



Capital Oil

Company Description

Svenska Capital Oil AB (the "Company" or "Capital Oil") is a Swedish upstream oil and gas company with operations in Ukraine. The Company was founded in 2004 and is since 12 June 2007 listed on the First North List at NASDAQ OMX Stockholm.

The Company has operated with Gothenburg as the registered office but has decided at the last General Meeting of Shareholders to relocate to Stockholm as principal place of business.

First North is an alternative marketplace operated by an exchange within the NASDAQ OMX group. Companies on First North are not subject to the same rules as companies on the regulated main market. Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a Company on First North may therefore be higher than investing in a company on the main market. All Companies with shares traded on First North have a Certified Adviser who monitors that the rules are followed. The Exchange approves the application for admission to trading.

Business model and strategy

The business idea is to develop and significantly improve production in gas-, and oilfields in Ukraine by implementation of a large-scale investment program to work over and modernize existing producing wells, install new production technology and new facilities.

Capital Oil's investment program includes: Development of new and redevelopment of old gas fields, well workover in order to enhance production, investments in new technology, (e.g. construction of compressor stations), development of high viscosity crude oil fields.

Organization and joint activities

On July 1, 2011, the Company acquired Misen Enterprises AB ("Misen"), a Swedish registered company with upstream oil and gas operations in Ukraine, through an issue-in-kind, (resulting in a reverse take-over). The original Misen shareholders currently own between them 98.9% of the shares in the Company. The transaction was based on a value of the issue-in-kind of approximately SEK 1 billion.



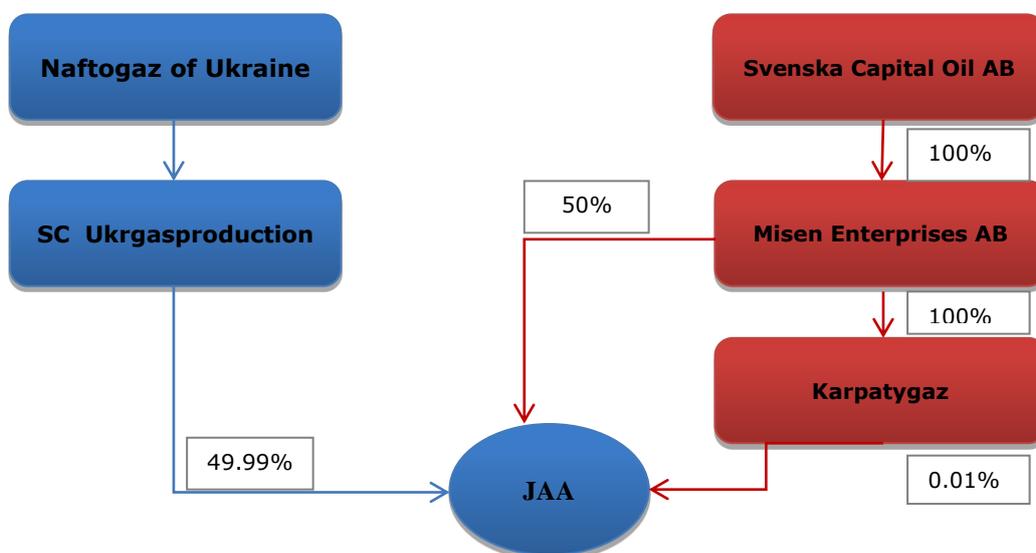
Capital Oil

The reason for conducting the reverse take-over was that Capital Oil did not have any value creating operations before Misen was acquired. The management did engage in a long and thorough search in order to find operations that could be acquired and create value for the shareholders in Capital Oil in the long run. The reverse take-over with Misen was a good solution for all parties in the transaction.

Capital Oil, via its wholly owned subsidiaries Misen and LLC Karpatygaz ("Karpatygaz"), holds a 50.01% interest in a joint activity project (the "Project") governed by a Joint Activity Agreement (the "JAA") with Ukrgezvydobvannya ("Ukrigasproduction"), the largest producer of natural gas in Ukraine itself a subsidiary of Naftogaz Ukraine (a state owned oil and gas company). Ukrigasproduction holds the remaining 49.99% interest in the Project. Karpatygaz is the operator of the activities under the JAA.

The red figure below to the right depicts the actual legal structure of Capital Oil AB.

Figure 1. Structure of the JAA



The purpose of the Project is to significantly increase production from 26 selected onshore gas fields in the eastern part of Ukraine by implementation of the on-going, large-scale investment program to work over and modernize existing wells and facilities and install new field installations, such as compressors. In addition, the JAA covers development of two gas fields in the western part of Ukraine.

The gas fields and the gas that is produced are controlled by the JAA. The

gas fields in Ukraine are not owned by the operator as is the case in the US. The state owns the fields but they are controlled fully by the JAA during the period that the JAA is valid, which is 20 years for this JAA.

Overview of Naftogaz

NJSC Naftogaz of Ukraine is a state owned and vertically integrated oil and gas company engaged in the full cycle of operations in gas and oil field exploration, development and production, drilling, gas and oil transport and storage, as well as supply of natural gas and LPG to consumers. Naftogaz has 11 subsidiaries of which three are involved in different parts of the upstream industry; Ukrigasproduction, Ukrnafta and Chornomornaftogaz.

SC Ukrigasproduction is responsible for onshore gas production, and includes four gas producing units, including a drilling company and a gas and condensate processing plants.

OJSC Ukrnafta carries out oil production, and consists of 25 production and support units, including six drilling companies, six oil and gas production affiliates, and three gas processing plants.

