



Interim Report for the
first quarter
ended 31 March 2015

Selena Oil & Gas Holding AB

Company registration number 556643-6613



FINANCIAL HIGHLIGHTS

First quarter 2015

- The total production of crude oil in Q1 2015 amounted to 8.1 Mbbl (Q1 2014: none)
- Q1 2015 EBITDA amounted to a loss of 918 TSEK (Q1 2014: profit of 1,929 TSEK)
- Operating Profit amounted to a loss of 963 TSEK in Q1 2015 (Q1 2014: loss of 621 TSEK)
- Q1 2015 Net Result was a loss of 1,963 TSEK (Q1 2014: a loss of 50 TSEK), including a net finance loss of 986 TSEK

TABLE KPIs

	Q1 2015	Q1 2014	2014
Production, Mbbl	8.1	0	8.3
Production, bopd	90.0	0	76.4
Revenue TSEK	1,552	422	5,190
EBITDA TSEK	(918)	1,929	(4,977)
EBITDA margin (%)	(59.1%)	457.1%	(95.9%)
Operating income/loss TSEK	(963)	(621)	(2,831)
Net result TSEK	(1,963)	(50)	(8,137)

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
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

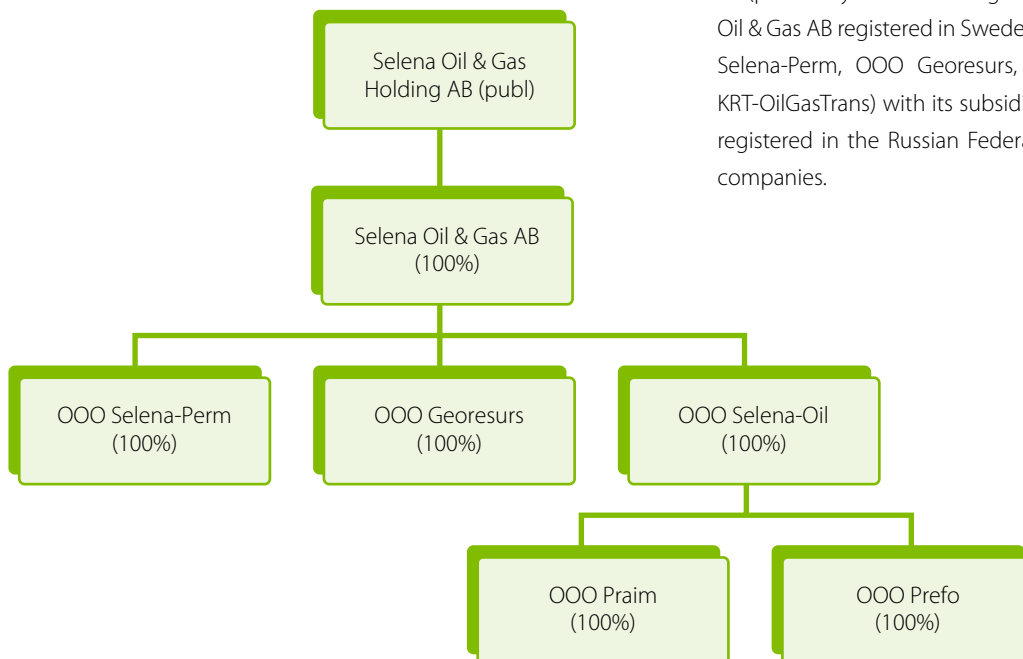
Selena Oil & Gas Holding AB (publ) ("SOGH", "Parent" or the "Company", and together with its subsidiaries the "Group") is an independent Swedish oil and gas holding company with proved and producing assets located in the Russian Federation. The Group is engaged in the exploration and production of oil 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 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. 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 subsidiaries 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. In 2013 oil production was temporarily discontinued due to reorganization and was re-started again in Q2 2014.

GROUP STRUCTURE

The structure of the Group as of 31 March 2015 is presented below:



As of 31 March 2015 the Group consisted of Selena Oil & Gas Holding AB (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 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 2014.

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 Q1 2015	0.1493	8.6232
Closing rate 31.03.2015	0.1326	8.3365

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 2015

Petition for bankruptcy at Stockholms Tingsrätt has been withdrawn

Petition for bankruptcy filed at the district court of Stockholm (Stockholms Tingsrätt) was withdrawn following an out of court settlement between the Creditor and Selena Oil & Gas Holding AB. Selena Oil & Gas Holding AB reached a settlement with the Creditor that filed for a bankruptcy petition December 17th, 2014, in relationship to an unpaid debt.

