



Corporate Politics Division - Sofia 1113; 20 "Kosta Louchev" Str.; Tel.: (+359 2) 805 48 50, Fax: (+359 2) 805 48 37;
pr@enemona.com



www.enemona.com

ANNUAL CONSOLIDATED REPORT ON THE ACTIVITY OF ENEMONA AD FOR 2011

Unofficial translation of the original in Bulgarian

I. DEVELOPMENT, POSITION AND PERSPECTIVES OF THE COMPANIES FROM ENEMONA GROUP OF COMPANIES

1. General information

Enemona Group of Companies (the Group) includes Enemona AD and its subsidiary and associate undertakings.

*Enemona AD is a publically traded joint stock company, with **seat and registered office**: at 1A, Panayot Hitov, Kozloduy, Vratsa District, Bulgaria, tel.: 0973/80159, fax: 0973/80701, e-mail: office@enemona.com, Internet site: www.enemona.com. The Company has currently two Bulgarian branches, Enemona AD – Sofia Branch (UIC 0024) and Enemona AD – Galabovo Branch (UIC 0016).*

In May 2010 the Group registered a Branch in the republic of Slovakia for carrying out a significant construction contract. In June 2011 the Group started carrying out construction and assembly activities in Germany by a place for business activities.

*The company has a one-tier system of government – **Board of Directors**, consisting of: DICHKO PROKOPIEV PROKOPIEV – Chairman of the of Board of Directors and Chief Executive Officer, TSVETAN KAMENOV PETRUSHKOV - Deputy Chairman of the Board of Directors and Executive Director, LYUDMIL IVANOV STOYANOV- Deputy Chairman of the Board of Directors and Executive Director, ILIAN BORISOV MARKOV – Member of the Board of Directors; PROKOPI DICHEV PROKOPIEV - Member of the Board of Directors; MARGARITA IVANOVA DINEVA – Independent Member of the Board of Directors; GEORGI ZAMFIROV GORANOV - Independent Member of the Board of Directors, and IVAN DIMITROV PETROV - Independent Member of the Board of Directors. The Company is represented by DICHKO PROKOPIEV PROKOPIEV, TSVETAN KAMENOV PETRUSHKOV, LYUDMIL IVANOV STOYANOV and the Procurator BOGDAN DICHEV PROKOPIEV – both together and independently.*

*The **registered capital** of the Company currently amounts to BGN 13,036,501 and is fully paid in. It is distributed into 13,036,501 dematerialized (book-entry form) shares, with a nominal value of BGN 1.00 each. The shares are divided in two classes: Class I – consisting of 11,933,600 ordinary voting shares and Class II – consisting of 1,102,901 non-voting preference shares.*

2. Enemona Group of Companies

Enemona is a “Economic group”, under the provisions of §1, p. 7 of the Additional Provisions of Ordinance №2 of September 17, 2003 on the prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market and on disclosure of information by the public companies and the other issuers of securities. According to the above mentioned provision, the Economic group consists of a parent undertaking and its subsidiaries. Under the definition of Art.2, Para.1, i.“a” form Seventh Council Directive 83/349/EEC of the Treaty on consolidated accounts, “a subsidiary undertaking” is an undertaking, in which a parent undertaking has a majority of the shareholders' or members' voting rights. The unifying factor in the group (parent undertaking) is Enemona AD.

The companies which Enemona AD controls and manages as of December 31, 2011 and December 31, 2010, are listed in the following table:

ORGANIZATIONAL STRUCTURE OF ENEMONA GROUP OF COMPANIES

COMPANY	Percentage (%) as of 31.12.2011	Percentage (%) as of 31.12.2010
„CHPP NIKOPOL” EAD	100.00	100.00
„PPP MLADENOV” EOOD	100.00	-
“ARTANES MINING GROUP” AD	99.99	-
“ENEMONA UTILITIES” AD	99.46	100.00
“ESCO ENGINEERING” AD	99.00	99.00
„Enemona-Galabovo” AD	91.13	91.13
“NEVROKOP-GAS” AD	90.00	90.00
“ENERGETICS AND ENERGY SAVINGS FUND - EESF” SPV	88.97	70.76
“PIRINPOWER” AD	84.00	84.00
„EMCO” AD	77.36	77.36
„REAL ESTATE INVESTMENT FUND- FINI” REIT	69.23	69.23
“HEMUSGAS” AD	50.00	50.00
„AGROINVESTENGINEERING” AD	0.00	99.98
„NEO AGRO TECH” AD	0.00	90.00
„SOLAR ENERGY” OOD	0.00	80.00

Enemona AD Indirect Shareholdings

Company	Indirect Shareholding through	Percentage (%) of indirect shareholding as of 31.12.2011
„RegionalGas” AD	„Enemona Utilities” AD	50.00
„PirinPower” AD	„Enemona Utilities” AD	16.00

Enemona’s shareholdings below 50%

Company	Percentage (%) as of 31.12.2011	Percentage (%) as of 31.12.2010
„ALFA - ENEMONA” OOD	40.00	40.00
“ENEMONA - START” AD	4.90	4.90
“ENIDA ENGINEERING” AD	4.90	4.90
„ENERGONI” AD	2.74	0.00

3. Changes in the structure of the economic group, which took place during the period under review

On March 31, 2011 Enemona AD signed with Sofia France Auto AD a contract for the sale of 10,497,999 ordinary shares representing 99.98% of the capital of the subsidiary Agro Invest Engineering AD. The purchase price amounted to BGN 18,421,758, whereas the deal also included a package of 49.96 percent stake in Lomsko Pivo AD.

On June 28, 2011 Enemona AD sold other two of its subsidiaries – Neo Agro Tech OOD (a contract for the sale of 90% of its capital) and Solar Energy OOD (a contract for the sale of 80% of its capital).

On February 14, 2011 the Board of Directors of Enemona AD decided to set up a new subsidiary - Artanes Mining Group AD with its registered address in Sofia, capital BGN 2,000,000 and the opportunity for Enemona AD to subscribe for 1,999,995 ordinary registered voting shares, with a nominal value of BGN 1 each, representing 99.99975% of the capital of the newly established company. The company was registered in the Trade Register on April 19, 2011.

On October 12, 2011 the Board of Directors of Enemona AD took the decision to establish a new subsidiary - PPP Mladenovo EOOD with a capital of BGN 30,000. The company was registered in the Trade Register on October 20, 2011.

In 2011, 12,250 ordinary registered shares of Enemona Utilities EAD were sold to an individual. After the transaction, Enemona AD holds 1,697,750 shares or 99.46% of all the shares. The company's legal status in Trade Register was changed from a sole owned joint-stock company, to a joint-stock company.

On May 31, 2011 a capital increase of Enemona's subsidiary - EESF SPV was registered. A total of 2,588,048 new shares with a nominal value of BGN 1.00 and an issue price of BGN 1.30 each were issued. The fully-paid share capital of EESF SPV amounts to BGN 3 891 thousand, divided into 3,891,422 ordinary shares with voting rights. Following the capital increase, the holding of Enemona AD in EESF SPV increased from 70.76% to 88.97%.

4. Brief history

The Company was incorporated in 1990 and registered in the Trade Register as a partnership company named „Prokopiev and Enemona” SD. By a decision dated 28 July 1994 the Vratsa District Court entered into the companies register at the Vratsa District Court under company file No 542/1990, volume 2, page 180, batch number 57, the transformation of the Company into a joint stock company named Enemona AD. The Company is set up for an unlimited period of time.

By a decision No 84 – PD dated 16 January 2008, the Financial Supervision Commission (FSC) registered Enemona AD as a public company in the register of public companies and other issuers of securities under Art. 30, Para. 1, i.3 Financial Supervision Commission Act (FSCA), kept thereby.

5. Strategy and investments

The Board of Directors of Enemona AD has undertaken activities to restructure the Group, to optimize the activity and to concentrate on the fundamental sectors for the economic group with the aim to ensure its sustainable development. The main trends in the development of the Group are directed mainly towards strategic sectors of the Bulgarian economy, namely: power engineering, industry and ecology.

In 2010 the Board of Directors of Enemona prepared and started the implementation of the new development strategy focusing on the following key areas: Focus on the core business – further development of its two core business lines: engineering, construction and assembly works, including energy efficiency and electricity trading; and disposal of non-core assets and businesses.

The Company's investment strategy will continue to be focused on the activities, in which the company has a good experience and competitive advantages. These are the engineering, construction and assembly works division (incl. energy efficiency) and trade in electricity.

The mid-term strategic goals of the Management of Enemona AD include:

- Achieving higher efficiency by means of optimization and concentration on the core business areas of Enemona Group;
- Further improvement of the Group's margins and profitability in the different fields of activities;
- Optimization of the operating expenses and achieving higher average margins from operating activities;
- Geographical expansion of the Group to EU while maintaining its leading position on the domestic market.

The new strategy of the Group assumes also the divestment of most of its non-core assets and businesses. In 2010 the Group sold its first natural gas wholesale business and in 2011 is planning to sell the remaining part of this business. The work in this direction covers two areas - one develops and tries to sell investment projects and activities, and the other focuses on and optimizes construction and assembly works.

The business line Engineering, construction and assembly works in the field of energy, industry, environment and energy efficiency renders the following engineering, construction and assembly services, comprising the complete project value-added chain: design and engineering – expert appraisals, design, consultations, analyses, technical-economic designs, project planning and management, supervision during project execution, preparation of hand-over documentation, control over resources and project implementation; construction and assembly works as well as steel structures manufacturing within the following areas: architecture and construction, water supply and sewerage, heating, ventilation and air conditioning, plant and technology, installation of fire alarm systems; electrical installations, instrumentation and control – electrical installation works, installation of measuring and control instruments and devices, lightning protection systems, earthing systems, etc.; start-up and set-up works, commissioning and testing during plant installation, control of instruments, special systems and equipment, etc.; maintenance, monitoring and warranty services.

Enemona also provides a full scope of customized solutions for energy saving measures and implements them in private and public buildings, industrial and power generation facilities with the aim to reduce energy losses in the power and heat supply infrastructure as well as to increase the efficiency ratio of the power generating equipment. In 2006 EESF SPV was founded by Enemona AD (as a majority shareholder) with the aim to finance the investments made under ESCO contracts.

The Business line Trade in electricity (electricity trading and natural gas trading) is conducted primarily by the subsidiary Enemona Utilities AD. Electricity trade in Bulgaria is carried by the regulated third party access, where transactions take place through direct bilateral contracts between producers/traders and consumers and balancing market (on which the missing quantities are bought and the remaining surpluses in bilateral contracts are sold). In the transitional period of gradual liberalization, the relationship between market players is still carried out on the regulated and free electricity market.

6. Annual Financial Statements

On March 31, 2011, Enemona AD publicly disclosed its Non-Consolidate Annual Financial Statement of a public company and issuer of securities as of 31-12-2010.

On May 2, 2011, Enemona AD publicly disclosed its Consolidate Annual Financial Statement of a public company and issuer of securities as of 31-12-2010.

7. Convening and holding of the General Meetings of Shareholders and holders of warrants

On 10-01-2011, at 11:00 a.m., at 3320, Kozloduy, House of Energy, Small Hall, an Extraordinary General Meeting of Enemona AD was held with an Agenda: 1. Authorization of the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the Law on Public Offering of Securities (LPOS) to purchase property – agricultural land; draft resolution - GMS authorizes the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the LPOS to purchase property - agricultural lands, 2. Authorization of the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the LPOS for purchasing an office; draft resolution - GMS authorises the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the LPOS for purchasing an office, 3. Miscellaneous. 4. Authorization of the Board of Directors and Executive Directors of the Company for a transaction under Article 114 of the LPOS for obtaining bank loans secured by a pledge of shares of Enemona AD owned by an interested person; draft resolution - GMS authorizes the Board of Directors and Executive Directors of the Company for a transaction under article 114 of the LPOS for obtaining bank loans secured by a pledge of shares of Enemona AD owned by an interested person. Enemona AD announced the Protocol of the General Meeting of Shareholders on 12-01-2011.

On 10-01-2011, the General Meeting of the holders of warrants was held. The Protocol was published on 11-01-2011.

On 08-04-2011 at 11:00 a.m., in Kozloduy-3320, House Energy an Extraordinary General Meeting of Enemona AD was held with an Agenda: 1. Authorization of the Board of Directors and Executive Directors of the Company for a transaction under Article 114 of the LPOS a transfer of an intangible fixed asset; draft resolution - GMS authorises the Board and Executive Directors of the Company for a transaction under Article 114 of the LPOS a transfer of an intangible fixed asset;, 2. Miscellaneous. Enemona AD announced the Protocol of the General Meeting of Shareholders on 12-04-2011.