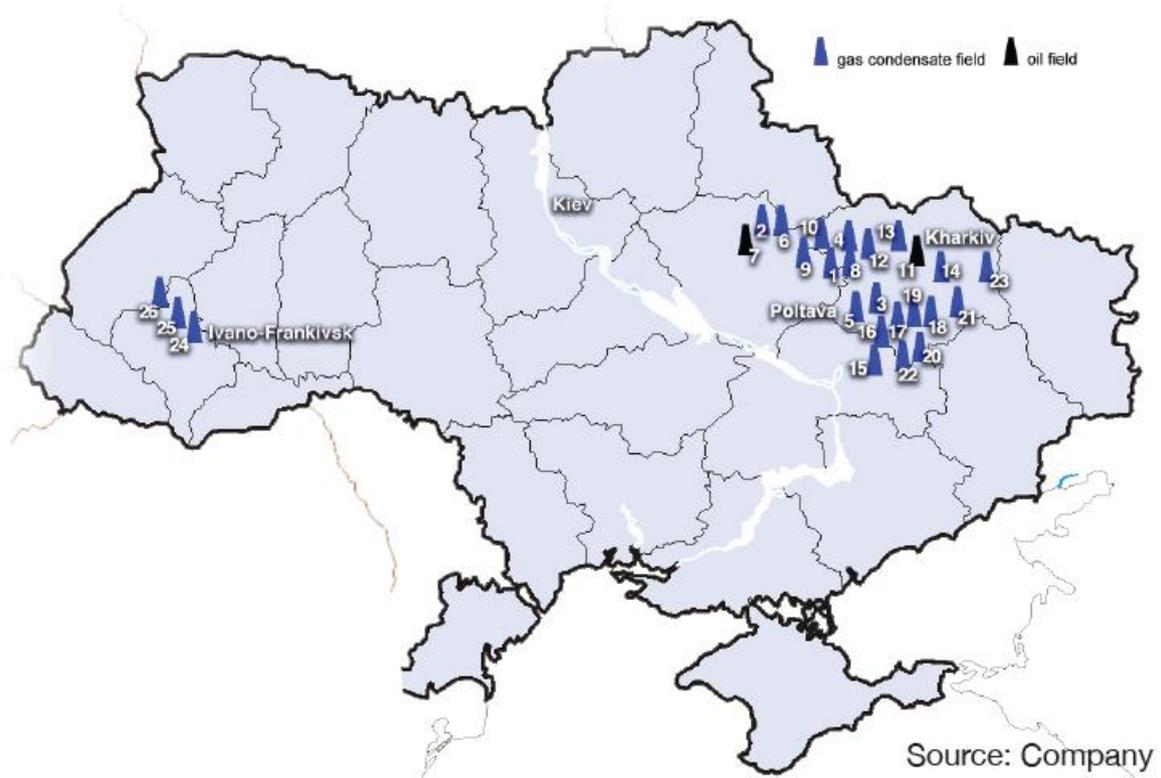
SJSC Chornomornaftogaz carries out exploration and production drilling operations, oil and gas production in the Black Sea and the Sea of Azov, and transportation and storage of natural gas in the Crimea.

Overview of the JAA and the investment program

The JAA operates in different gas fields. The JAA does not own the reserves and they can not be accounted for in the company's balance sheet. The JAA controls the fields and the reserves fully during the period of the JAA, which amounts to 20 years. The JAA has concessions by the state to drill and produce oil and gas. The JAA pays a fee to the state for this concession. The JAA is valid from July 1, 2011.

Gross proven and probable reserves for the 26 selected onshore gas fields under the JAA are 574 BCM, based on a Miller and Lents reserve report dated 2 August 2006 and subsequent updates performed by the State Geological Institute, Chernigov (Ukraine). Under the JAA, 110 wells shall be worked over and processing and compression facilities installed on 9 fields, and full redevelopment of two gas fields (Zaluzhanske, Letnianske) will be performed. Capital Oil has access to 50.01% of the volumes produced as a result of the planned workovers, estimated to be in the order of 21.5 BCM less the baseline production referred to below.

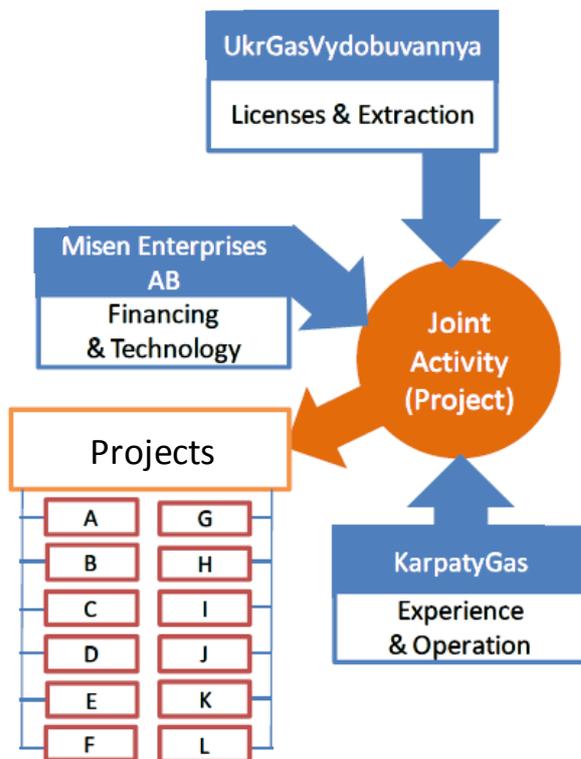
Figure 2. Fields under the JAA



Today the baseline production for the 20 year duration of the JAA is 55.8 CM/day. The current production of the JAA as a result of the workover of the existing production wells and upgrade of surface processing and compression equipment initiated in March 2011 is about 880 MCM/day (after deduction of the relevant baseline production for the current period).