The settlement means that the filed petition at the district court of Stockholm (Stockholms Tingsrätt) was withdrawn and Selena Oil & Gas Holding AB undertook to repay the debt through an instalment plan. The settlement was reached through an out of court action in a direct dialogue between the Creditor and the Company.

COMMENTS ON THE RESULTS OF Q1 2015

Production and investments

In total 8.1 thousand bbl were produced in Q1 2015 (Q1 2014: none) and average production was 90 bbl per day during Q1 2015. The plan for next developments includes addition of an increased storage capacity and the construction of a subsurface pipeline, connecting well 21 to the Fedortsevskoye production terminal as well as constructing a permanent electricity supply connection to local high volt grid.

In December 2014 the company received a commercial proposal from LUKoil for further acquisitions of temporarily abandoned wells located on oilfields licensed to the Company. The commercial proposal includes three wells on Kulighinskoye field, well 23 on Fedortsevskoye field as well as one well on Komarichinskoye field. The Company has set its investment priorities and is active to solve financing of its investment plan.

Investments amounted to 283 TSEK in Q1 2015 and related to improvement of wells and infrastructure related investments on Fedortsovskoye field.

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	0.6	0.9	3.1
Komarichinskoye field	1.0	2.6	4.5
Tayozhnyi area	2.6	3.7	8.1
Tokaresvskiy area	no assessment		
Total	9.2	18.2	31.9

Revenue and results

The sales amounted to 1,552 TSEK in Q1 2015 (Q1 2014: none). EBITDA amounted to a loss of 918 TSEK in Q1 2015 as compared to a loss of 1,929 TSEK in respective period in 2014. Net result for Q1 2015 was a loss of 1,963 TSEK including net finance loss in amount 986 TSEK.

Financial position and liquidity

Total assets of the Group amounted to 83,694 TSEK and increased by 5.3% as compared to the position as of 31 December 2014.

The Group's equity attributable to the equity holders of the Company amounted to 42,746 TSEK as of 31 March 2015 and increased from 42,179 TSEK as of 31 December 2014.

Total loans and borrowings amounted to 16,428 TSEK and increased by 3.9% as compared to the balance as of 31 December 2014. For further details of the borrowings please refer to note 3 and note 5 of this report.

Cash and cash equivalents balance decreased from 572 TSEK to 278 TSEK as of 31 March 2015.

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 74,097 TSEK as of 31 March 2015 and net loss amounted to 815 TSEK for the period ended 31 March 2015.

GROUP'S FINANCIAL POSITION

Consolidated Statement of Financial Position as of 31 March 2015

<i>In thousand SEK</i>	<i>Note</i>	31 March 2015	31 December 2014
ASSETS			
Non-current assets			
Property, plant and equipment		9,550	7,734
Intangible assets		63,847	61,559
Deferred tax asset		774	725
Total non-current assets		74,171	70,018
Current assets			
Inventories		30	15
Accounts receivable and prepayments		9,105	8,783
Loans issued		110	101
Cash and cash equivalents		278	572
Total current assets		9,523	9,471
TOTAL ASSETS		83,694	79,489
EQUITY AND LIABILITIES			
Equity			
Share capital		70,471	70,471
Other equity		15,115	15,115
Translation reserve		(22,466)	(24,996)
Retained earnings		(20,374)	(18,411)
Equity attributable to equity holders of the company	2	42,746	42,179
Non-current liabilities			
Deferred tax liabilities		0	0
Loans and borrowings	3	142	152
Asset retirement obligations		1,036	0
Total non-current liabilities		1,178	152
Current liabilities			
Loans and borrowings	3	16,286	15,659
Accounts payable and accruals		21,954	20,243
Current income tax payable		0	1
Taxes payable		1,530	1,255
Total current liabilities		39,770	37,158
Total liabilities		40,948	37,310
TOTAL LIABILITIES AND EQUITY		83,694	79,489

