costs	449	1,072
Other finance (income) / expense	0	200
Gain on loan forgiveness	(2,585)	0
(Gain) /loss on disposal of assets	0	72
Net foreign exchange (gain) / loss	328	146
Operating cash flow before changes in working capital	(2,478)	(619)
Changes in working capital:		
Change in accounts receivable	(560)	607
Change in inventories	0	(2,730)
Change in accounts payable and accruals	1,120	2,354
Change in taxes payable	325	(382)
Net cash generated by operating activities	(1,593)	(770)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	34	6
Issuance of loans	(35)	(689)
Proceeds from sale of property, plant and equipment	0	141
Purchase of property, plant and equipment	(2,430)	(1,124)
Net cash used in investing activities	(2,431)	(1,666)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	5,033	4,930
Repayment of borrowings	(257)	(3,156)
Repayment of interest	0	(193)
Net cash used in financing activities	4,776	1,581
Currency translation effect	(290)	3,857
Net change in cash and cash equivalents	462	3,002
Cash and cash equivalents at the beginning of the period	66	275
Cash and cash equivalents at the end of the period	528	3,277

PARENT'S FINANCIAL POSITION

Parent Company Statement of Financial Position as of 30 June 2014

<i>In thousand SEK</i>	30 June 2014	31 December 2013
ASSETS		
Non-current assets		
Shares in subsidiaries	89,823	89,823
Total non-current assets	89,823	89,823
Current assets		
Accounts receivable and prepayments	75	132
Loans issued	2,117	1,367
Cash and cash equivalents	218	47
Total current assets	2,410	1,546
TOTAL ASSETS	92,233	91,369
EQUITY AND LIABILITIES		
Equity		
Restricted reserve		
Share capital	70,471	70,471
Restricted reserve	6,747	6,747
Non-restricted reserve		
Share premium	331,867	331,867
Retained earnings	(332,110)	(329,758)
Equity attributable to equity holders of the company	76,975	79,327
Current liabilities		
Loans and borrowing	6,756	4,442
Accounts payable and accruals	7,689	6,911
Taxes payable	813	689
Total current liabilities	15,258	12,042
Total liabilities	15,258	12,042
TOTAL LIABILITIES AND EQUITY	92,233	91,369

PARENT'S INCOME STATEMENT

Parent Company Statement of Comprehensive Income for quarter ended 30 June 2014

<i>In thousand SEK</i>	H1 2014	H1 2013	Q2 2014	Q2 2013	2013
Revenue from sales	0	0	0	0	0
Cost of sale	0	0	0	0	0
Gross profit	0	0	0	0	0
Selling, general and administrative expenses	(1,993)	(1,157)	(1,435)	(645)	(3,563)
Operating loss	(1,993)	(1,157)	(1,435)	(645)	(3,563)
Net finance income / (expenses)	(276)	52	(17)	6	(78,679)
Other income / (expenses)	(83)	(13)	(42)	0	(232,810)
Profit before income tax	(2,352)	(1,118)	(1,494)	(639)	(315,052)
Income tax	0	0	0	0	0
Net income / (loss)	(2,352)	(1,118)	(1,494)	(639)	(315,052)
Other comprehensive income	0	0	0	0	0
Total comprehensive income / (loss), net of tax	(2,352)	(1,118)	(1,494)	(639)	(315,052)

PARENT'S CHANGES IN EQUITY

Parent Company Statement of Changes in Equity for period ended 30 June 2014

<i>In thousand SEK</i>	RESTRICTED EQUITY		NON-RESTRICTED EQUITY		Total
	Share capital	Restricted reserve	Share premium	Retained earnings	
As of 31 December 2012	70,471	6,747	331,867	(14,706)	394,379
Net profit / (loss) for the period	0	0	0	(315,052)	(315,052)
Total comprehensive income	0	0	0	(315,052)	(315,052)
As of 31 December 2013	70,471	6,747	331,867	(329,758)	79,327
Net profit / (loss) for the period	0	0	0	(2,352)	(2,352)
Total comprehensive income	0	0	0	(2,352)	(2,352)
As of 30 June 2014	70,471	6,747	331,867	(332,110)	76,975

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

This interim report for the period ended 30 June 2014 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 2013.