The gas produced under the JAA is sold to commercial customers, and in 2011 capital Oil achieved an average price of about 386 USD/MCM, excluding VAT. The commercial gas market pricing follows the pricing of Russian gas sold to Ukraine. The gas sales agreement between Russia and Ukraine is currently being renegotiated.

Figure 3. Structure of the JAA and the investment program



Karpatygas is the operator of the activities under the JAA, and in accordance with the JAA, the parties will during the coming three years invest about USD 350 million in well workovers and modern technology, including compressor stations and wellhead compressors, to increase the Ukrainian gas production by, on peak, approximately 2 BCM per year (which corresponds to roughly 10% of Ukraine’s gas production for 2011) thereby achieving the main aim of the JAA.

From March 2011 to date, USD 20.5 million has been invested in purchase of compressor equipment and USD 16 million in workovers of existing wells and drilling of 2 new wells, bringing incremental production above the baseline production to about 880 MCM/day. The investments to date have been funded by cash flow and the initial investment by the Company’s shareholders. During 2012 investment in terms of the JAA is estimated up to 230 Million USD and will be covered from the Project cash flow although it may be necessary to seek some external funding depending on production and the gas price.

Investments relate to the development of production through introduction of proven production technologies and measures including:

- Well workovers; to enhance production from 110 wells. A total of 38 of these wells have already been worked over or are under workover,

- Redevelopment of gas fields (Zaluzhanske, Letnianske marginal producing fields),
- Construction of compressor stations (Khrestyshchenske, Yuliivske) and wellhead compressor units (Rozpashnivske, Abazivske, East Poltavske, Markivske, Letnianske, Svydnytske and Shebelynske fields),
- Extraction of propane-, butane and gas condensate fractions. (Khrestyshchenske group of fields),
- Development of high viscosity crude oil fields (Yablunivske field).

Completed to date (February 2012):

- The Project is conducting operations with currently 67 employees located in Kiev, Poltava, Kharkov and Lviv offices. These are employed by Karpatygaz.
- JAA has to date invested USD 36.5 million in compressors, workovers and drilling.
- 20 wells are completed and in operation; 12 rigs are contracted for workover and coiled tubing operations.
- An extensive 15-well hydraulic fracturing program is expected to be commenced in mid-2012. All legal agreements covering the JAA are signed, approved and registered.

Profits from the JAA are split in accordance with participation interest in the JAA and during the first three years of the Project, all profits will be reinvested in operations. This implies that no dividends will be paid out during the fiscal years 2011, 2012 and 2013.

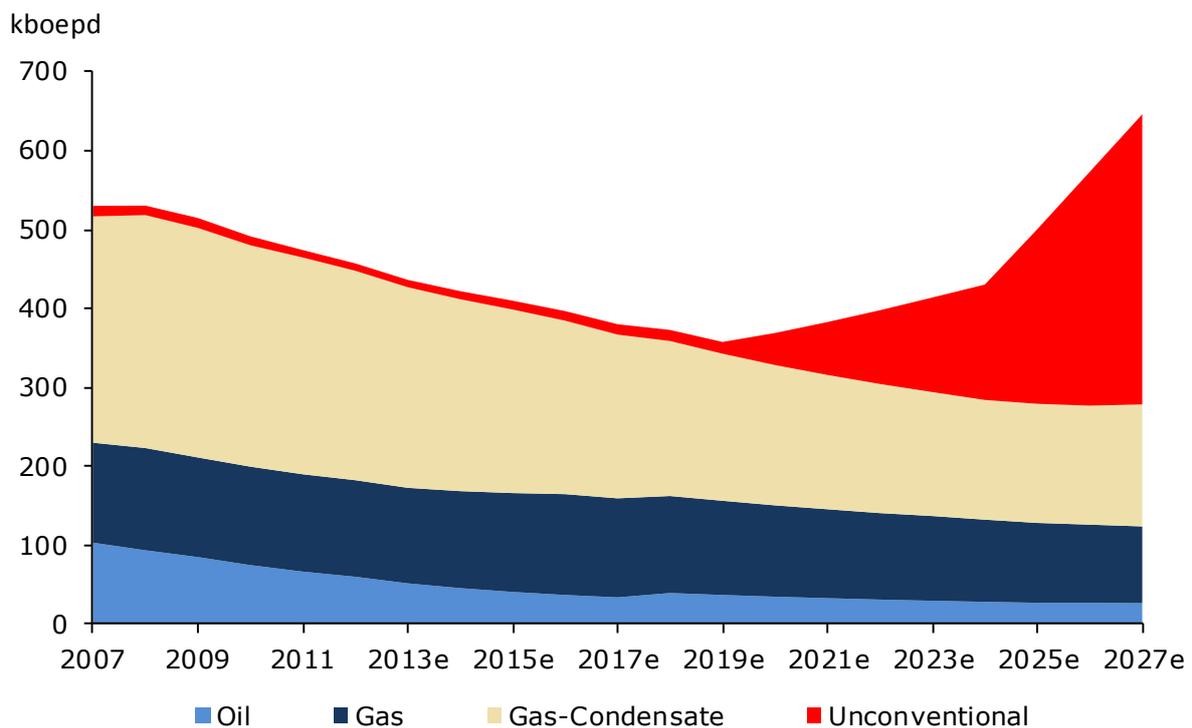
All the non-movable equipment are owned by the JAA. The rigs and the drilling equipment are contracted by the JAA through leasing agreements with external suppliers.