On 30-06-2011 at 11:00 a.m. in the town of Kozloduy 3320, House of Energy, Small Hall an Annual General Meeting of Enemona AD was held with an agenda: 1. Individual Report of the Company for 2010, draft resolution - GMS approves the Individual Report of the Company for 2010. 2. Report of the Investor Relations Manager for 2010, draft Resolution - GMS approves the report of the Investor Relations Manager for 2010. 3. Approval of the Individual Annual Financial Statement for

2010 and the Auditor's report; draft resolution - GMS approves the individual annual financial statement for 2010 the Individual Annual Financial Statement for 2010 and the Auditor's report. 4. Approval of the Annual Consolidated Report to the Company for 2010, draft resolution - GMS approves the Annual Consolidated Report to the Company for 2010. 5. Approval of the Consolidated Financial Statement for 2010 and the Auditor's report; draft resolution - GMS approves the Consolidated Financial Statement for 2010 and the Auditor's report; 6. Distribution of the profit from operations for 2010, draft resolution - GMS accepts the proposal of the Board of Directors for distribution of the profits from operations for 2010. 7. Discharge of the Board of Directors for their activity in 2010; draft resolution - GMS discharges the members of the Board members for their activity in 2010. 8. Re-election of the Board of Directors - defining the mandate, the remuneration and securities for the Management; draft resolution - GMS accepts the proposal of the Board of Directors for re-election of its members - determines the mandate, the remuneration and securities of the management; 9. Amendment to Articles of Association; draft resolution - GMS accepts the proposed amendments to the Articles of Association 10. Authorization of the Board of Directors and Executive Directors of the Company to Annex for one year the period of transactions under Article 114 of the LPOS; draft resolution - GMS authorizes the Board of Directors and Executive Directors of the Company to Annex for one year the period of transactions under Article 114 of LPOS; 11. Authorization of the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the LPOS with subject lending / credit transaction limit for a period of one year; draft resolution - GMS authorizes the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the LPOS with subject lending/credit limit for transactions limit for a period of one year 12. Authorization of the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the LPOS with a subject rental of assets; draft resolution - GMS authorizes the Board and Executive Directors of the Company for transactions under Article 114 of the LPOS with a subject rental of assets; 13. Authorization of the Board of Directors and Executive Directors of the Company for a transaction under Article 114 of the LPOS with a subject - sale of a truck; draft resolution - GSM authorizes the Board of Directors and Executive Directors of the Company for a transaction under Article 114 of the LPOS with a subject - sale of a truck 14. Report of the Audit Committee for 2010. Draft Decision - GMS approves the report of the Audit Committee for 2010; 15. Release of the Audit Committee of the Company; draft resolution - GSM adopted the proposal of the Board of Directors to release the Audit Committee, 16. Election of an Audit Committee of the Company and determining the size, mandate and remuneration of the members; draft resolution - GMS adopted the proposal of the Board for electing an Audit Committee of the Company and determining the size, mandate and remuneration of its members 17. Election of a registered auditor to perform an independent financial audit and certify the annual financial statements for 2011 - On the recommendation of the Audit Committee. Enemona AD announced the Protocol of the General Meeting of Shareholders on 01-07-2011.

On 02-12-2011 at 2:00 p.m. in Kozloduy-3320, Kozloduy, House of Energy, Small Hall, an Extraordinary General Meeting of Enemona AD was held with an agenda: 1. Amendment to the Articles of Association; draft resolution – GMS approves the proposed amendments to the Articles of Association 2. Changes in the composition of the Board of Directors; draft resolution - GMS accepts the proposal of the Board of Directors for changes in its composition. 3. Authorization of the Board of Directors and Executive Directors of the Company for annexation of the deal Under Article 114 of the LPOS - increasing the limit for credit transactions; draft resolution - GMS authorizes the Board of Directors and Executive Directors of the Company for annexation of a

transaction under Article 114 of the LPOS with a subject - increasing the limit for credit transactions; 4. Authorization of the Board of Directors and Executive Directors of the Company for transactions under Article 114 of the LPOS with a subject - sale of electricity for three years; draft resolution - GMS authorises the Board of Directors and Executive Directors of the Company for transactions under Article 114 of LPOS with a subject - sale of electricity for three years; 5. Miscellaneous. Enemona AD announced the Protocol of the General Meeting of Shareholders on 06-12-2011.

8. Dividend payments

At the Annual General Meeting of Shareholders of Enemona AD, held on June 30, 2011, a decision was taken for a distribution of a cash dividend for 2010 to the shareholders, holding preferred shares, for a total of BGN 881 340.44 or a gross dividend per share amounting to BGN 0.799111.

9. Changes in the board of directors

The changes in the composition of the Board of Directors of Enemona AD, adopted at the extraordinary GMS held on December 2, 2011 were entered and announced in the records of Enemona AD in the Trade Register on December 13, 2011. Bogomil Arsenov Spiridonov was excluded as a member of the Board of Directors of the Company.

10. Amendments to the Articles of Association

The amendments to the Articles of Association of Enemona AD approved by the GSM held on June 30, 2011, were entered and announced in the records of Enemona AD in the Trade Register on July 15, 2011

The amendments to the Articles of Association of Enemona AD approved by the GSM held on December 2, were entered and announced in the records of Enemona AD in the Trade Register on December 13, 2011.

II. PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

In its ordinary course of business, the Companies from the Group may be exposed to various financial risks, the most important of which are foreign exchange risk, credit risk and liquidity risk.

The risk management is currently carried out under the direct supervision of the Executive Director and the financial experts under the policy, established by the Board of Directors of Enemona AD, who developed the basic principles of general management of financial risk, based on which are developed specific (written) procedures for managing the individual specific risks, such as currency, price, interest rate, credit and liquidity, and the use of non-derivative instruments.

The following describes the different types of risks the Group faces in the course of its business operations and the approach for managing those risks.

1. Impact of the Global Economic Crisis

Currently, the macroeconomic environment in Bulgaria faces the negative impact of the global financial and economic crisis and its results continue to be strongly felt. The measures taken by the

EU and the Bulgarian Government destroyed to some extent, the negative phenomena in the economy.

2. Sector Risk

The construction sector suffered most severely and continuously by the negative impact of the global economic crisis, which resulted in the following trends:

- Shrinking of the construction market;
- Termination of contracts already signed;
- Freezing of construction works of already started contracts;
- Stronger competition in all market segments;
- Lowering prices to dumped levels.

Measures that the Group intends to undertake to reduce the impact of the global financial crisis, given the increase of global credit risk, liquidity stagnation and collapse of capital flows:

- strict compliance with the contracts concluded with financial institutions to exclude the possibility to early payment requests;
- limited investments in projects outside the main focus of the Group;
- cost optimization and investment programs review;
- speeding up the collection of receivables as well as their categorization for risk assessment and finding effective tolls for collection;
- insurance of the financial risks for significant receivables;
- establishment of relationships with affluent investors only (such as government institutions, municipalities, companies working on projects secured by government guarantees);
- if long-term receivables occur, searching for a form of their restructuring into long-term debt and securing them with appropriate assets;
- with regard to the implementation of certain energy projects and energy-efficient operations, searching for options for EU- and other financing programs.

3. Currency Risk

The Group carries out its activities primarily on the domestic market, whereas the contracts abroad are in Euro. Therefore, the Group is not exposed to significant currency risk because almost all of its operations and transactions are denominated in Bulgarian lev (BGN) and Euro (EUR).

The Group has introduced a system for planning of imported deliveries and future payments in order to control the currency risk.

4. Credit Risk

When carrying out its activities the Group is exposed to credit risk that is the risk associated with some of its Contractors which will not be able to comply fully and in time with their payments.

The Group's financial assets are concentrated in two groups: cash and receivables from customers.

The Group's cash and payment operations are carried out by the following banks - DSK, Eurobank EFG, UBB, Unicredit Bulbank, FIBank, etc., which have a high reputation and strong liquidity, that limits the risk on cash and cash equivalents.

The Group has no significant concentration of credit risk. Its policy is that payments are made within the terms specified in the contracts.

The collection and concentration of receivables is monitored currently, according to the established policy of the Group. For that purpose, a daily review is made by the financial and accounting department to monitor by clients and by received payments, followed by an analysis of the unpaid amount and the condition of the client.

To control the risk, the Group ensures immediate payment of collect receivables and the long-term ones are formed into individual agreements with debtors.

Measures that companies from the Enemona Group has introduced in order to control the collection of receivables:

- A detailed estimation for the expected revenues from receivables and uncollected receivables is made. A daily forecast for the next two months is made. A separate forecast is made on a monthly basis for the whole year. The implementation of the underlying assumptions are monitored by the Executive Director and the Financial Department of the Group;
- Every week, in some cases even more frequently, meetings are held by the Financial Committee to the Board of Directors, to discuss problems with uncollected receivables. A person responsible for each overdue receivable is determined, who is responsible for communicating with the company, sending notifications, if necessary bringing legal proceedings and making a plan to influence the payers. The meetings are attended by the Chief Executive Officer of Enemona AD;
- A model is developed that tracks receivables and cash flows. It is available to all offices and subsidiaries of the company and is constantly updated;
- When negotiating for a business deal with a new contractor, investigations are made for the financial reliability according to a procedure (assessment of the financial risk by Coface Group (a leading company in the field of financial management) and the Bulgarian Export Insurance Agency (BAEZ);
- Certain receivables are insured - "Financial Risk Insurance";
- The contracts with partners include provisions that ensure the collectability of receivables (indisputability, irrevocability, default interest, valid date, etc.)
- An age analysis of receivables is prepared and when unacceptable delay occurs, measures for their collecting are taken (reminders, calls for repayment notary and legal action).

5. Liquidity Risk

The liquidity risk is the adverse situation of the Companies from the Group not to be able to meet unconditionally all its obligations according to their maturity.

The Economic Group observes a conservative policy on liquidity management, maintaining constant optimal liquid cash and a good ability to finance its business. The Group uses bank and other loans as well.

Enemona Group manages liquidity of assets and liabilities by a detailed analysis of the structure and dynamics and forecasting of future cash flows.

III. INFORMATION ON IMPORTANT EVENTS THAT TOOK PLACE AFTER DECEMBER 31, 2011

On January 9, 2012 the Annual general meeting of the owners of the warrants, issued by Enemona, was held, on which a decision was taken that they should not be exercised, since the current market price of the underlying asset (ordinary shares) on the regulated market is below the exercise price of the warrants.

On March 1, 2012, the Federal state enterprise "Federal Energy Service Company" of the Ministry of Energy of the Russian Federation and Enemona AD signed a Memorandum of Understanding. The Memorandum aims to promote cooperation and realization of joint projects in the fields of energy efficiency and energy savings in the Russian Federation, Bulgaria and third countries of Russian and Bulgarian business entities, by attracting funding for projects, as well. The parties will share experience in the area of energy efficiency and energy savings, including technical solutions, organizational approaches and regulations. The Memorandum of Understanding also envisages sharing of experience in the implementation of ESCO contracts (contracts with guaranteed results) and personnel trainings.

On March 2, 2012, Enemona's subsidiary "EESF" SPV signed a Loan Agreement with the European Bank for Reconstruction and Development amounting to EUR 10 million for securitization of receivables arising from ESCO-contracts, with providing of a collateral by Enemona AD, resulting from commitments as guarantor. The term of the loan is seven years and the annual interest rate is fixed for the whole period of the loan to the amount of 6.5%.

IV. MAIN BUSINESS LINES IN THE GROUP

ENGINEERING, CONSTRUCTION AND ASSEMBLY WORKS, INCLUDING ENERGY EFFICIENCY

The business line Engineering, construction and assembly works in the field of energy, industry, environment and energy efficiency renders the following engineering, construction and assembly services, comprising the complete project value-added chain: design and engineering – expert appraisals, design, consultations, analyses, technical-economic designs, project planning and management, supervision during project execution, preparation of hand-over documentation, control over resources and project implementation; construction and assembly works as well as steel structures manufacturing within the following areas: architecture and construction, water supply and sewerage, heating, ventilation and air conditioning, plant and technology, installation of fire alarm systems; electrical installations, instrumentation and control – electrical installation works, installation of measuring and control instruments and devices, lightning protection systems, earthing systems, etc.; start-up and set-up works, commissioning and testing during plant installation, control of instruments, special systems and equipment, etc.; maintenance, monitoring and warranty services.

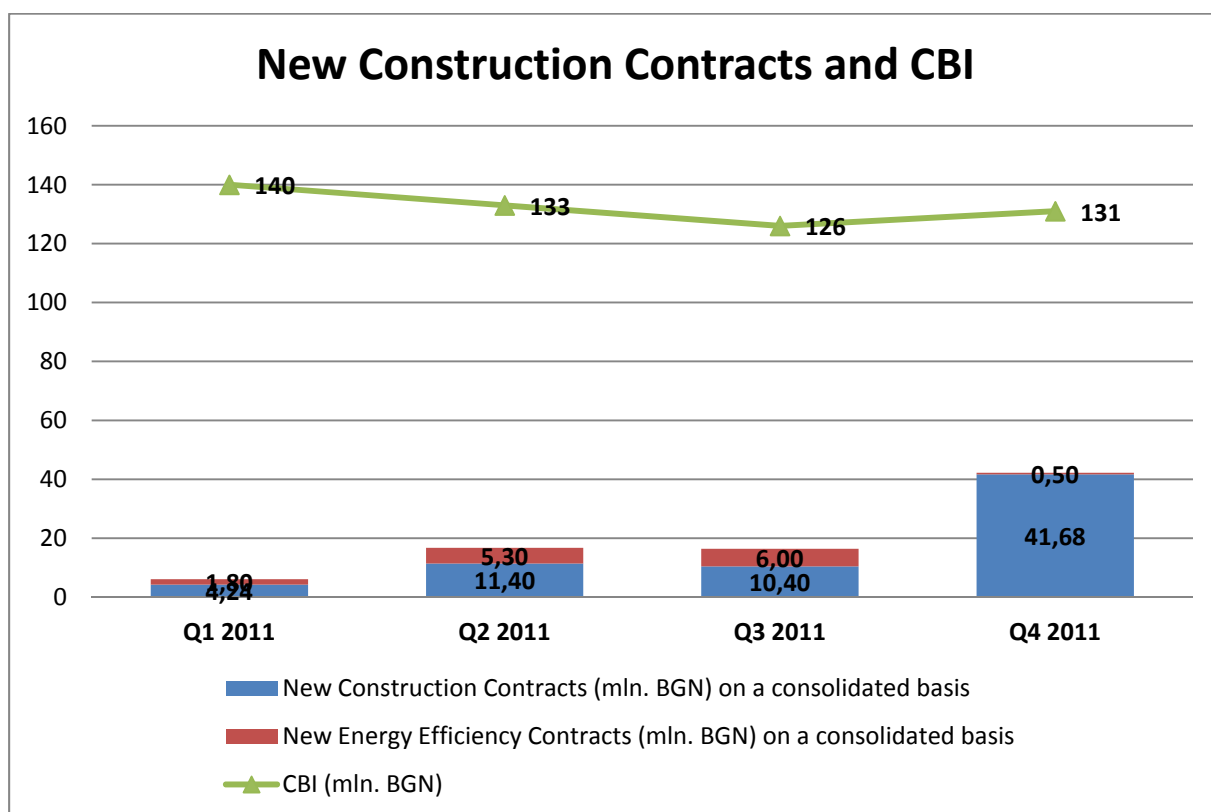
Enemona also provides a full scope of customized solutions for energy saving measures and implements them in private and public buildings, industrial and power generation facilities with the aim to reduce energy losses in the power and heat supply infrastructure as well as to increase the efficiency ratio of the power generating equipment. In 2006 EESF SPV was founded by Enemona AD (as a majority shareholder) with the aim to finance the investments made under ESCO contracts.