GROUP'S INCOME STATEMENT

Consolidated Income Statement for quarter ended 31 March 2015

<i>In thousand SEK</i>	<i>Note</i>	Q1 2015	Q1 2014	2014
Sales revenue		1,552	422	5,190
Cost of goods sold		(1,163)	(185)	(1,852)
Gross profit		389	237	3,338
Selling, general and administrative expenses		(1,352)	(858)	(6,169)
Operating loss		(963)	(621)	(2,831)
Net finance income / (expenses)		(986)	(1,437)	(2,963)
Other income / (expenses)		(2)	2,522	(2,291)
Profit before income tax		(1,951)	464	(8,085)
Income tax		(12)	(514)	(52)
Net income / (loss)		(1,963)	(50)	(8,137)
Earnings per share				
Basic earnings per share (SEK)	4	(0.04)	0.00	(0.16)
Diluted earnings per share (SEK)	4	(0.04)	0.00	(0.16)

Consolidated Statement of Comprehensive Income for quarter ended 31 March 2015

<i>In thousand SEK</i>	Q1 2015	Q1 2014	2014
Net income	(1,963)	(50)	(8,137)
Other comprehensive income			
Currency translation	354	3,128	7,992
Currency translation loss on intragroup lending	2,176	(5,399)	(21,827)
Total comprehensive income / (loss), net of tax	567	(2,321)	(21,972)

GROUP'S CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for period ended 31 March 2015

<i>In thousand SEK</i>	Share capital	Other Equity	Currency translation	Retained earnings	Total
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	(8,137)	(8,137)
Other comprehensive income					
Effect on consolidation of foreign subsidiaries	0	0	7,992	0	7,992
Currency translation loss on intragroup lending	0	0	(21,827)	0	(21,827)
Total comprehensive income	0	0	(13,835)	(8,137)	(21,972)
As of 31 December 2014	70,471	15,115	(24,996)	(18,411)	42,179
Comprehensive income					
Net profit / (loss) for the period	0	0	0	(1,963)	(1,963)
Other comprehensive income					
Effect on consolidation of foreign subsidiaries	0	0	354	0	354
Currency translation loss on intragroup lending	0	0	2,176	0	2,176
Total comprehensive income	0	0	2,530	(1,963)	567
As of 31 March 2015	70,471	15,115	(22,466)	(20,374)	42,746

GROUP'S CASH FLOWS STATEMENT

Consolidated Statement of Cash Flows for quarter ended 31 March 2015

<i>In thousand SEK</i>	Q1 2015	Q1 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	(1,951)	464
Adjustments for:		
Depreciation, depletion and amortization	47	28
Finance income	0	(34)
Finance costs	404	205
Other finance (income) / expense	0	0
Loss on disposal of a subsidiary	0	0
Gain on loan forgiveness	0	2,557
Loss on assets transfer	0	0
Write down of assets	0	0
(Gain) / loss on disposal of assets	0	0
Net foreign exchange (gain) / loss	701	(208)
Operating cash flow before changes in working capital	(799)	3,012
Changes in working capital:		
Change in accounts receivable	(893)	832
Change in inventories	(15)	0
Change in accounts payable and accruals	1,711	(6,498)
Change in taxes payable	213	187
Net cash generated by operating activities	217	(2,467)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	0	34
Issuance of loans	0	0
Proceeds from sale of property, plant and equipment	0	0
Purchase of property, plant and equipment	(135)	(295)
Purchase of intangible assets	(148)	0
Net cash used in investing activities	(283)	(261)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	60	1,324
Repayment of borrowings	(87)	(3)
Repayment of interest	(95)	0
Net cash used in financing activities	(122)	1,321
Currency translation effect	(106)	1,412
Net change in cash and cash equivalents	(294)	5
Cash and cash equivalents at the beginning of the period	572	66
Cash and cash equivalents at the end of the period	278	71

PARENT'S FINANCIAL POSITION

Parent Company Statement of Financial Position as of 31 March 2015

<i>In thousand SEK</i>	31 March 2015	31 December 2014
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	78	47
Loans issued	2,301	2,180
Cash and cash equivalents	7	272
Total current assets	2,386	2,499
TOTAL ASSETS	92,209	92,322
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	(334,988)	(334,173)
Equity attributable to equity holders of the company	74,097	74,912
Current liabilities		
Loans and borrowing	8,477	8,363
Accounts payable and accruals	8,666	8,130
Taxes payable	969	917
Total current liabilities	18,112	17,410
Total liabilities	18,112	17,410
TOTAL LIABILITIES AND EQUITY	92,209	92,322