Overview of the Ukraine E&P industry

The oil and gas industry in Ukraine is an important part of the country's economy, and the country is also a vital transit country for Russian oil and gas export to Europe. Ukraine started an extensive development of its oil and gas resources in the 1950's, and established a peak production of about 1.4 mmboe in 1975, of which 85% were gas. Since then the output has gradually declined, a trend that intensified following the collapse of the Soviet Union. The production stabilized in the 2000's, and the country has recently launched an effort to intensify development of oil and gas resources, and has embarked on a strategy of partnering with large

international oil and gas companies to develop the country's reserves. Over the last years, the government has announced agreements with several majors for joint development of oil and gas resources. This strategy is expected to increase the production in the country significantly going forward, as can be seen from the figure below. Estimated production in 2011 was 92 kboepd of oil and 2.2 bcfpd of gas. International energy companies with operations in the Ukraine include Shell, ENI, JKC Oil and Gas and Regal Petroleum.

Figure 4. Ukrainian Oil and Gas production



Source: Rystad Energy UCube, 28 February 2012

Ukraine legal and fiscal regime

The parts of the Ukraine tax regime relevant for the Company consist of subsurface charges and royalty payments on oil and gas production, excise taxes on LPG production, social taxes on personnel expenses, VAT on material and capital investments, and a corporate profit tax on profits generated by the business.

The subsurface charge is charged on production of oil and gas, and is currently about USD 4.70 per 1,000 cubic meter (mcm) of gas and about USD 18.45 per ton of oil and condensate. The royalty payment is dependent on origin and type of the production (oil/gas and onshore/offshore), the depth of the reservoir (for gas production) and the customers (whether it is sold to residential or commercial customers). The different royalty rates are given in the table below.

UAH per 1000 m³/ton	Natural gas sold to residential customers	Natural gas sold to commercial customers	Oil and gas condensate
Onshore form depths > 5,000 m	59.25	237.00	2,141.86
Onshore form depths < 5,000 m	47.40	118.50	792.54
Offshore	11.85	0	0

Other than royalty and subsurface charges, the general business taxation regime applies, with social charges of 38% of personnel payrolls, VAT of 20% and a corporate profit tax rate of 23%.

Competitive situation

The oil and gas industry in Ukraine is dominated by the state owned company NJSC Naftogaz of Ukraine. Naftogaz is a vertically integrated oil and gas company engaged in full cycle of operations in gas and oil field exploration, development and production; drilling, gas and oil transport and storage, as well as supply of natural gas and LPG to consumers. Naftogaz is the dominant player in Ukraine's fuel and energy market, with more than 90% of the oil and gas production (86.7 kbopd of oil and 2.1 bcfpd of gas).

Significant markets

The most important markets for the Company and the Ukrainian oil and gas industry in general are Ukraine, Russia and other CIS countries. CIS stands for Commonwealth of Independent States and consists of Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

Significant risk factors

Potential investors should carefully consider risks associated with the Company's business and operations; these are, among others, but not limited to risks related to Ukraine (and other CIS states), foreign-exchange risk, acquisition and disposal risk, accounting practice, corporate governance, personnel and risk related to the extraction of natural resources.

Country-specific risks

Ukraine has a heavy bureaucracy, where personal relationships and contacts facilitate these processes. It can be time consuming and expensive to access information and obtain necessary permits. On the other hand, a market where access to specialized services and equipment is good.

In recent years, Ukraine has undergone a profound political and social change. The value of the Company's assets may be affected by uncertainties such as political or diplomatic development, social or religious instability, changes in government policy, tax rates and interest rates, currency restrictions and other political and economic development of laws and regulations in Ukraine.

These risks involve in particular the expropriation, nationalization, confiscation of funds and legislative changes in the level of foreign ownership.

Economical and Financial risk

Capital Oil may need new capital to enable the Company to finance its operations. Financing needs can occur due to many reasons, for example to finance the net working capital. The Company's ability to handle future capital needs is greatly dependent on how operations are developed. There are no guarantees that Capital Oil will succeed in new capital acquisitions, even if operations develop positively. This is also determined by the general risk capital situation.

During 2012 investment in terms of the JAA is estimated up to 230 Million USD and will be covered from the Project cash flow although it may be necessary to seek some external funding depending on production and the gas price.

Tax risk

The company operates in Sweden and Ukraine. Tax laws in each country may change over time. As a result, it is possible that changes in the current tax laws may affect the company's earnings.

Geological and equipment risks

All estimates of recoverable oil and gas reserves are based on probabilities and on estimates of oil and natural gas reserves from the studies on each occasion made by geologists and are based on factors that are dependent on different types of geological and geophysical investigations. The estimates that the Company has accounted for above is the latest information available. There is thus no guarantee that the magnitude of these estimates will remain unchanged over time.

Interpretation of the borehole data as the basis for reserve estimation has been performed on borehole measurements from 1960's and 1970's in the former Soviet Union.

Further, it cannot be excluded that there may be a shortage of drilling equipment or other necessary equipment or that further investment in such equipment may be needed, which can lead to increased costs and delays. The production process can also be delayed if major equipment failure.

Falling oil and natural gas prices

Capital Oil's revenues and profitability depends on the current prices on oil and natural gas, which are affected by macroeconomic factors outside the Company's control. The price of oil and natural gas has historically been volatile. The possibilities to predict future oil and natural gas prices are limited. A comprehensive and sustained decline in oil and natural gas prices would have a negative effect on the Company's results and financial position. Moreover, the commercial gas market pricing follows the pricing of Russian gas sold to Ukraine which is currently being renegotiated.