Construction Backlog Indicator – CBI

Enemona AD is the first public construction company in Bulgaria to publish the indicator Construction Backlog Indicator – CBI on a consolidated basis.

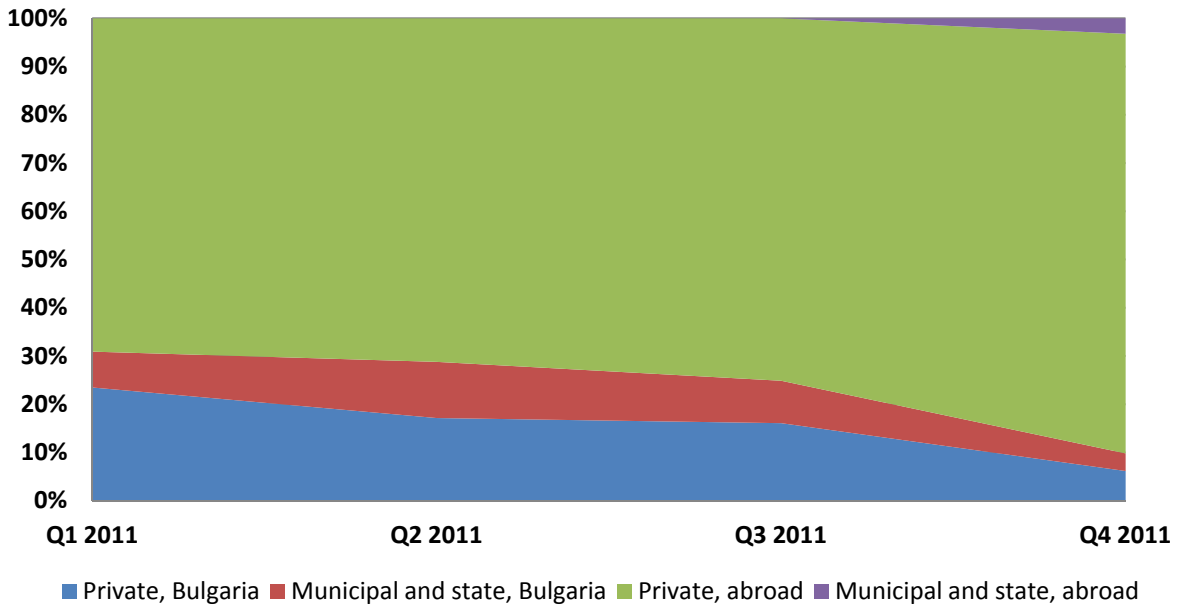
As of December 31, 2011, the Construction Backlog Indicator – CBI of Enemona on a consolidated basis totals BGN 131 million¹, a 3.97% increase as compared to the previous quarter of 2011.

The Construction Backlog of contracts already signed is estimated as a difference between the total value of all construction contracts signed as at a certain moment (both currently under execution, and for future execution) and the amount of the revenue already recognized under IAS 11. The indicator is sector orientated and shows the revenue from construction contracts, which the Group of Companies can expect in the future if no more contracts are signed.

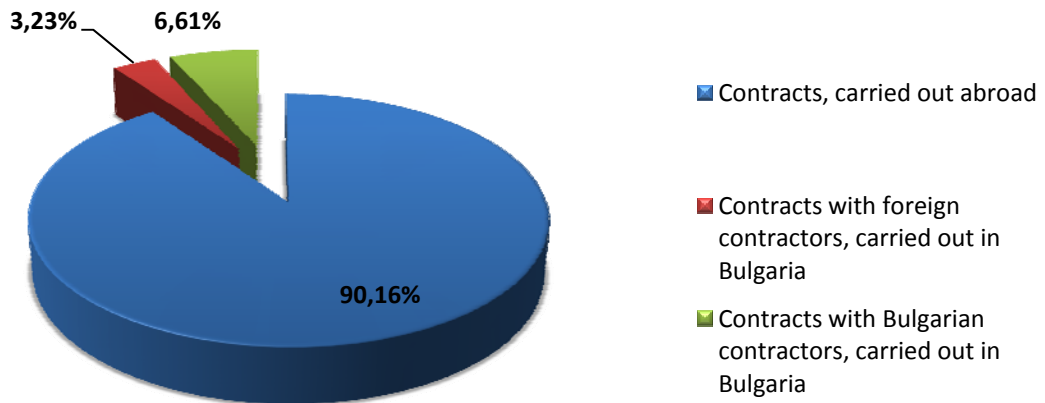


¹ The remaining values from contracts with contractors, which receivables have been impaired, are not included in the value of the Construction Backlog Indicator as of December 31, 2011.

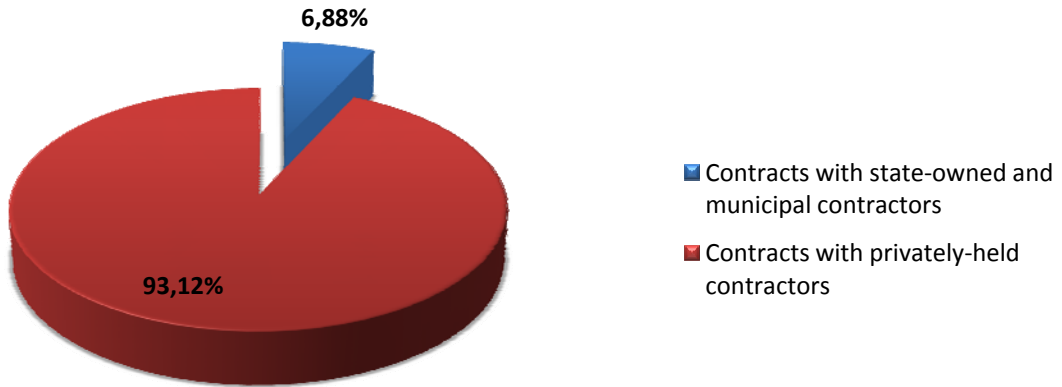
CBI by Type of Contractors



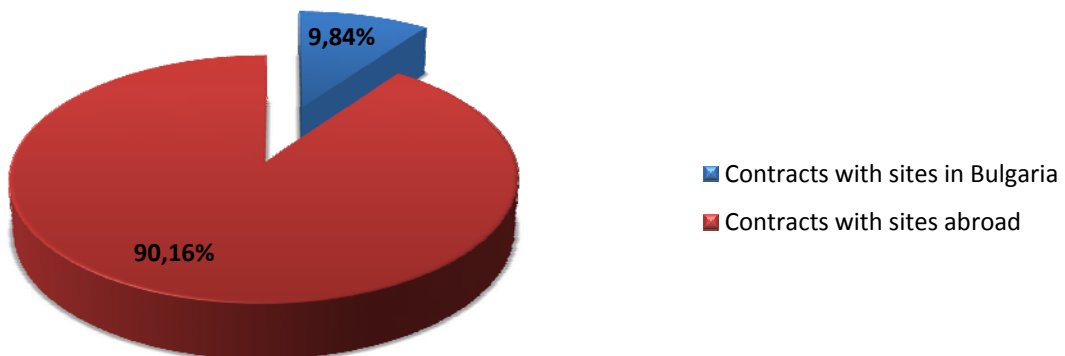
Construction Backlog Indicator as of 31.12.2011 by Type of Contractors



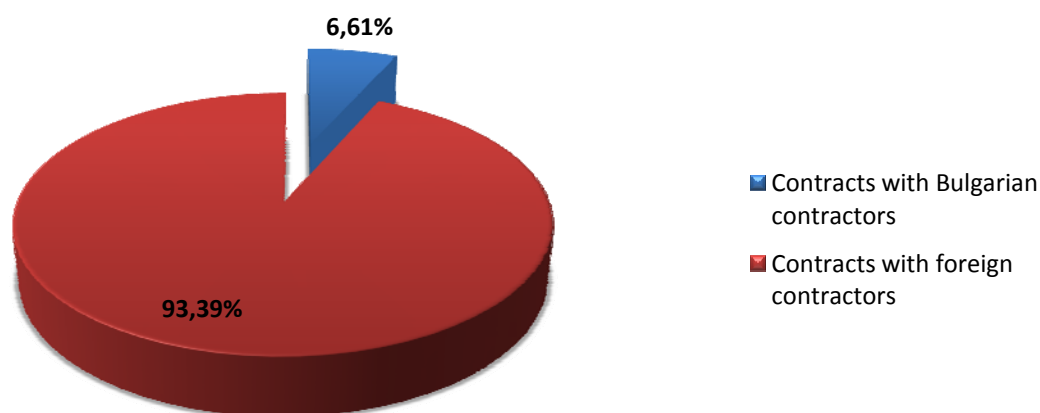
Construction Backlog Indicator as of 31.12.2011 by Type of Contractors



Construction Backlog Indicator as of 31.12.2011 by Type of Contractors



Construction Backlog Indicator as of 31.12.2011 by Type of Contractors



1. ENEMONA AD

Enemona AD is a joint-stock company with a scope of activity: design, investment, construction and assembly, commissioning works, repair, maintenance, engineering, marketing, tourist, public catering, hotel management, camping, agency, advertising, business activities /including import, export, purchase and sale of real property including agricultural lands, purchase and sale of receivables, exchange, compensation, leasing, rental, barter, consignment transactions/, production, purchase, marketing, maintenance of and trade with machines, equipment, materials, elements and spare parts and commodities. production, transmission, distribution and trade with heat and electrical energy, including energy from renewable sources, production and trade with energy carriers – after the obtaining the relevant permit/licence in the cases provided in the law; design and construction of energy facilities and energy saving facilities; energy efficiency services (including investigation, consulting, research, design, construction, installation, modernization, maintenance, operation and monitoring of machines, facilities and buildings), prospecting, investigation, development, production and use of deposits of mineral resources within the meaning of Art. 2 of the Mineral Resources Act, and of biological resources, mineral resources, energy resources and water, acquisition of concessions for hydromeliorative and water supply facilities and systems, port terminals, republican roads, objects of the railroad infrastructure. consultancy, translation, motor vehicle repair, transport, taxi, tourist, communication and household services. agricultural activities /including production, purchase, processing and marketing of agricultural products/ in this country and abroad; veterinary services and consultations; holding of shares and interest including acquisition of shares and interest in other companies, participation in joint ventures, acquisition of shares, interest and/or companies by merger and bundling and their sale; trade with shops and any other activities that are not forbidden by the laws of the Republic of Bulgaria.

ANALYSIS OF THE FINANCIAL RESULTS AND THE RESULTS FROM THE ACTIVITIES OF THE COMPANY

Assets

The non-current assets of Enemona AD at December 31, 2011 represent 38.79% of all assets of the Company, growing by 7.78% compared to December 31, 2010. The reason underlying this growth is the increase in long-term loans and receivables and deferred tax assets.

Total assets of the Company as of December 31, 2011 amount to BGN 206 766 thousand, growing by 14.02% compared to December 31, 2010. This is mainly due to the increase in financial assets at fair value through profit or loss.

Equity and liabilities

Enemona AD finances its principal activity with equity or borrowings. The Company's equity at December 31, 2011 amounts to BGN 95 483 thousand, or 46.18% of its assets – a growth by 15.46 % compared to the end of 2010. The share capital of the issuer amounts to BGN 13,037 thousand split into 11,934 thousand ordinary shares and 1,103 thousand preference shares.

Non-current liabilities at December 31, 2011 represent 9.11% of the Company's assets. They fall 1.26 times vs. the non-current liabilities at the end of 2010, mainly due to the decrease in the amount of bank and non-bank loans.

The main long-term external financing used by the issuer is in the form of bank loans.

