



# PETROGRAND

PRESS RELEASE 4 December 2015

## **Comment on the decision by the Disciplinary Committee of Nasdaq Stockholm**

As reported separately in a press release today, the Disciplinary Committee of Nasdaq Stockholm has resolved in a decision dated 4 December 2015 that the Petrogrand shares shall be delisted from trading on First North on 4 February 2016. The Disciplinary Committee has also decided that Petrogrand shall pay a fine in the amount of SEK 50,000 for having breached the takeover-rules applying to the marketplace.

The decision by the Disciplinary Committee deals with events that principally took place during 2013 and 2014. The Committee holds that Petrogrand regarding the circumstances reported by the marketplace has – with one exception – breached the disclosure and information requirements in the First North rulebook and the takeover rules of the marketplace. The breaches have occurred in connection with the disclosure of information pertaining to the cross takeover bids between Petrogrand and Shelton Petroleum AB.

At an extraordinary general meeting of Petrogrand on 10 April 2015, the entire board of directors was replaced by a new board. Immediately following the meeting, the managing director was discharged and a new managing director was appointed. Shortly thereafter Petrogrand also engaged a new CFO.

The new board and management of the company did immediately become involved with the board and management of Shelton in the task aiming at dissolving the cross ownership between the two companies. This process is still ongoing. Following the resolutions by the extraordinary general meeting of both companies, a time plan has been set and made public in a press release on 27 November. According to the time plan, Petrogrand's shares in Shelton will be distributed to its shareholders on 22 December with a record day on 18 December.

It must be emphasized that Petrogrand has incurred considerable legal fees and other costs while working for a speedy completion of the merger of the businesses of Petrogrand and Shelton in order to meet the demands of Nasdaq Stockholm to dissolve the cross ownership. The new board and management have acted very laboriously in order to rectify all the breaches made in the past. All in all, the board and management do not believe that the sanctions imposed on Petrogrand are in proportion to the events that have occurred. Furthermore, the sanctions have been issued one and a half years after the breaches were discovered.

“I am really disappointed with the decision of the Disciplinary Committee to delist the Petrogrand shares from First North”, says the managing director of Petrogrand Dmitry Zubatyuk. “The new board and management of Petrogrand have looked very seriously on the breaches that were made in the past in the company and we have immediately taken action with a view to rectify the issues raised by the marketplace. This mainly concerns the cross ownership between the two companies. We had – at least in the interests of our small shareholders – hoped that the Disciplinary Committee should have taken into consideration that the breaches took place quite a long time ago and that Petrogrand now has a board and a management which in word and deed have proved that Petrogrand has the intent and the capability to comply with the rules of First North. Unfortunately the Disciplinary Committee made other priorities and chose to delist the shares. On our part we still feel a responsibility towards the shareholders and we will make sure that it will be possible to trade in the Petrogrand shares after the delisting”.

Nasdaq OMX Stockholm's disciplinary committee's decision is available at:

<http://www.nasdaqomx.com/listing/europe/surveillance/stockholm/disciplinarycommittee/decisions/>

**For further information, please contact:**

Dmitry Zubatyuk, CEO.

Phone: +46 8 5000 7810  
info@petrogrand.se

**About Petrogrand**

Petrogrand's overall business concept is to conduct oil production through acquired Russian subsidiaries and oil licenses. The company is also to manage and refine Russian oil resources and, when favorable, divest assets and licenses. The shares in Petrogrand are listed at Nasdaq First North Stockholm, an alternative market place (i.e. not a regulated market) and the company's Certified Adviser is Aqurat Fondkommission AB. For more information visit the company's webpage [www.petrogrand.se](http://www.petrogrand.se).