Foreign-exchange risk

The official exchange rate for UAH therefore directly or indirectly affects the value of investments, but it is impossible to quantify this effect as companies have differing foreign-exchange sensitivity. The Company's accounts are prepared in SEK. Taken together, this means that fluctuations in exchange rates may affect the net asset value of the portfolio in various ways that do not necessarily reflect real economic changes in the underlying assets. Each investor is advised to make his or her own analysis of the foreign-exchange risk existing in the Company's portfolio.

Environmental risk

Oil and natural gas operations are subject to a comprehensive regulatory framework with respect to the environment at both international and national levels. Environmental legislation, controlling the water and air pollution, waste, permit requirements, restrictions on activities in environmentally sensitive areas and coastal areas. Environmental Regulations are expected over time to increase in volume and become more stringent, which will increase the cost of compliance.

In the future, the Company may need special permits relating to environmental impact in accordance with the laws which they operate. The Company and its affiliates conduct, as far as the Company is aware,

all activities in accordance with environmental requirements and environmental programs.

Dependence on key individuals

Capital Oil is a relatively small company and is hence dependent on a few key individuals. Future success for the Company is therefore dependent on how well the Company will manage and develop current and recruit new qualified individuals. The current CEO, Leif Larsson, has resigned and will continue until September 1, 2012. It can be seen as a risk that such a key individual as Leif Larsson is leaving the company due to his long experience and in depth knowledge of the oil and gas sector in Eastern Europe. The recruitment process of finding a new CEO has already begun.

Financial statements

Annual report

Capital Oil's Annual report for 2010 is available in Swedish at the Company's web site, www.capitaloil.se. The full year interim report for 2011 is attached to this Company Description as a reference.

Four year financial summary (TSEK). (Financial data for 2011 can be found in the full year interim report for 2011).

TSEK	2010	2009	2008	2007
Turnover	0	0	0	237
EBITDA	-5,958	-5,734	-7,618	-9,523
EBIT	-13,884	-119,876	-8,132	-3,084
EBT	-13,304	-121,164	-7,541	-1,407
Net profit	-13,304	-121,164	-7,541	-1,407
Net assets	6,887	14,859	138,578	131,742
Liquidity (%)	224.8	403.8	763.4	1,454.1
Solidity (%)	67.5	89.5	98.0	96.6
Employees (average)	10	20	30	13

Reporting dates and AGM

27 March 2012 Full year interim report 2011

27 April 2012 Annual report 2011

31 May 2012 AGM 2012

27 August 2012 Half-year report 2012

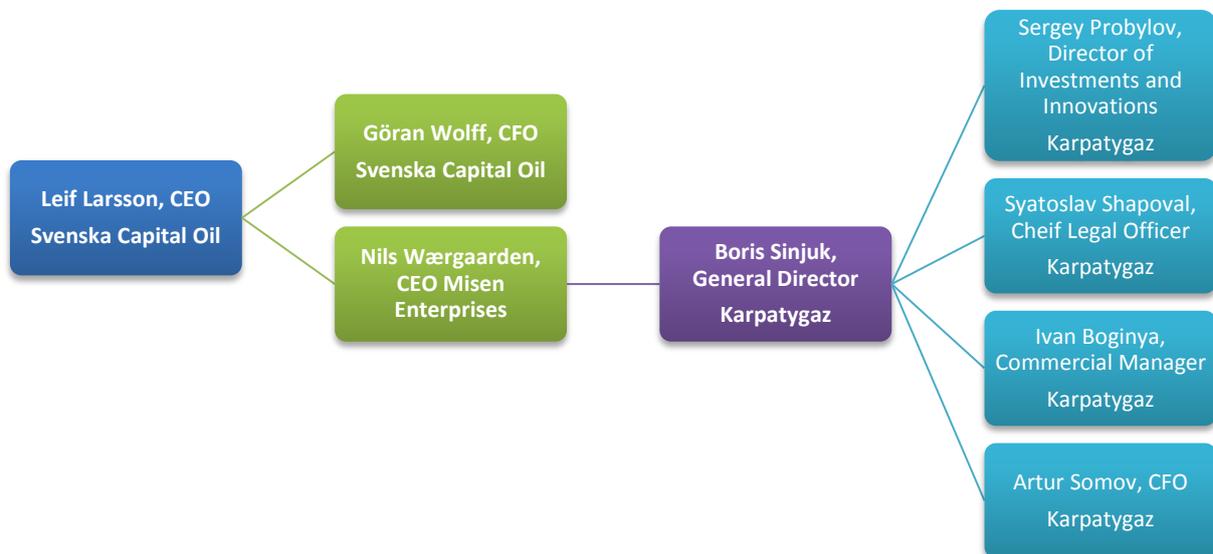
Most recent financial report

Capital Oil's most recent financial report, the full year interim report for 2011 is attached to this Company description as a reference. The report is also available at the Company's web site, www.capitaloil.se.

Management and Board of Directors

Management

Capital Oil's, Misen's and Karpatygaz' management structure is outlined in the organization chart below:



Leif Larsson, CEO

CEO at Capital Oil since 2007. Leif Larsson has worked nearly 30 years in the oil industry as oil trader and business developer with Shell and lately with oil trading and business development as Commercial Director at Sadkora Energy AB. Leif holds a diploma in market economics from RMI Berghs, Stockholm.