Liquidity analysis

Ratio	Description	31 December 2011
General liquidity	CA/CL	1.37
Quick liquidity	(Cash+Cash equivalents+Receivables)/CL	1.33
Immediate liquidity	(Cash+Cash equivalents)/CL	0.05

Funds available to the Company in a given moment to meet its operating expenses, incl. all short-term assets that may quickly transform into the required funds and at market values, without significant transactions costs, are determined as sources of liquidity. The sources of liquidity for Enemona AD are mainly revenue from sales of products and external/debt financing in the form of bank loans.

Profitability analysis

Operating income

Enemona AD ended the reporting period with a net profit of BGN 12 787 thousand. Sales revenue of the Company marks a decline by 8.71% compared with 2010, or BGN 79 069 thousand. The decline is due primarily to decreased revenue from construction contracts.

The Company's expenses amount to BGN 85 432 thousand, or a 4.82% increase compared to the beginning of the year. The Company's expenses for 2011 comprise of: costs of materials BGN 31

218 thousand, costs of hired services BGN 30 069 thousand, salaries and wages BGN 18 817 thousand, depreciation/amortization BGN 1 794 thousand and other expenses BGN 3 534 thousand. The growth is primarily due to the increased costs of materials and consumables.

Profit (loss) analysis

Ratio	Description	31 December 2011
Gross profit ratio	Pre-tax profit/Sales revenue	12.77%
Return on sales	Net profit/Total revenue	16.17%

Total revenue includes sales revenue, finance income and other profits.

Profitability ratios reflect the ability of the Company to generate operating income and operating profit, respectively. For the year ending December 31, 2011 Enemona AD has reported revenue in the total amount of BGN 79 069 thousand and gross profits before taxes amounting to BGN 10 094 thousand and after taxes amounting to BGN 12 787 thousand. The above profitability ratios of the Company were calculated on the basis of these figures. The amounts of the profitability ratios of Enemona AD are an indicator of good profitability and exceed the standard for the industry.

Equity analysis

Ratio	Description	31 December 2011
Equity utilization	Total equity/Total assets	46.18%
Return on assets	Net profit/ Total assets	6.18%
Return on equity	Net profit/Equity	13.39%

Enemona AD demonstrates stable profitability ratios.

Financial leverage analysis

Ratio	Description	31 December 2011
Leverage	Debt/Assets	53.82%
Gearing	Long-term debt/Equity	19.74%

For the purpose of financial leverage analysis of Enemona AD, we calculate two ratios by dividing the issuer's debt by its assets and equity, respectively. The values calculated at December 31, 2011 show a decrease in the ratio of Debt/Assets. The Company covers 5.1 times its long-term liabilities with its equity. The accumulation of capital through the stock exchange significantly changes the equity structure of Enemona AD by increasing the opportunities for quick development and consolidation of its activity.

Effectiveness analysis

Ratio	Description	31 December 2011
Asset turnover	Sales revenue/Total assets	38.24%
Net working capital	Short-term assets – Short-term liabilities	BGN 34,121 thousand

The change in sales revenue affects the Company's effectiveness. At December 31, 2011 the asset turnover has dropped to 38.24% (47.77% at 31 December 2010). Net working capital marks an increase by 6.77% compared to December 31, 2010.

INFORMATION ABOUT THE REVENUES ALLOCATED BY SEPARATE CATEGORIES OF ACTIVITIES

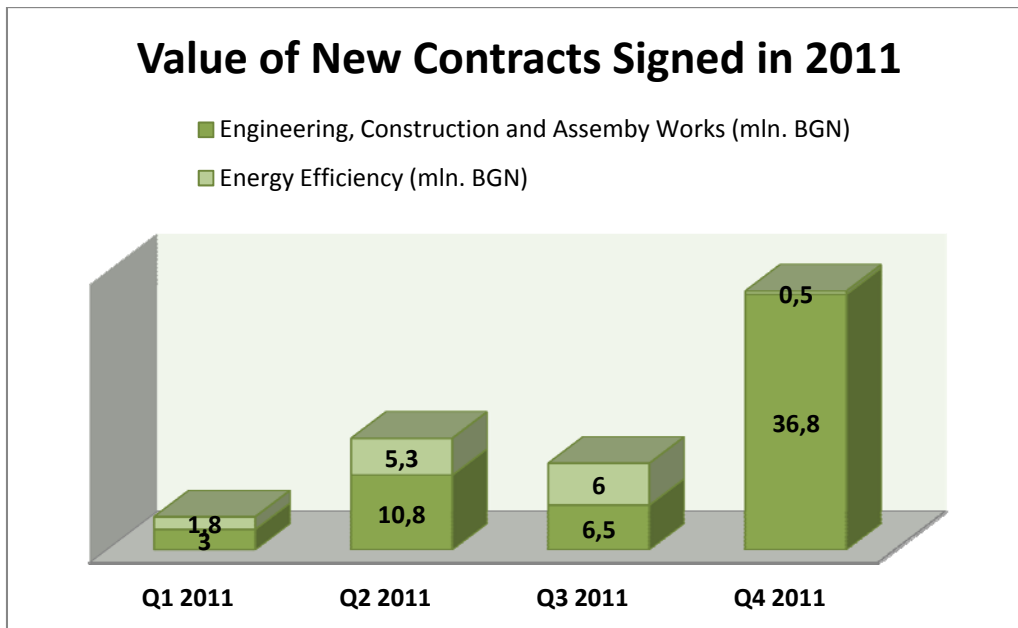
Revenues from main operations (in thousand BGN)	2011	2010
Revenue from construction contracts, including:	78 862	86 300
<i>Engineering, design, supplies, construction and assembly works</i>	68 868	78 370
<i>Energy efficiency</i>	9 994	7 930

INFORMATION ABOUT THE SOURCES FOR SUPPLY OF MATERIALS FOR 2011

Supplier	Type of supplies
THYSSENKRUPP FORDERTECHNIK GMBH	Materials
ENERGY MARKET AD	Electricity
STILPLAST 2002 OOD	Materials
FIPLCAB AD	Materials
STROM 21 OOD	Materials

INFORMATION ABOUT CONCLUDED BIG TRANSACTIONS AND SUCH OF MATERIAL IMPORTANCE FOR THE ACTIVITY

In 2011, Enemona AD signed new contracts in the field of Engineering, Construction and Assembly Works for a total of BGN 57.1 million (excl. VAT), and in the field of Energy efficiency for a total value amounting to BGN 13.6 million (excl. VAT).



BIG ORDERS, AMOUNTING TO OVER 10 PERCENT OF THE AVERAGE REVENUES OF THE COMPANY FOR THE LAST THREE YEARS

On October 11, 2011 Enemona AD received an officially signed contract by RWE Power AG, Germany, for assigning of design, engineering, and construction works with a subject: Extension of the transmission facility for coke gas to Hukingen power plant (Duisburg, Germany). The value of the contract exceeds 10 percent of the average revenues of the Company on an unconsolidated basis for the last three years. The deadline for completion of the works is September 30, 2013.

2. ENEMONA-GALABOVO AD

Enemona-Galabovo AD is with seat and registered office at: region of Stara Zagora, Municipality of Galabovo, town of Galabovo 6000, 120, Republika Street. The Company is entered into the Commercial Register on May 8, 2008. The scope of activity of Enemona-Galabovo AD includes: *design, investment, construction and fitting works, commissioning and adjustments, repairing, servicing, engineering, marketing, travel and tourism, food service and catering, hotel management, campsites, intermediation, advertising, trading (incl. import, export, exchange, compensation, leasing, barter, consignment deals), manufacturing, purchasing, marketing and servicing of machinery, appurtenances, materials, details and spare parts and consumer goods; electric power generation from renewable energy sources; designing and building of energy and energy saving appurtenances; energy efficiency services (incl. surveys, consulting, investigation, designing, structure designing, mounting, modernization, maintenance, control and monitoring of machinery, appurtenances and buildings), consulting, translation, auto service, transportation, taxi, travel and tourism, communication and communal services; agricultural activity /incl. manufacturing, purchasing, processing and marketing of agricultural products/ in Bulgaria and abroad; veterinary medical services and consultations; holding of equity shares; shop trading, as well as all other activities not forbidden by the laws of Republic of Bulgaria.*

Enemona-Galabovo was incorporated as a branch of Enemona AD in 2002, following the expansion of Enemona Group of Companies' operations in the area of conventional energy.

In May 2008, the branch was separated into a joint stock company. Enemona-Galabovo AD carries out marketing, engineering, design, management, construction and commissioning of energy, industrial and civil projects. The company also implements projects in the area of conventional energy, energy efficiency projects, etc. It has successfully implemented projects in the area of civil engineering.

ANALYSIS OF THE FINANCIAL RESULTS AND THE RESULTS FROM THE ACTIVITIES OF THE COMPANY

Assets

The non-current assets of Enemona-Galabovo AD at December 31, 2011 represent 40% of all assets of the Company, compared to 34% as of December 31, 2010. These are mainly machines and equipment, the building of the repair machine plant in Galabovo with the adjacent land, and vehicles.

Total assets of the Company as of December 31, 2011 amount to BGN 13 083 thousand, compared to BGN 18 031 as of December 31, 2010. This is mainly due to above mentioned non-current assets and materials, gross amounts due from customers and cash.

Equity and liabilities

Enemona-Galabovo AD finances its principal activity with equity or borrowings.

The Company's equity at December 31, 2011 amounts to BGN 2 815 thousand, compared to BGN 5 424 thousand the end of 2010, which is 22% from the assets. The share capital of the issuer amounts to BGN 2 250 thousand. The reserves are BGN 2 898 thousand, retained earnings – BGN 26 thousand and current loss of BGN 2 359 thousand.

Non-current liabilities at December 31, 2011 represent amount to BGN 580, which are finance lease payments with due date over 2 years – BGN 554 thousand and BGN 26 thousand long-term employee benefits.

The Current liabilities at December 31, 2011 amount to BGN 9 688 thousand, compared to BGN 11 624 thousand as of December 31, 2010. These are formed from trade and other payables and loans.

Liquidity analysis

Ratio	Description	31 December 2011	31 December 2010
General liquidity	CA/CL	0.81	1.02
Quick liquidity	(Cash+Cash equivalents+Receivables)/CL	0.77	0.99
Immediate liquidity	(Cash+Cash equivalents)/CL	0.008	0.002

Funds available to the Company in a given moment to meet its operating expenses, incl. all short-term assets that may quickly transform into the required funds and at market values, without

significant transactions costs, are determined as sources of liquidity. The sources of liquidity for Enemona-Galabovo AD are mainly cash and cash equivalents and trade and other receivables.

Profitability analysis

Operating income

Enemona-Galabovo AD ended the reporting period with a net loss of BGN 2 359 thousand, compared to BGN 250 thousand profit the previous year.

Sales revenue of the Company falls to BGN 15 163 thousand, compared to BGN 22 074 thousand in 2010. The sales revenue is primarily from construction contracts.

The Company's expenses amount to BGN 17 509 thousand, compared to BGN 21 918 thousand the previous year. The Company's expenses for 2011 comprise of: costs of materials, costs of hired services, salaries and wages.

Profit (loss) analysis

Ratio	Description	31 December 2011	31 December 2010
Gross profit ratio	Pre-tax profit/Sales revenue	-15.55%	0.79%
Return on sales	Net profit/Total revenue	-15.56%	1.13%

Profitability ratios reflect the ability of the Company to generate operating income and operating profit, respectively. For the year ending December 31, 2011 Enemona-Galabovo AD has reported revenue in the total amount of BGN 15 163 thousand and gross loss before taxes amounting to BGN 2 358 thousand and after taxes amounting to BGN 2 359 thousand. The above profitability ratios of the Company were calculated on the basis of these figures.

Equity analysis

Ratio	Description	31 December 2011	31 December 2010
Equity utilization	Total equity/Total assets	21.5%	30%
Return on assets	Net profit/ Total assets	-18%	1.4%
Return on equity	Net profit/Equity	83.8%	4.6%

Enemona-Galabovo AD reported a loss amounting to BGN 2 359 thousand for 2011.

Financial leverage analysis

Ratio	Description	31 December 2011	31 December 2010
Leverage	Debt/Assets	78%	70%
Gearing	Long-term debt/Equity	21%	18%

For the purpose of financial leverage analysis of Enemona-Galabovo AD, we calculate two ratios by dividing the issuer's debt by its assets and equity, respectively. The value calculated at December 31, 2011 of ratio of Debt/Assets is within the acceptable values and reflects the main activities of the Company. The Company gearing value reaches 21%

Effectiveness analysis

Ratio	Description	31 December 2011	31 December 2010
Asset turnover	Sales revenue/Total assets	116%	122%
Net working capital	Short-term assets – Short-term liabilities	- BGN 1 874 thousand	BGN 268 thousand

The change in sales revenue affects the Company's effectiveness. At December 31, 2011 the asset turnover is high – 116% (122% at December 31, 2010). Net working capital amounts to - BGN 1 874 thousand (BGN 268 thousand in 2010).

INFORMATION ON THE ACTIVITY

The new contracts signed by Enemona-Galabovo AD in 2011 total over BGN 5 million, excl. VAT. The main Contractors of the Company during the reporting period are: Enel Maritza Iztok 3 AD, TAKRAF, Contour Global Maritza Iztok 3 AD, A and S-3C Maritza Iztok 1 EOOD, ALSTOM BULGARIA EOOD and others.

INFORMATION ABOUT THE REVENUES ALLOCATED BY SEPARATE CATEGORIES OF ACTIVITIES

Revenues from main operations (in thousand BGN)	2011	2010
Revenue from construction contracts	15 119	21 963
Services	44	111
TOTAL:	15 163	22 074

A structure of approved suppliers of materials, supplies and services has been made, with which framework contracts are concluded. More than one supplier for basic materials and supplies are provided, so a very low level of dependency is awaited in this regard.