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 30 June 2014:

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

Shareholder	Number of Shares	Proportion
Bryum Estonia	14,336,062	27.52%
Altare Energy	14,249,137	27.35%
Yuri Gusev	9,147,756	17.56%
OU SEE	6,000,000	11.52%
Others	8,365,522	16.05%
Total	52,098,477	100.00%

3. Loans and borrowings

The structure of non-current borrowings is as follows:

<i>In thousands of SEK</i>	30.06.2014	31.12.2013
Finance leases	268	334
Loans from related parties	22	0
Total non-current borrowings	290	334

The structure of current borrowings is as follows:

<i>In thousands of SEK</i>	30.06.2014	31.12.2013
Loans from related parties	12,902	10,944
Loans from companies	2,357	1,856
Finance leases	95	53
Total current borrowings	15,354	12,853

Further details on loans and borrowings from related parties are disclosed in Note 5.

As at 30 June 2014 the effective interest rate on borrowings ranged between 5% p.a. to 18% p.a. Implicit interest rate in leasing agreement is 21.8%

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.

NOTES TO THE FINANCIAL STATEMENTS

4. Earnings per Share

The calculation of basic earnings per share at 30 June 2014 was based on the net profit / (loss) and a weighted average number of ordinary shares.

<i>In thousands of shares</i>	H1 2014	Q2 2014	2013
Number of shares at the beginning of the year	52,098	52,098	52,098
Weighted average number of ordinary shares in thousands	52,098	52,098	52,098

	H1 2014	Q2 2014	2013
Weighted average number of ordinary shares in thousands	52,098	52,098	52,098
Profit / (loss) for the period, TSEK	(1,014)	(964)	(15,696)
Basic earnings per share (SEK)	(0.02)	(0.02)	(0.30)
Diluted earnings per share (SEK)	(0.02)	(0.02)	(0.30)

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 H1 2014 and balances with related parties as of 30 June 2014 were as follows:

<i>In thousands of SEK</i>	Shareholders	Companies under common control	Key management personnel
Loans payable	3,804	3,216	5,904

Mr. Paul Waern, member of the Board of Directors, has granted loans to the Company. The loan principal and accrued interest balance amounted to 875 TSEK as of 30 June 2014; the loan carries 10% interest rate.

In June 2013 Bryum Limited provided loans to the Company carrying 5% interest rate. The balance and accrued interest amounted to 1,919 TSEK as of 30 June 2014.

In H1 2014 the Group received loan from OU SEE carrying 5% interest rate. The balance and accrued interest amounted to 976 TSEK as of 30 June 2014.

Myrtyle Ventures Limited has issued a loan to the Company. The principal amount outstanding, and accrued interest, there of amounts to 1,259 TSEK as of 30 June 2013.

Sixbees AB provided several loans to the Group in 2013 and H1 2014. The loan principal and accrued interest balance amounted to 1,765 TSEK as of 30 June 2014; the loans carry 10% interest rates.

In May 2014 the Group received loan from Mr Petr Arbatov. The balance and accrued interest on Mr. Arbatov's loans amounted to 3,962 TSEK as of 30 June 2014.

In 1Q 2014 Ms Nadezhda Popova forgave the loan and accrued interest to the Group in the amount of 2,585 TSEK and further 344 TSEK loan was offset against OOO Selena-Perm trade receivables. As of 30 June 2014 the Group has no receivables or payables with Popov's family.

In addition to the above, there are certain intra-group transactions between the Group companies and members of the management of OOO Selena-Oil; 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.

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, August 28, 2014

Lars Bergström

Chairman

Indrek Rahumaa

Director

Paul Waern

Director

Per Olof Sjöstedt

Director

Jürgen Lamp

Director

Magnus Stuart

Managing Director

Financial Calendar

The subsequent financial reports will be disclosed by the Selena Oil & Gas Holding AB in 2014 on the dates indicated in the following table:

28 November 2014	Unaudited interim report, Q3 2014
27 February 2015	Unaudited 12 Month Report 2014
29 May 2015	Unaudited interim Report, Q1 2015

Certified Advisor

Mangold Fondkommission is the Company's Adviser on public information, telephone +46 8-503 015 50.

For further information, please contact:

Magnus Stuart, Managing Director

Tel: +46 706 211 350

Selena Oil & Gas Holding AB (Publ) (former Emitter Holding AB) is engaged in the exploration, and production of oil and gas in the Volga-Ural region in the Russian Federation, around Perm. The Company's shares are temporarily not publicly listed, but the Company observes all rules, practices and policies for any company subject to public listing. Selena Oil & Gas Holding AB are in process of seeking for a new listing. Mangold Fondkommission serves as before as the company's Adviser on public information. For further information on Selena Oil & Gas Holding AB (publ), see the website www.selenaoil.com

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.