Göran Wolff, CFO

Mr. Wolff has been CFO of Capital Oil since February 2012. He has more than 30 years of experience from business administration in industrial operations. He has had a range of assignments as CFO and controller in Swedish listed as well as private owned companies, latest with Geveko a listed company at OMX/Nasdaq small cap list. Mr. Wolff holds a BA in business administration from the University in Gothenburg.

Nils Wærgården, Managing Director of Misen Enterprises

Nils Wærgården has wide experience of activities in the former USSR and its re-established states. In 1976 Nils started the company Sadko AB (currently Sadkora Energy AB) which has created and developed several companies in Russia, the Baltics and Scandinavia, such as Urals Moscow and participation of the creation of Lukoil Moscow.

Boris Syniuk, Director of Karpatygaz

Boris Syniuk has over 35 years of experience in the oil and energy industry and served as a Chief Engineer of SC "Ukrgezvydobuvannya", Ukraine, Chief Geologist and Operations Director of drilling companies at JSC "Gazprom", Russia, Tumen region. Boris holds a diploma in Geology & Exploration of Oil & Gas Fields from the Institute of Oil and Gas, Ivano-Frankivsk, Ukraine.

Artur Somov, CFO of Karpatygaz and Misen

Mr. Somov is the CFO of Karpatygaz. He has held several positions within financial and operational management and has 15 years of experience in Ukraine, Russia, Singapore and Dubai. Former positions include CFO of Gaztek Company, CFO of Afenida Management and COO of KTD Corporation.

Ivan Boginya, Commercial Manager of Karpatygaz

Mr. Boginya is the commercial manager of Karpatygaz and has extensive years of experience from commercial positions in the oil and gas industry including from Ukrgascontract Corp. and Rudis" Drilling Company.

Svyatoslav Shapoval, Chief Legal Officer of Karpatygaz

Mr. Shapoval has a Magister of Law degree from the National University in Kiev. He has also studied Economics at the Open International Development University in Ukraine. Former positions include Chief Legal Counsel at the Kiev State Municipal Administration and at JSC "Ukrgezbud".

Sergey Probylov, Director of Investments and Innovations of Karpatygaz

Mr Probylov holds a M.Sc. of Industrial Energy from the Ukrainian State Academy of Transport. He has extensive experience from the gas and energy sector in Ukraine including participating in some of the largest oil and gas projects in the country such as Sakhalinskoe Ltd and Sirius-1 Ltd. Former positions include Head of Investments and External Relations at Ukrgezproduction and Vice-Chairman of the Supervisory Board at the Innovational-Industrial Bank of Ukraine.

Board of Directors of Capital Oil and Misen

The Board of Directors of Capital Oil (the "Board") was elected in an extraordinary EGM in Stockholm on 21 December 2011, and at present, the Board are also the Board of Directors of Misen.

Tore I Sandvold, Chairman of the Board of Directors

Mr. Sandvold has been on the board of Directors of Schlumberger Limited, Houston Texas, the world's largest oilfield services company, since 2004. He has over 30 years of experience in the oil and energy industry. Mr. Sandvold serves as an Advisor of E.ON AG and also Advisor to companies and advisory boards in the energy sector. He served as General Director of the Norwegian Ministry of Oil & Energy, with overall responsibility for Norway's national and international oil and gas policy from 1990 to May 2001. He joined the Norwegian Ministry of Industry, Oil & Energy in 1973, serving in a variety of positions in the area of domestic and international energy policy. In 1987, he accepted a diplomatic posting as the Counselor for Energy in the Norwegian Embassy in Washington, D.C.



Other assignments:

- Director of Teekay Corporation (since 2003).
- Chairman of Sandvold Energy AS, an advisory company in the energy business (since 2002)
- Chairman of the Board of Petoro AS, a Norwegian state-owned oil company (2001-2002)
- Board member of Lambert Energy Advisory Ltd
- Chairman of Njord Gas infrastructure
- Board member of the Energy Policy Foundation of Norway

Mr. Sandvold was elected into the board of Directors in December 2011.

Hans Lundgren, Board Member

Mr. Lundgren is partner and Investment director at the Sustainable Technologies Fund (since 2008). His previous experience included 12 years with Vattenfall AB (EU's 4th largest electricity producer), with positions as Vice President of Corporate Strategy and the Deputy Head of Business Area International and responsible for all Overseas Investment in Vattenfall AB (in Asia and Latin America). Mr Lundgren also built up and managed an organisation for investing in and owning generation assets in Latin America.



Prior to Vattenfall Lundgren worked 10 years as a management consultant for McKinsey and Co. first in Munich, Germany and then in Stockholm. He has also been an investment manager with Industor AB, Stockholm, a risk capital company, undersecretary for planning with responsibility for privatizing Swedish state-owned companies at the Ministry for Industry and Commerce in Stockholm, assistant science counselor at the Swedish

Embassy in Bonn, Germany and research engineer at ABB in Västerås, Sweden.

Lundgren serves on the Board of Hexaformer and Triventus, transformer manufacturer and wind power development.

Lundgren holds a Master of Science in engineering physics at the Royal Institute of Technology in Stockholm and an MBA at the Stockholm School of Economics and Business Administration.

Mr. Lundgren was elected into the board of Directors in December 2011.

Knud Nørve, Board Member

Knud H. Nørve is CEO of Infragas Norge AS, a wholly owned subsidiary of Canadian PSP Investments. He started in this position February 1, 2012 with the prime responsibility for managing PSP's interests in the Norwegian gas export system – Gassled. Earlier he was a senior partner in Rystad Energy AS, the leading oil and gas business experts in Norway. Mr. Nørve joined Rystad Energy in August 2008, after completing his services for Innovation Norway at the Norwegian Embassy in London.