As of December 31, 2011 Enemona-Galabovo AD employs 269 people, including: Managers: 17; Analytical experts: 14; Technicians and other applied professionals: 16, Administrative staff: 7; Operators of machines and equipment, workers and assemblers: 208; Unqualified personnel: 7.

On the Extraordinary Shareholders Meeting, held on October 31, 2011, a decision was taken to change the two-tier managerial system with a Board of Directors, comprising of three members – Bogomil Spiridonov, Georgi Pantev and Svetla Zahaieva. Bogomil Spiridonov is chosen for Executive Director and Miroslav Vanovski – for Procurator.

3. EMCO AD

EMCO AD is established and entered into the Commercial Register in 1997. It is with seat and registered office at: region of PLeven, Municipality of Belene, town of Belene 5930, P.O.b. 63, Project: Nuclear Power Plant (NPP). The scope of activities of EMCO AD includes: *design, construction, mounting and repair works of energy industrial and communal projects and gas supply projects in Bulgaria and abroad, manufacturing of customized equipment, metal structures, reservoir basins, appurtenances, electrical equipment for Bulgaria and abroad, foreign and home trade, services.*

The Company is specialized in manufacturing of customized structures of carbon steel, alloy and stainless steels. EMCO AD is certified ISO 9001:2000.

ANALYSIS OF THE FINANCIAL RESULTS AND THE RESULTS FROM THE ACTIVITIES OF THE COMPANY

The Total Revenue of EMCO AD for 2011 amounts to BGN 5 181 thousand and the net profit for the period decreased to BGN 33 thousand. The main reasons for these results are the global financial and economic crisis, increased competition and lower profitability margins of the contracts.

Revenues from main operations

Revenues from main operations (in thousand BGN)	2011	2010
Products	5 022	9 567
Materials	111	102
Others	48	40
TOTAL:	5 181	9 709

Liquidity analysis

Ratio	31 December 2011	31 December 2010
General liquidity	1.782	1.991
Quick liquidity	1.673	1.869
Immediate liquidity	0.178	0.105

Profitability analysis

Ratio	31 December 2011	31 December 2010
Return on sales	0.64%	1.10%
Return on equity	0.82%	2.64%

INFORMATION ON THE ACTIVITY

The physical volume of production for 2011 is 1 709 tons. The main Contactors during the reporting period are: Asarel Mine in the town of Panagurishte, TransSystem Poland, Chelopech Mining EAD, Agropolychim AD and others.

Structural changes in the physical volume of production in 2011 were not made, because the production program of the Company in recent years includes mainly production of components for electrical precipitators, fundamental parts for gas and steam turbines, tanks for petroleum products and pressure vessels. In 2011, the structural volume of business was expanded with the following activities: prefabrication and installation of structures for belt conveyors and components and production of cable support structures.

As of December 31, 2011 EMCO AD employs 162 people, including: Managers: 14 people; Specialists: 11 people, Administrative staff: 2 people; Workers: 7 people.

TRADE IN ELECTRICITY

The Business line Trade in electricity (electricity trading and natural gas trading) is conducted primarily by the subsidiary Enemona Utilities AD. Electricity trade in Bulgaria is carried by the regulated third party access, where transactions take place through direct bilateral contracts between producers/traders and consumers and balancing market (on which the missing quantities are bought and the remaining surpluses in bilateral contracts are sold). In the transitional period of gradual liberalization, the relationship between market players is still carried out on the regulated and free electricity market.

The Business line includes the Companies: Enemona Utilities AD, along with Nevrokop-Gas AD, Hemusgas AD, Regionalgas AD and Pirin Power AD².

1. ENEMONA UTILITIES AD

Enemona Utilities is a joint-stock company with a scope of activity - *trade in electricity, generating, import and export of electric and heating energy, green certificates trading, energy management, investment designing and consulting in the energy field, trade (home and foreign) with all types of energy (after obtaining the required permit / license in the cases provided by the law), building and control on networks for natural gas in urban industrial areas, operation, maintenance, and repair of built-up water sources, water supply systems, appurtenances and pump stations, delivery, power and water supply, transmission and supply of potable water, joint distribution of the consumed quantities of cold potable water, building and control of the catalyst system, provision of*

² The leading company in the Business line is Enemona Utilities AD, which activities will be discussed in detail in the report. The activities of Nevrokop-gas AD, Hemusgas AD, Regionalgaz AD and Pirin Power AD are either at an early stage of development, or do not differ from the information revealed so far.

telecommunication services, designing and building of telecommunication systems and appurtenances in Bulgaria and abroad, collection, transportation, treatment, and processing of solid (domestic and industrial) waste, treatment (recycling) of waste water (domestic and industrial) and appropriate processing of muddy sediments, improvement of the contaminated areas, city services (street lighting, control of buildings, parkings, subways, etc.), landscape planting, maintenance of parks and gardens, building of parks, and any other activity not forbidden by the law.

Enemona Utilities is registered in the Trade Register in 2005. Its seat and registered office is at: Sofia, Geo Milev Living District, 20 Kosta Lulchev Str., fl. 1.

The Company's shareholders as of December 31, 2011 are Enemona AD and one natural person. The capital of Enemona Utilities AD is BGN 2.25 million, divided into 1,710,000 ordinary shares and 540,000 ordinary bearer shares with a nominal value of BGN 1.00 each.

Enemona Utilities AD has a two-tier management system.

ANALYSIS OF THE FINANCIAL RESULTS OF THE COMPANY

In 2011 Enemona Utilities AD focused on minimizing the negative impact of the ongoing financial and economic crisis in Bulgaria. As a result of the actions taken by Management in 2011, the sales of electricity and natural gas rose by 20% as compared to those of 2010.

The Company's revenues in 2011 are segmented, as follows:

Revenue	Value in thousand BGN
Revenue, including	90 718
Sales of Goods:	90 682
Electricity	87 781
Compressed gas	2 901
Sales of Services:	35
Other Revenues:	1
Income from Financing:	106
Financial Income:	339

ANALYSIS OF THE RESULTS FROM THE ACTIVITIES OF THE COMPANY

Ratios	31.12.2011	31.12.2010
1. Non-Currents Assets (thousand BGN)	7 594	7 938
2. Current Assets (thousand BGN)	25 930	11 046
3. Total Assets (thousand BGN)	33 524	18 984
4. Equity (thousand BGN)	7 073	5 276
5. Non-Current Liabilities (thousand BGN)	3 245	3 975
6. Current Liabilities (thousand BGN)	23 206	9 733
7. Revenue (thousand BGN)	91 163	76 529
8. Expenses (thousand BGN)	89 002	76 365
9. Net Profit (thousand BGN)	1 945	148
10. General Liquidity (CA/CL)	1.12	1.04
11. Return on Sales (Net Profit/Revenue)	0.02	0.01
12. Return on Assets (Net Profit/Total Assets)	0.06	0.01
13. Leverage (Liabilities/Total Assets)	0.79	0.72

Assets, Liabilities, Equity

In 2011, there is an increase in the current assets as compared to 2010. That fact is due to the increase in the gross amounts due from customers, other current receivables and cash of the Company as of December 31, 2011.

The equity of the Company as of December 31, 2011 amounts to BGN 7 073 thousand, representing 21.10% of the total assets.

The decrease in non-current liabilities is due to the repayment of an investment bank loan used by Enemona Utilities AD for the Project "Virtual Pipeline Simitli - Gotse Delchev". The current liabilities mark an increase, resulting from an increase in the Company's payables to suppliers.

Revenue, Expenses, Profit

Company's revenues increased in 2011 as compared to 2010, at about 20%. That is due to an increase in the electricity and natural gas traded. The expenses also show an increase of about 16%. The Financial result for 2011 is a profit of BGN 1 945 thousand.

COMPANY'S FUTURE DEVELOPMENT

The main objectives to the Company for 2012 are the increasing of the volume of traded quantities of electricity and natural gas, developing a strategy and taking action for the expansion of foreign trade contracts of sale with customers outside the Republic of Bulgaria.

The dynamics in relationships related to electricity and natural gas makes it possible to identify specific transactions that are expected to be concluded. The aim of Enemona Utilities AD is expanding the market, on which it operates, by attracting new customers both in Bulgaria and abroad.

In 2012, due to the securing of operations, for the sale of electricity and natural gas, there will be no need to make new investments. As for the staff development, upon a decision of the Management Board of the Company, some insignificant corrections to the official schedule may be made. The Company plans to implement new projects and invest in new activities.

ASSETS MANAGEMENT AND OTHER ACTIVITIES

Enemona is the founder and majority shareholder in two special investment purpose vehicles – Energetics and Energy Savings Fund - EESF SPV, and Real Estate Investments Fund - FINI REIT. Those two entities have been established in order to utilize different investment instruments, i.e. the opportunity of investing by means of securitization in the two legally defined directions by the Bulgarian Law on the Special Purpose Vehicles. The process of securitization includes investing the financial resources, raised by security issues, in real estate or receivables.

1. ENERGETICS AND ENERGY SAVINGS FUND – EESF SPV

Energetics and Energy Savings Fund - EESF SPV has its seat and registered office is at: Sofia, Geo Milev Living District, 20 Kosta Lulchev Str., fl. 3.

On May 17, 2006 by a Decision № 333 - SPV, the Financial Supervision Commission issued a license to the Energetics and Energy Savings Fund - EESF SPV.

The Company is a publicly traded company and discloses in accordance with legal requirements all the necessary information to the Financial Supervision Commission, BSE-Sofia AD and the public, along with publication on the Internet site of the Company - www.eesf.biz and the selected news media Investor.BG AD, a public company having a large number of web information portal - www.bull.investor.bg.

2. REAL ESTATE INVESTMENT FUND - FINI REIT

Real Estate Investment Fund – FINI REIT has its seat and registered office is at: Sofia, Geo Milev Living District, 20 Kosta Lulchev Str., fl. 3.

On August 16, 2007 by a Decision № 1138 - SPV, the Financial Supervision Commission issued a license to the Real Estate Investment Fund – FINI REIT.

The Company is a publicly traded company and discloses in accordance with legal requirements all the necessary information to the Financial Supervision Commission, BSE-Sofia AD and the public, along with publication on the Internet site of the Company - www.fini.bg and the selected news media Investor.BG AD, a public company having a large number of web information portal - www.bull.investor.bg.

3. ARTANES MINING GROUP AD

Artanes Mining Group AD was established on February 15, 2011 in the Republic of Bulgaria seat and registered office is at: Sofia, Geo Milev Living District, 20 Kosta Lulchev Str. and is registered in the Trade register on April 19, 2011.

The Company's scope of activities includes: *prospecting, exploration and mining of underground resources; exploration, development and implementation of methods for underground coal gasification in solid fuels deposits; financing, construction and operation of mines; production and trade in electricity and energy (after obtaining the required permit / concession rights / license for the respective activity required by law) and any other activity that is not prohibited by law.*

The Company is a publicly traded company and discloses in accordance with legal requirements all the necessary information to the Financial Supervision Commission, BSE-Sofia AD and the public, along with publication on the Internet site of the Company - www.artanesmining.bg and the selected news media Investor.BG AD, a public company having a large number of web information portal - www.bull.investor.bg.

4. CHPP NIKOPOL EAD

CHPP Nikopol EAD was established in 2008 with main scope of activities: *research, design, construction, installation, start-up and commissioning, repair services, engineering, production and sale of electricity and heat from various energy sources.* Its seat and registered office is at: Sofia, Geo Milev Living District, 20 Kosta Lulchev Str.

CHPP Nikopol was established as a project company for developing Enemona's activities in the field of renewable energy sources. According to the conceptual technical characteristics, the Central Heating Power Plant will have a total installed heating capacity of 50 MWth, electrical capacity of 16MWel, generating a net annual electricity of 128 MWh. The technology allows 80% of the fuel to be waste agricultural biomass (straw) and an option for the remaining 20% to be other biological waste.

V. RESEARCH AND DEVELOPMENT, PATENTS, LICENSES OF ENEMONA GROUP OF COMPANIES

Enemona AD creates and develops up to date scientific developments in the field of the national energy system. With the scope to find solutions for problems in the energy sector, the company forms teams from its own inventors, experts, and power engineers from outside organizations and scientists from the Technical Universities of Sofia and Varna.

For example, for the effective use of the shut down facilities in Kozloduy NPP, Enemona AD holds two patents related to the operation of power equipment in the second contour of Kozloduy NPP. The patents have with the following registration numbers BG 65250 B1 and BG 65267 B1 and have the following common name:

"A system for generation of reactive power in the power system"

The patented inventions were created by a team in 2002 while the patents were issued in 2008 by the Patent Office of Bulgaria. The created technical solutions allow the use of the generators of units 1 and 2 of Kozloduy NPP as synchronous compensators. The switching of these units in the country's power system improves the quality of electricity for end users, reduces losses in power transmission system, and achieves significant social, economic and political effects.