PARENT'S INCOME STATEMENT

Parent Company Statement of Comprehensive Income for quarter ended 31 March 2015

<i>In thousand SEK</i>	Q1 2015	Q1 2014	2014
Revenue from sales	0	0	0
Cost of sale	0	0	0
Gross profit	0	0	0
Selling, general and administrative expenses	(857)	(558)	(3,244)
Operating loss	(857)	(558)	(3,244)
Net finance income / (expenses)	42	(259)	(1,033)
Other income / (expenses)	0	(41)	(138)
Profit before income tax	(815)	(858)	(4,415)
Income tax	0	0	0
Net income / (loss)	(815)	(858)	(4,415)
Other comprehensive income	0	0	0
Total comprehensive income / (loss), net of tax	(815)	(858)	(4,415)

PARENT'S CHANGES IN EQUITY

Parent Company Statement of Changes in Equity for period ended 31 March 2015

<i>In thousand SEK</i>	Restricted equity		Non-restricted equity		Total
	Share capital	Restricted reserve	Share premium	Retained earnings	
As of 31 December 2013	70,471	6,747	331,867	(329,758)	79,327
Net profit / (loss) for the period	0	0	0	(4,415)	(4,415)
Total comprehensive income	0	0	0	(4,415)	(4,415)
As of 31 December 2014	70,471	6,747	331,867	(334,173)	74,912
Net profit / (loss) for the period	0	0	0	(815)	(815)
Total comprehensive income	0	0	0	(815)	(815)
As of 31 March 2015	70,471	6,747	331,867	(334,988)	74,097

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

This interim report for the period ended 31 March 2015 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 2014.

2. Equity and share capital

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

Largest shareholders as of 31 March 2015:

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	9,147,755	17.56%
OU SEE	6,000,000	11.52%
Others	8,365,523	16.05%
Total	52,098,477	100.00%

3. Loans and borrowings

The structure of non-current borrowings is as follows:

<i>In thousand SEK</i>	31.03.2015	31.12.2014
Finance leases	137	148
Loans from related parties	5	4
Total non-current borrowings	142	152

<i>In thousand SEK</i>	31.03.2015	31.12.2014
Loans from related parties	14,127	13,556
Loans from companies	2,074	2,031
Finance leases	85	72
Total current borrowings	16,286	15,659

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

As at 31 March 2015 the effective interest rate on borrowings ranged between 5% p.a. to 13% 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 31 March 2015 was based on the net profit / (loss) and a weighted average number of ordinary shares.

<i>In thousands of shares</i>	Q1 2015	Q1 2014	2014
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

	Q1 2015	Q1 2014	2014
Weighted average number of ordinary shares in thousands	52,098	52,098	52,098
Profit / (loss) for the period, TSEK	(1,963)	(50)	(8,137)
Basic earnings per share (SEK)	(0.04)	0.00	(0.16)
Diluted earnings per share (SEK)	(0.04)	0.00	(0.16)

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 2015 and balances with related parties as of 31 March 2015 were as follows:

<i>In thousand SEK</i>	Shareholders	Companies under common control	Key management personnel
Loans payable	3,080	4,710	6,342

Mr. Paul Waern, member of the Board of Directors, has granted loans to the Company. The loan principal and accrued interest balance amounted to 857 TSEK as of 31 March 2015; the loan carries 10% interest rate.

In September 2013 Bryum Estonia AS provided loans to the Company carrying 5% interest rate. The balance and accrued interest amounted to 1,987 TSEK as of 31 March 2015.

In 2014 the Group received loan from OU SEE carrying 8% interest rate. The balance and accrued interest amounted to 1,094 TSEK as of 31 March 2015.

Sixbees provided several loans to the Group in 2013 and 2014. The loan principal and accrued interest balance amounted to 2,011 TSEK as of 31 March 2015; 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 3,368 TSEK as of 31 March 2015.

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, May 28, 2015

Lars Bergström
Chairman

Indrek Rahumaa
Director

Paul Waern
Director

Per Olof Sjöstedt
Director

Jürgen Lamp
Director

Magnus Stuart
Managing Director

OTHER INFORMATION

Financial Calendar

The subsequent financial reports will be disclosed by the Selena Oil & Gas Holding AB (publ) in 2015 on the dates indicated in the following table:

17 June 2015	Annual General Meeting
28 August 2015	Unaudited interim Report for Q2 and H1 2015
30 November 2015	Unaudited interim Report for Q3 and 9M 2015
29 February 2016	Unaudited interim Report for Q4 and 12M 2015

For further information, please contact:

Magnus Stuart, managing director

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Selena Oil & Gas Holding AB (publ) is engaged in the production and transportation of oil and gas in the Volga-Ural region in the Russian Federation, including Perm and Udmurtia. 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.