Mr. Nørve has more than 20 years of varied experience from the oil and gas business. He started his career in Norsk Hydro as a petrophysicist where he participated in several well logging operations and reservoir evaluation studies. In 1991 he moved to Neste Petroleum (later Fortum Petroleum) where he held several positions, first as a G&G coordinator, thereafter as Asset Manager, Head of Production Department and finally Head of Operations with responsibility of petroleum technology, asset management, commercial, gas infrastructure and crude sales.

Mr. Nørve was playing a key role in the negotiation teams when Fortum decided to divest its Middle East and NCS portfolio. In 2003, he joined ECON and was offered partnership with a mission to build up the Petroleum Group for research and consulting within the oil and gas business.

Mr. Nørve holds an M.Sc. and is petrophysicist from the Norwegian University of Science and Technology (1988).

Mr. Nørve was elected into the board of Directors in December 2011.

Henry Ogilvy Cameron, Board Member

Former Chief Executive Sibir Energy plc from 1996 until 2009. Sibir was dedicated to the exploitation of oil opportunities in Russia. From 1996 to 2008 Sibir became the biggest (market cap) company on AIM and its portfolio of assets comprised the full value chain with exploration, production, refining and distribution.



Mr. Cameron's previous experiences includes: Chief accountant for large north east of Scotland agricultural firm (1964-68), legal assistant in private practice (1970-72) and partner in large Aberdeen firm (1972-78). Cameron set up his own pan Scottish practice 1978 with a strong commercial department with portfolio of top company clients. He retired to pursue commercial activities in 1992.

Other assignments:

- Chairman Pentex Oil Ltd (1988-94) part of Star Energy since 2005.
- Chief Executive Pentex Oil PLC (1995-96).
- Chief Executive Melrose Resources plc (1995-96) into which Pentex Oil merged.

Cameron holds a degree in Bachelor of Law (1961).

Mr. Cameron was elected into the board of Directors in December 2011.

Dimitrios Dimitriadis, Board Member

Dimitri Dimitriadis is a Swiss-Greek national. He is a founding member and managing partner of DD Partners AG since 2009. DD Partners AG is a Zürich (Switzerland) based globally acting family office that offers broad wealth structuring and managing consulting services for international individuals and companies. Moreover he acts as a senior fund manager of several special opportunities funds.



Prior to DD Partners AG Mr. Dimitriadis worked for more than 15 years at various Swiss financial institutions. He shared responsibility for asset allocations and investment activities as a member of the management in mutual funds and major single portfolios. Furthermore he acted as a leading negotiation and contracting partner for financial services partners. His experience includes international relationship management of HNWI customers. Mr. Dimitriadis spent the earliest part of his career as a professional dental laboratory technician.

Other assignments:

- Senior Consultant at Windberg Management Consulting GmbH in Switzerland
- Adviser and representative for Russian, Greek and Bulgarian clients in the energy and construction industry.

Mr. Dimitriadis holds a degree in economics of the University of Zürich and AZEK, Swiss Training Centre for Investment Professionals. His earlier studies contain a pre-degree in human medicine of the University of Zürich as well as a Swiss federal diploma in dental laboratory technology.

Mr. Dimitriadis was elected into the board of Directors in December 2011.

Certified Adviser

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Thenberg & Kinde Fondkommission AB does not own any shares in Capital Oil AB.

Capital Oil's Share information

Shareholders as of 15 February 2012

Shareholder	Shares	%
Nellston Holdings Ltd	43,001,100	29.64%
Norchamo Ltd	43,001,100	29.64%
Blankbank Investment Ltd	28,667,400	19.76%
Forest Walkway AB	14,333,700	9.88%
TCT Holding AB	14,333,700	9.88%
Sadkora Resources AB	53,346	0.04%
Försäkrings AB Avanza Pension	49,382	0.03%
Pictet & Cie	30,360	0.02%
Michael Nord	28,341	0.02%
Goce Kostovski	28,307	0.02%
Other	1,541,485	1.06%
Total	145,068,221	100.00%

Shareholders with less than 10% of votes: 30,398,621 21.0%

Shareholdings in the Company held by the Board of Directors, senior management and Certified Adviser

All share holdings below are based on March 15, 2015.

Leif Larsson	Shareholding in Capital Oil: Shareholder agreement in Capital Oil for 53,346 shares in Capital Oil owned by Sadkora Resources AB.
Göran Wolff	Shareholding in Capital Oil: 1,000
Nils Wärgården	Shareholding in Capital Oil: Option agreement for 50 % of the shares owned by TCT Holding AB holding 14,333,700 shares in Capital Oil.
Boris Syniuk	Shareholding in Capital Oil: 0
Artur Somov	Shareholding in Capital Oil: 0
Ivan Boginya	Shareholding in Capital Oil: 0
Svyatoslav Shapovalov	Shareholding in Capital Oil: 0
Sergey Probylov	Shareholding in Capital Oil: 0

Tore Sandvold	Shareholding in Capital Oil: 0
Henry Cameron	Shareholding in Capital Oil: 0
Dimitrios Dimitriadis	Shareholding in Capital Oil: 24,068 shares
Hans Lundgren	Shareholding in Capital Oil: 0
Knud Nørve	Shareholding in Capital Oil: 0
Certified Adviser	Shareholding in Capital Oil: 0

Company's share capital

Capital Oil's share capital consists of 145,068,222 shares each with par value of SEK 2.00, corresponding to a total share capital of SEK 290,136,444.

The shares are not divided into share classes.