In the field of Energy Efficiency and Ecology with the aim to achieve beneficial effects on the ecological balance and to allow energy savings, Enemona AD created a number of technical solutions, united in a patent application № 110222/19.09.2008, having the following name:

"Methods and devices for receiving thermal energy towards steam turbine systems that produce electricity and heat"

The use of the proposed solutions to be patented enables the change of the thermal cycle in the currently operational thermal power plants and in Kozloduy NPP. This creates the possibility for the waste heat from the exhausted steam to be returned back into the thermal cycle and to reduce significantly its needs for cooling and condensation. Thus significant fuel savings are achieved which reduces the environmental pollution and the need for purification of flue gases. The heat pollution from so-called "hot canals" at the power stations can be reduced. The effect over the ecological balance is favorable as a significantly higher efficiency of steam turbine plants is achieved. The above mentioned benefits from the developed technical solutions contribute to the realization of significant economic effects in the power engineering.

Licenses in the Enemona Group of Companies

1. Enemona Utilities AD – License for trade in electricity for a 10 year period № L201-15/27.02.2006;
2. Enemona AD - License for trade in electricity for a 10 years period - № L275-15/08.09.2008;
3. Nevrokop-Gas AD - license for distribution of natural gas for 35 years period - № L289-08/22.12.2008; license for supply with natural gas on the territory of Gotse Delchev Municipality - № L289-12/22.12.2008;
4. EESF SPV – By a decision issued on May 17, Decision № 333 – SPV, the Financial Supervision Commission issued a License to the Energy and Energetic Savings Fund –EESF SPV;

5. FINI REIT - By Decision № 1138 of the Financial Supervision Commission (FSC) as of 16.08.2007 FINI has a license for carrying on its activity.

VI. INFORMATION UNDER APPENDIX №10 OF ORDINANCE No. 2 OF SEPTEMBER 17, 2003 ON THE PROSPECTUSES TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET AND ON DISCLOSURE OF INFORMATION BY THE PUBLIC COMPANIES AND THE OTHER ISSUERS OF SECURITIES

1. Analysis of the financial results and the results from the activities of the Group

1. Assets

The Non-Current Assets as of December 31, 2011 amount to 37.33% of the Total Assets, and as compared to December 31, 2010 decrease by 20.18%. The most significant decrease is in the value of Property, plant and equipment.

The Total Assets of the Group as of December 31, 2011 reach BGN 247 400 thousand, which is a 1.10% decrease as compared to December 31, 2010, mainly due to the decrease in Property, plant and equipment, Inventories and Current Loans and Advances.

2. Equity and Liabilities

Enemona AD finances its principal activity with equity or borrowings.

The specific characteristics of the fields of activity in which the companies from the Group operate, as well as the projects they are involved in, are characterized by high capital intensity and large time lag of return. The large-scale projects in the field of energy construction - the main business of the companies, require huge financial resources to be provided mainly by borrowing, especially in times of prolonged global economic crisis. Moreover, the financial return from the activities is expected to be postponed for a longer period of time as compared to other industries and sectors. As a whole, the financial ratios of the Group are above the average for the field of activities of the companies within the Group.

The Group's Equity at December 31, 2011 amounts to BGN 102 915 thousand, or 41.60% of its assets – close to value as of the end of 2010.

The Current liabilities at December 31, 2011 represent 12.34% of the Group's Assets, and the Current Assets – 46.06%

3. Liquidity analysis

Ratio	Description	31 December 2011
General liquidity	CA/CL	1.36
Quick liquidity	(Cash+Cash equivalents+Receivables)/CL	0.29
Immediate liquidity	(Cash+Cash equivalents)/CL	0.10

Funds available to the Group in a given moment to meet its operating expenses, incl. all short-term assets that may quickly transform into the required funds and at market values, without significant

transactions costs, are determined as sources of liquidity. The sources of liquidity for Enemona Group are mainly revenue from sales of products and external/debt financing in the form of bank loans.

4. Revenues

Enemona Group ended the reporting period with a loss of BGN 2 503 thousand loss before tax from continuing operations and a net loss for the year from continuing operations amounting to BGN 81 thousand.

The Revenue of the Group marks an increase of 0.81% compared to 2011, and amount to BGN 176 255 thousand.

The Group's expenses amount to BGN 183 077 thousand, and the greatest effect have the Cost of goods sold, which increase by BGN 14 708 thousand compared to the previous year and the Materials and consumables used, which increase by BGN 8 319 thousand.

5. Financial leverage analysis

Ratio	Description	31 December 2011
Leverage	Debt/Assets	58.40%
Gearing	Long-term debt/Equity	29.67%

For the purpose of financial leverage analysis of the Group, we calculate two ratios by dividing the issuer's debt by its assets and equity, respectively. The values calculated at December 31, 2011 are almost the same as the previous year. The Company covers over 3.3 times its long-term liabilities with its equity. The accumulation of capital through the stock exchange significantly changes the equity structure of Enemona Group by increasing the opportunities for quick development and consolidation of its activity.

6. Effectiveness analysis

Ratio	Description	31 December 2011
Asset turnover	Sales revenue/Total assets	71.24%
Net working capital	Short-term assets – Short-term liabilities	BGN 41 104 thousand

The change in sales revenue affects the Group's effectiveness. Net working capital marks an increase by BGN 14 090 thousand compared to December 31, 2010.

2. Information given in value or quantitative terms about the main categories of commodities, products and/or provided services on a consolidated basis

	Year ended 31.12.2011	Year ended 31.12.2010
	<i>Thousand BGN</i>	<i>Thousand BGN</i>
Revenue from construction contracts	85 149	98 446
Revenue from sale of electricity	87 781	72 244
Revenue from sale of compressed natural gas	2 949	2 525
Revenue from services	372	1 624
Other revenue	4	
TOTAL REVENUE	176 255	174 839

3. Information about the revenues allocated by separate categories of activities on a consolidated basis

Segment revenue (in thousand BGN)

	Year ended 31.12.2011	Year ended 31.12.2010
Engineering, construction and assembly works	85 400	98 630
Electricity trading	87 794	73 581
Other segments	3 061	2 628
TOTAL	176 255	174 839

Geographical distribution (in thousand BGN)

	Year ended 31.12.2011	Year ended 31.12.2010
Bulgaria	143 239	123 674
Austria	-	16 515
Slovenia	-	13 396
Serbia	14 289	7 926
Slovakia	13 591	9 677
Germany	1 877	-
Other	3 259	3 651
TOTAL	176 255	174 839

4. Information about the sources for supply of materials on a consolidated basis

TOP 5 SUPPLIERS OF MATERIALS IN TERMS OF VALUE OF SUPPLIES

Supplier	Type of supplies
THYSSENKRUPP FORDERTECHNIK GMBH	Materials
ENERGY MARKET AD	Electricity
AMERON-NETHERLANDS	Materials
STILPLAST 2002 OOD	Materials
FIPLCAB AD	Materials

5. Information about the transactions concluded between with related parties during the reporting period, proposals for conclusion of such transactions as well as transactions which are outside the usual activity or substantially deviate from the market conditions, to which the issuer or its subsidiary is a party, indicating the amount of the transactions, the nature of relatedness and any information necessary for an estimate of the influence over the groups' financial status

The information about the transactions concluded with related parties during the reporting period is disclosed in Note 31 of the Notes to the Consolidated Financial Statement for 2011.

6. Information about events and indicators of unusual for the group nature, having substantial influence over its operation and the realized by it revenues and expenses made; assessment of their influence over the results during the current year

During the period under review no events and indicators of unusual for the Group nature, having substantial influence over its operation.

7. Information about off-balance kept transactions – nature and business objective, indication of the financial impact of the transactions on the operation, if the risk and benefits of these transactions are substantial for the assessment of the groups' financial status

The Group prepares its Consolidated Financial statements in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and the interpretations, issued by the International Financial Reporting Interpretations Committee (IFRIC), as approved by the European Union (the "EU") and applicable in the Republic of Bulgaria. The information about contingent liabilities is disclosed in Note 34 of the Notes to the Consolidated Financial Statement for 2011.

8. Information about holdings of the issuer, about its main investments in the country and abroad (in securities, financial instruments, intangible assets and real estate), as well as the investments in equity securities outside its economic group and the sources/ways of financing

The companies which Enemona AD controls and manages as of December 31, 2011 and December 31, 2010, are listed in the following table:

ORGANIZATIONAL STRUCTURE OF ENEMONA GROUP OF COMPANIES

COMPANY	Percentage (%) as of 31.12.2011	Percentage (%) as of 31.12.2010
„CHPP NIKOPOL” EAD	100.00	100.00
„PPP MLADENOVO” EOOD	100.00	-
“ARTANES MINING GROUP” AD	99.99	-
“ENEMONA UTILITIES” AD	99.46	100.00
“ESCO ENGINEERING” AD	99.00	99.00
„Enemona-Galabovo” AD	91.13	91.13
“NEVROKOP-GAS” AD	90.00	90.00
“ENERGETICS AND ENERGY SAVINGS FUND - EESF” SPV	88.97	70.76
“PIRINPOWER” AD	84.00	84.00
„EMCO” AD	77.36	77.36
„REAL ESTATE INVESTMENT FUND- FINI” REIT	69.23	69.23
“HEMUSGAS” AD	50.00	50.00
„AGROINVESTENGINEERING” AD	0.00	99.98
„NEO AGRO TECH” AD	0.00	90.00
„SOLAR ENERGY” OOD	0.00	80.00

Enemona AD Indirect Shareholdings

Company	Indirect Shareholding through	Percentage (%) of indirect shareholding as of 31.12.2011
„RegionalGas” AD	„Enemona Utilities” AD	50.00
„PirinPower” AD	„Enemona Utilities” AD	16.00

Enemona’s shareholdings below 50%

Company	Percentage (%) as of 31.12.2011	Percentage (%) as of 31.12.2010
„ALFA - ENEMONA” OOD	40.00	40.00
“ENEMONA - START” AD	4.90	4.90
“ENIDA ENGINEERING” AD	4.90	4.90
„ENERGONI” AD	2.74	0.00

9. Information about the concluded by the issuer, by its subsidiary or parent undertaking, in their capacity of borrowers, loan contracts with indication of the terms and conditions thereof, including the deadlines for repayment as well as information on the provided guarantees and assuming of liabilities

The information about the concluded by the Companies from the Group, in their capacity of borrower, loan contracts, is disclosed in Note 16 of the Notes to the Consolidated Financial Statement for 2011.

10. Information about the concluded by the issuer, by its subsidiary or the parent undertaking, in their capacity of lenders, loan contracts, including the provision of guarantees of any type, including to related persons, with indication of the concrete conditions there under, including the deadlines for repayment and the purpose for which they have been granted

The information about the concluded by the Companies from the Group, in their capacity of lender, loan contracts, is disclosed in Note 9 of the Notes to the Consolidated Financial Statement for 2011.

11. Information on the use of the proceeds from a new issue of securities carried out during the reported period

During the reported period no new issues of securities have been carried out.

12. Analysis of the ratio between the achieved financial results reflected in the financial statement for the fiscal year, and previously published forecasts for these results

In the prospectuses for public offering of the ordinary shares, preferred shares and warrants issued by Enemona AD and approved by the FSC, there are no financial forecasts.

The Company's forecasts, disclosed in the Prospectus for the secondary public offering of bond, issued in 2006, are prepared on an individual basis.

13. Analysis and assessment of the policy concerning the management of the financial resources with indication of the possibilities for servicing of the liabilities, eventual jeopardizes and measures which the group has undertaken or is to undertake with a view to their removal

The true and fair presentation of the information in the financial statements of the Group is ensured by the systematic application of accounting policies based on current accounting, which is checked by an internal control system.

14. Assessment of the possibilities for realization of the investment intentions, indicating the amount of the available funds and stating the possible changes in the structure of the financing of this activity

As of December 31, 2011 the Group has cash and cash equivalents for a total BGN 11 738 thousand. That fact in combination with the increased capital base, determines a good opportunity to raise funds for the implementation of the Group's investment projects.

15. Information about occurred during the reporting period changes in the base principles for management of the issuer and its Economic Group

For the period under review, there have been no changes in the base principles for management of the Issuer and its Group.

16. Information on the amount of the remunerations, rewards and/or the benefits of everyone of the members of the management and control bodies for the fiscal year under review, paid by the issuer and its subsidiaries, irrespective of whether they have been included in the issuer's expenses or arise from profit distribution

Name	Gross Remuneration (BGN)	Net Remuneration (BGN)
Dichko Prokopiev Prokopiev		
Enemona AD	32 658.40	26 751.58
Enemona Utilities AD	126 633.54	113 970.19
CHHP Nikopol EAD	39 784.51	35 707.15
Enemona Galabovo AD	128 519.67	115 667.70
EMCO AD	14 345.00	12 911.00
Artanes Mining Group AD	2 251.43	2 026.29
Total	344 192.55	307 033.91
Tsvetan Kamenov Petrushkov		
Enemona AD	30 000.00	24 228.00
Enemona Utilities AD	140 000.00	126 000.00
EESF SPV	8 910.00	8 019.00
FINI REIT	5 940.00	5 346.00
CHHP Nikopol EAD	240.00	216.00
Enemona Galabovo AD	156 000.00	140 400.00
EMCO AD	25 128.00	22 615.20
Total	366 218.00	326 824.20
Lyudmil Ivanov Stoyanov		
Enemona AD	30 000.00	24 228.00
CHHP Nikopol EAD	44 000.00	39 600.00
EMCO AD	25 128.00	22 615.20
Total	99 128.00	86 443.20
Prokopi Dichev Prokopiev		
Enemona AD	8 510.00	6 629.75
Enemona Utilities AD	140 000.00	126 000.00
EESF SPV	8 910.00	6 280.70
CHHP Nikopol EAD	44 240.00	39 811.54
Artanes Mining Group AD	3 602.86	3 242.57

EESF SPV (dividend)	0.70	0.67
Total	205 263.56	181 965.23
Ilian Borisov Markov³		
Enemona AD	8 910.00	8 019.00
Enemona AD – Slovakia Branch	48 000.00	35 417.08
Enemona AD – Galabovo Branch	15 700.00	12 818.33
Enemona Galabovo AD	137 499.99	122 289.55
Total	210 109.99	178 543.96
Margarita Ivanova Dineva		
Enemona AD	8 910.02	6 989.77
Ivan Dimitrov Petrov		
Enemona AD	8 910.00	8 019.00
Georgi Zamfirov Goranov		
Enemona AD	8 910.00	7 355.46
Bogdan Dichev Prokopiev		
Enemona AD	21 176.10	16 358.28
Enemona Utilities AD	120 000.00	107 640.07
CHHP Nikopol EAD	11 240.00	10 116.00
EMCO AD	10 783.00	9 704.70
Artanes Mining Group AD	1 232.86	1 109.57
Enemona Galabovo AD	156 000.00	140 400.00
Total	320 431.96	285 328.62

17. Participation of the members of the Board of Directors and the Procurator as of 31 December 2011

Dichko Prokopiev Prokopiev	
Enemona AD, Kozloduy – Chairman of the of Board of Directors and Chief Executive Officer	
Global Capital OOD, Kozloduy – Manager and Partner	
Enemona Utilities AD, Sofia – Chairman of the Supervisory Board	
CHHP Nikopol EAD, Sofia – Chairman of the Supervisory Board	
Izolko OOD, Kozloduy - Partner	
Tsvetan Kamenov Petrushkov	
Enemona AD, Kozloduy – Vice Chairman of the of Board of Directors and Executive Director	
EMCO AD, Belene – Member of the Board of Directors	
Enemona Utilities AD, Sofia – Member of the Supervisory Board	

³ Enemona Galabovo AD has a liability for paying a dividend for 2010 to Ilian Borisov Markov for a total of BGN 16 684.18, which is not paid as of December 31, 2011.

EESF SPV, Sofia – Vice Chairman of the of Board of Directors and Executive Director
FINI REIT, Sofia – Chairman of the of Board of Directors
Resource Engineering EOOD, Sofia – Manager and Sole Partner
Izolko OOD, Kozloduy - Partner
Lyudmil Ivanov Stoyanov
Enemona AD, Kozloduy – Vice Chairman of the of Board of Directors and Executive Director
EMCO AD, Belene – Member of the Board of Directors
CHHP Nikopol EAD, Sofia – Vice Chairman of the Supervisory Board
Izolko OOD, Kozloduy - Partner
Ilian Borisov Markov
Enemona AD, Kozloduy – Member of the of Board of Directors
Enemona AD – Galabovo Branch – Manager
Enemona AD – Slovakia Branch – Manager
Prokopi Dichev Prokopiev
Enemona AD, Kozloduy – Member of the of Board of Directors
Global Capital OOD, Kozloduy – Partner
Enemona Utilities AD, Sofia – Vice Chairman of the Supervisory Board
EESF SPV, Sofia - Chairman of the of Board of Directors
CHHP Nikopol EAD, Sofia – Member of the Supervisory Board
ESCO Engineering AD, Sofia – Chairman of the of Board of Directors
Nevrokop Gas AD, Gotse Delchev – Member of the of Board of Directors
Artanes Mining Group AD, Sofia – Chairman of the of Board of Directors and Executive Director
PPP Mladenovo EOOD, Sofia – Manager
Racio Consult OOD, Sofia – Partner
Margarita Ivanova Dineva
Enemona AD, Kozloduy – Member of the of Board of Directors
Ivan Dimitrov Petrov
Enemona AD, Kozloduy – Member of the of Board of Directors
NODIG OOD, Sofia – Manager and Partner
Solers Bulgaria OOD, Sofia - Partner
Georgi Zamfirov Goranov
Enemona AD, Kozloduy – Member of the of Board of Directors
G Oil Expert EOOD, Novi Iskar – Manager and Sole Partner
Bogdan Dichev Prokopiev
Enemona AD, Kozloduy - Procurator
Global Capital OOD, Kozloduy – Partner
Enemona Utilities AD, Sofia – Chairman of the Managing Board
CHHP Nikopol EAD, Sofia – Chairman of the Managing Board
ESCO Engineering AD, Sofia – Member of the Board of Directors

Nevrokop Gas AD, Gotse Delchev – Chairman of the of Board of Directors
PirinPower AD, Sofia – Vice Chairman of the of Board of Directors
HEMUSGAS AD, Sofia – Member of the Board of Directors
Izolko OOD, Kozloduy - Partner
EMCO AD, Belene – Member of the Board of Directors
Artanes Mining Group AD, Sofia – Chairman of the Board of Directors
Racio Consult OOD, Sofia – Partner

18. Information about the owned by the members of the management and the Procurators shares of the issuer

Shares in Enemona AD	Percentage of the capital as of 31 December 2011 at a capital of 13 036 501	Percentage of the ordinary shares as of 31 December 2011 at OS of 11 933 600	Percentage of the preferred shares as of 31 December 2011 at PS of 1 102 901	Percentage of warrants as of 31 December 2011 at an issue of 5 966 792
Dichko Prokopiev Prokopiev - Chairman of the Board of Directors	55.28	60.39	0.00	60.13
Tsvetan Kamenov Petrushkov – Vice Chairman of the Board of Directors	0.36	0.39	0.00	0.36
Lyudmil Ivanov Stoyanov – Vice Chairman of the Board of Directors	0.50	0.55	0.00	0.55
Ilian Borisov Markov - Member of the Board of Directors	0.21	0.23	0.00	0.17
Prokopi Dichev Prokopiev - Member of the Board of Directors	0.22	0.35	0.00	2.22
Margarita Ivanova Dineva - Member of the Board of Directors	0.00	0.00	0.00	0.00
Ivan Dimitrov Petrov - Member of the Board of Directors	0.00	0.00	0.00	0.00
Georgi Zamfirov Goranov - Member of the Board of Directors	0.00	0.00	0.00	0.00
Bogdan Dichev Prokopiev – Procurator	0.30	0.33	0.00	0.33

19. Information about the known to the group agreements (including also after the fiscal year closing) as a result of which changes may occur at a future time in the owned percent of shares or bonds by current shareholders and bondholder

For the period under review there are no agreements, as a result of which changes may occur in the future in the owned percentage of shares by current shareholders.

20. Information about pending legal, administrative or arbitration proceedings relating to issuer's liabilities or receivables at amount at least 10 percent of its equity; if the total amount of the issuer's liabilities or receivables under all initiated proceedings exceeds 10 per cent of its equity, information shall be submitted for each procedure separately

Enemona AD had no pending legal administrative or arbitration proceedings, relating to issuer's liabilities or receivables at amount at least 10 percent of its equity.

21. Information about the price of the financial instruments, issued by the Enemona AD



22. Data about the Investor Relations Director, including telephone and address for correspondence

The Board of Directors of Enemona AD, on a meeting, held on November 21, 2011, took a decision to release Svetlana Krumova Aleksandrova from the position of Investor Relations Director of Enemona AD and terminates its contract as of November 22, 2011. On the same position is appointed Teodora Petrova Plamenova.

Contact Data of the Investor Relations Director:
1113 Sofia
Geo Milev District

20, Kosta Lulchev Str.
tel: +359 2 80 54 864
fax: +359 80 54 837
Mobile: +359 888 535 186
E-mail: teodora.petrova@enemona.com

VII. INFORMATION IN RELATION TO THE BULGARIAN CODE FOR CORPORATE GOVERNANCE

On a meeting, held on 17 April 2008, the Board of Directors of Enemona AD decided to join and observe the National Code of Corporate Governance, approved and adopted by Minutes No 36 dated 17 October 2007 of BD of BSE – Sofia AD. This decision was announced to the Financial Supervision Commission, Bulgarian Stock Exchange and the public.

Pursuant to the instructions of the Financial Supervision Commission dated 21 February 2008, the application of the National Code of Corporate Governance substituted the requirement to prepare and implement their own corporate governance program. As a consequence of the decision that Enemona AD shall operate in accordance with the principles and provisions of the National Code of Corporate Governance, as well as due to the fact that the company's shares have been traded on the regulated market since the end of January 2008, the Company did not prepare and approve a separate corporate governance program.

Pursuant to the Rules and Regulations of BSE-Sofia AD, the compliance and implementation of the main principles sets in the Code of Corporate Governance issued or approved by the Stock Exchange is mandatory for the companies that are either traded or would like to be admitted to trading on the "Official Market of Equities, segments "A" and "B". The adoption and implementation of the Code for the companies that are traded on the other markets and market segments of BSE-Sofia AD is recommendatory and a matter of choice.

Enemona AD observes the principal provisions of the National Code of Corporate Governance.

The main direction in fulfilling the commitments of the Code was bringing all in-house acts of the Company and its overall activity in accordance with the constantly changing effective regulations. All financial statements of the Company are prepared in accordance with International Accounting Standard (IAS) and the annual audit is carried out by an independent auditor to ensure the unbiased and objective assessment of the method of preparation and presentation of these financial statements. These financial statements are accompanied by detailed management reports.

Enemona AD is a publicly traded company with a one-tier management system. All members of the Board of Directors comply with the legal requirements for their position. The functions and obligations of corporate management, as well as its structure and competences, are in accordance with the Code. The remunerations of all Members of the Board of Directors have been disclosed in the annual reports in compliance with the legal provisions. Shareholders have an easy access to information about remunerations. Members of Board of Directors avoid and do not allow any actual or potential conflict of interests.

To increase the trust of shareholders, investors and all other persons interested in the governance and activities of the Company was one of the principal commitments of corporate governance in the past year as well.

Enemona AD guarantees equal treatment of all shareholders, including minority and foreign shareholders, and protects their rights.

Following the policy for transparency in its relationships with shareholders, investors and the public, Enemona AD has announced the media through which it discloses regulated information: www.investor.bg.

The Board of Directors of Enemona AD believes that through its activity in 2011, it has created conditions for sufficient transparency of its relationships with investors, financial media and analysts in the capital market.

For the reporting year 2011, the Company has disclosed any regulated information on time and in accordance with the procedure provided for in LPOS and the regulations on its application.

A section "For investors" has been added in the Company's website – www.enemona.bg. The purpose of this section is to facilitate investors in receiving up-to-date and timely information. This section contains information about the financial and economic position of the Company, as well as materials concerning corporate events already held or forthcoming. The Company's contact information is published in the website, as also that of Investor Relations Director, thus encouraging shareholders and interested parties to ask for the information they need.

The Regular General Meeting of Shareholders is convened in accordance with the effective rules for making public the invitation, the agenda and draft decisions. All printed materials shall be made available to the shareholders in the office and published at the website of the Company.

The financial statements are published at the website of Enemona AD right after they are forwarded to the regulatory authority and the public, which enables the shareholders, investors and all interested parties to exercise control.

In conclusion it can be summarized that the activity of the Board of Directors of the Company in 2011 was in accordance with the National Code of Corporate Governance and International Standards.

Evidence for this is the inclusion of Enemona AD in the new INDEX OF THE COMPANIES HAVING GOOD CORPORATE GOVERNANCE - Corporate Governance Index (CGIX). The CGIX is an index comprising the seven companies listed on the Exchange that have the best corporate governance, based on the market capitalisation of the issues of ordinary shares included, adjusted by the free-float of each one.