Latest change in the Articles of association, which is available at the Company's web site, www.capitaloil.se, was registered by the Swedish Companies Registration Office on [21 December 2011].

Transactions with related parties

Capital Oil has consultancy agreements with the following related parties:

- Board Member Mr. Henry Cameron amounting to 90 000 EUR per year. The consultancy agreement has a duration of one year. There is no agreement concerning a prolongation of the agreement.
- Sadkora Energy AB which is controlled by Mr. Nils Wärgården who is CEO of Misen amounting to 240 000 EUR per year. The agreement has a duration until the end of 2012. If the agreement is not cancelled, it will continue to be valid for month at a time with one month notice.

Incentive programs

At present, there is no incentive program in place for the Company's employees.

Legal proceedings, litigations and other relevant information

As of current date, no pending or previous cases have been detected regarding Svenska Capital Oil (or Misen Enterprises) in Swedish Courts or in Courts in Ukraine.

Further, as of current date, no pending or previous registration matters have been detected regarding Svenska Capital Oil (or Misen Entreprises) at the Swedish Companies Registration Office regarding bankruptcy, liquidation or similar procedure.

The Swedish Patent and Registration Office has no registered patents or trademarks in the name of Svenska Capital Oil (or Misen Enterprises).

Dividend policy

Capital Oil does not intend to give any dividends during the fiscal years 2011, 2012 and 2013. The company may decide to give dividends after 2013 if the financial situation is stable enough and if the decision to give dividends will not affect the needed investments in the company's operations.

Information policy

For information about the information policy of Capital Oil, see attachment in Swedish.

Liability statement from the Board of Directors

We declare that, to the best of our knowledge, the information provided in the Company Description is accurate and that, to the best of our knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide, and that all relevant information in the minutes of board meetings, auditors' records and other internal documents is included in the Company Description.

Gothenburg March 2012
Capital Oil AB (publ.)
Board of Directors

Contact information

Svenska Capital Oil AB
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Auditor

KNL Revision AB

Carl-Magnus Kollberg

Carl Magnus Kollberg was elected at the Company's auditor on the Annual General Meeting on June 30, 2011.

Address:

Lilla Bommen 4 A

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Telephone: +46 31 739 130 0

Attachment

Information policy for Capital Oil

Informationspolicy för Capital Oil AB (publ)

Capital Oils information ska vara korrekt och relevant och ska presenteras på ett enhetligt och tydligt sätt.

Extern information

Capital Oil ska kontinuerligt förse aktieägare och andra intressenter med information som är trovärdig och relevant. Med hänsyn till att Capital Oil är ett publikt listat företag, får sådan information ej yppas externt som ej tidigare publicerats i årsredovisningar, delårsrapporter, kommunikéer eller liknande. Personer med insynsställning som tar del av information före offentliggörande är förbjudna enligt Insiderlagen att vidarebefordra eller utnyttja denna information för egen räkning.

Intern information

Information till anställda inom Capital Oil ska ha hög prioritet och en hög grad av öppenhet skall tillämpas.

Talesperson

Talespersonen för bolaget är VD. Då VD ej kan nå inträder Capital Oils styrelseordförande som talesperson. Anställda har alltid rätt att tala med media beträffande arbetsrelaterade ämnen inom respektive befattning.

Informationsläckor och rykten

Om rykten sprids eller misstanke uppstår att information läcker, ska Capital Oil noggrant undersöka innehållet i den information som cirkulerar. I förekommande fall ska børsen informeras och pressmeddelande sändas snarast möjligt. Capital Oil kommenterar aldrig rykten på marknaden.

Kriser

Uppstår kriser som kan tänkas påverka Capital Oils värde och/eller förtroende ska informationen koordineras med bolagets styrelse.

Årsstämma

Inom sex månader från utgången av varje räkenskapsår skall aktieägarna i Capital Oil hålla årsstämma. Kallelse till årsstämma skall offentliggöras i Dagens Industri, Post- och Inrikes tidningar, genom pressmeddelande samt publicering på bolagets hemsida.

Pressmeddelande

VD ansvarar för, initierar och utformar pressmeddelanden. Dessa skall delges bolagets Certified Adviser, Thenberg & Kinde Fondkommission AB före publicering. Pressmeddelanden publiceras på engelska och distribueras samtidigt till Stockholmsbörsen och nyhetsbyråer. Publiceringen sker via Cision, godkänd distributör av pressmeddelanden för börsnoterade företag. Pressmeddelanden ska finnas tillgängliga på Capital Oils webbplats så snart de publicerats.

Finansiell information

Finansiell information ska godkännas av Capital Oils styrelse före publicering. Delårsrapporter publiceras kvartalsvis, bokslutskommuniké och årsredovisning

publiceras en gång om året. Dessa beslutas av AB Capital Oils styrelse före publicering och distribution.

Hemsida på Internet

Capital Oil ska ha en egen hemsida där all offentliggjord information från bolaget till aktiemarknaden ska finnas tillgänglig minst två år tillbaka i tiden, om inte särskilda skäl föreligger.

Årsredovisningar, prospekt och annan väsentlig information som distribuerats eller hållits tillgänglig för aktieägare ska, om inte särskilda omständigheter föreligger, snarast göras tillgänglig på bolagets hemsida. Hemsidan ska också innehålla aktuell bolagsordning, uppgifter om nuvarande styrelse och ledning samt namnet på Certified Adviser. På hemsidan skall finnas förteckning över insynspersoner.

Övriga informationskrav

Capital Oil följer i övrigt de informationskrav för bolag vars aktier upptagits till handel på Nasdaq OMX First North.