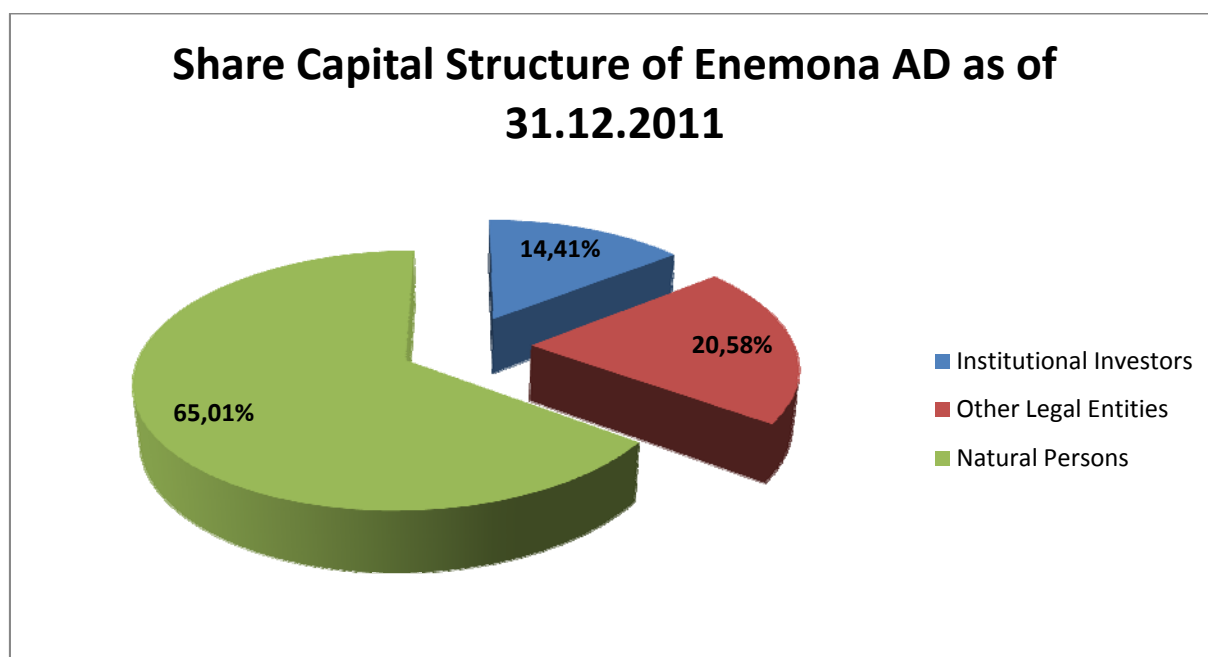
VIII. INFORMATION UNDER APPENDIX №11 OF ORDINANCE No. 2 OF SEPTEMBER 17, 2003 ON THE PROSPECTUSES TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET AND ON DISCLOSURE OF INFORMATION BY THE PUBLIC COMPANIES AND THE OTHER ISSUERS OF SECURITIES

- 1. Structure of the Company's capital including the securities that have not been admitted to trading on a regulated market in the Republic of Bulgaria or another member state, with indication of the different classes of shares, the rights and liabilities attaching to any of the classes of shares and the portion of the total capital which each individual class constitutes**

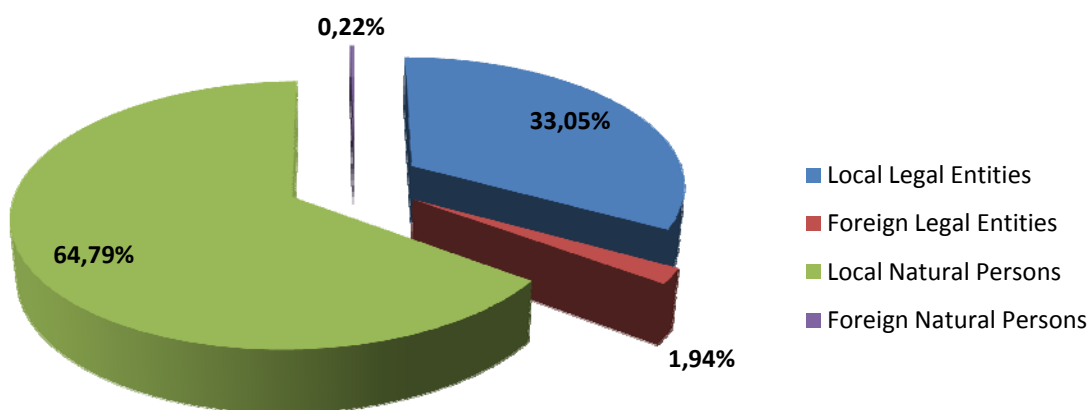
As of December 31, 2011 the Company's share capital amounts to 13,036,501 (thirteen million thirty-six thousand five hundred and one), divided into 11,933,600 ordinary shares with voting rights in the GMS and 1,102,901 preferred shares without voting rights at the GMS, giving their owners a guaranteed cumulative annual dividend of 10 per cent of the issue price per preferred share.

Structure of the capital (ordinary and preferred) shares:

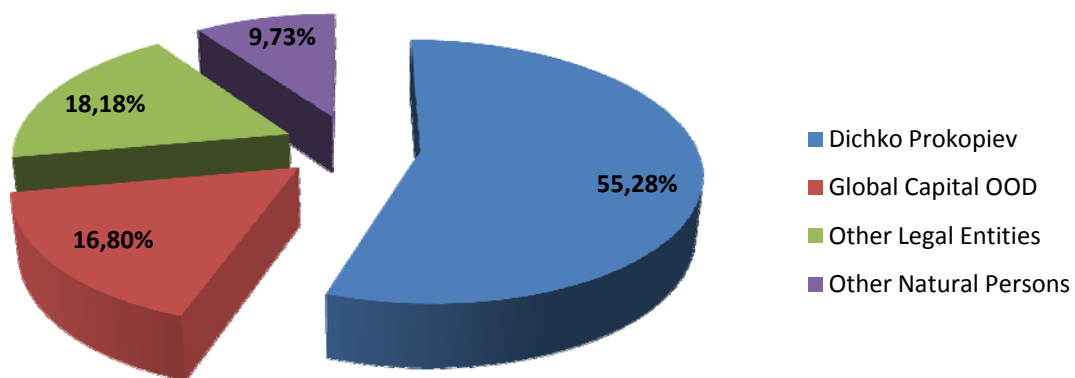
№	Shareholders	Number of shareholders	Number of shares
1.	Natural persons	2 312	8 475 239
2.	Legal entities	252	4 561 262
Total:		2 564	13 036 501



Share Capital Structure of Enemona AD as of 31.12.2011



Share Capital Structure of Enemona AD as of 31.12.2011



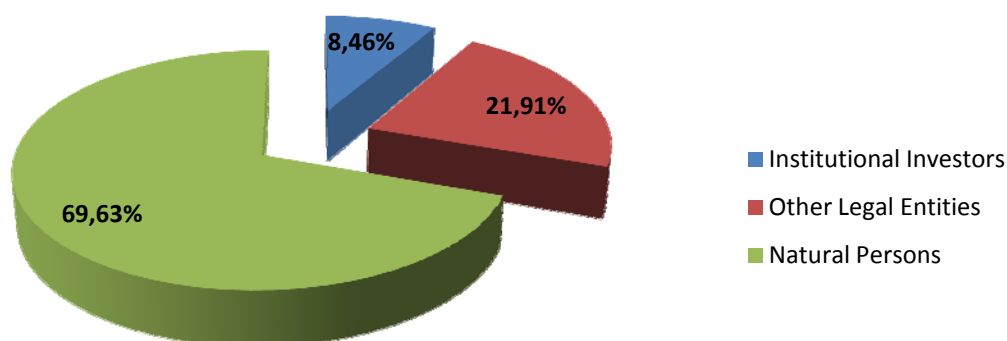
The structure of the issue of ordinary dematerialized shares, with voting rights, with a nominal value of BGN 1.00 and ISIN code BG1100042073 is shown below:

No	Shareholders	Number of shareholders	Number of shares
1.	Natural persons	2 056	8 309 202

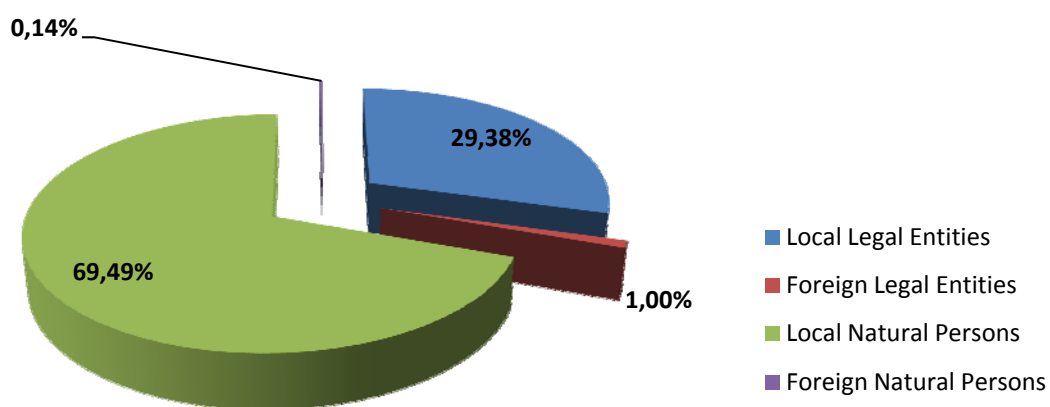
2.	Legal entities	198	3 624 398
Total:		2 254	11 933 600

ORDINARY SHARES⁴

Shareholder Structure of Ordinary Shares, issued by Enemona AD as of 31.12.2011

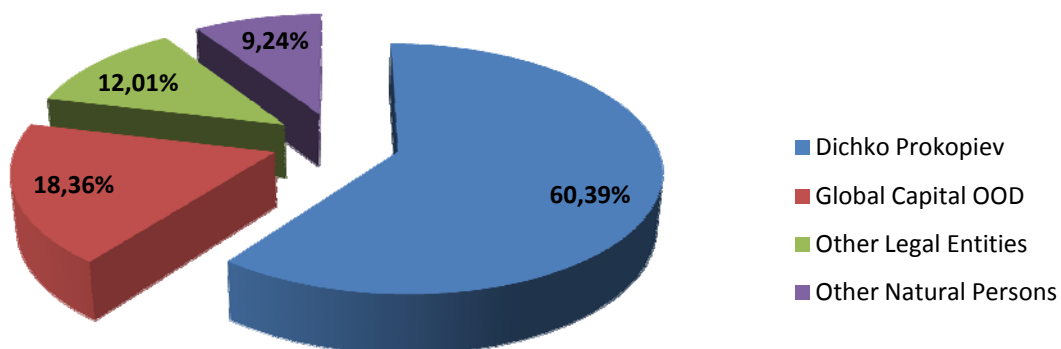


Shareholder Structure of Ordinary Shares, issued by Enemona AD of at 31.12.2011



⁴ The shares pledged under repo-transactions, owned by Dichko Prokopiev and Global Capital OOD, are included in their percentage of holding.

Shareholder Structure of Ordinary Shares, issued by Enemona AD of at 31.12.2011

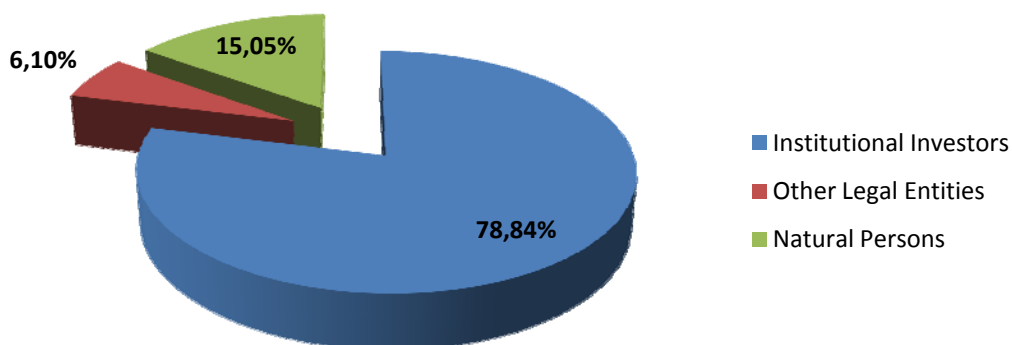


The structure of the issue of preferred, dematerialized shares, without voting rights, with a nominal value of BGN 1.00 and ISIN code BG1200001102 is shown below:

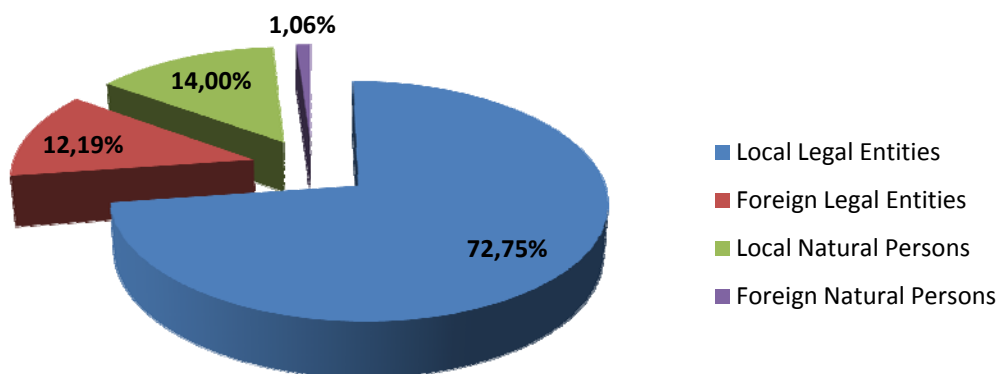
No	Shareholders	Number of shareholders	Number of shares
1.	Natural persons	256	166 037
2.	Legal entities	54	936 864
Total:		310	1 102 901

PREFERRED SHARES

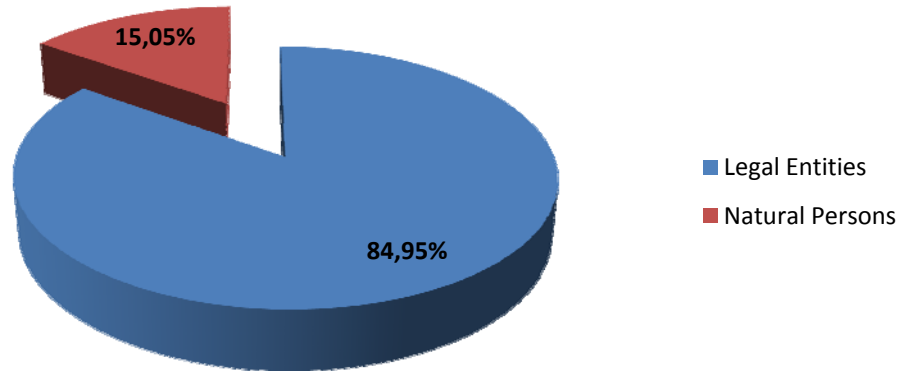
Shareholder Structure of Preferred Shares, issued by Enemona AD as of 31.12.2011



Shareholder Structure of Preferred Shares, issued by Enemona AD as of 31.12.2011



Shareholder Structure of Preferred Shares, issued by Enemona AD as of 31.12.2011

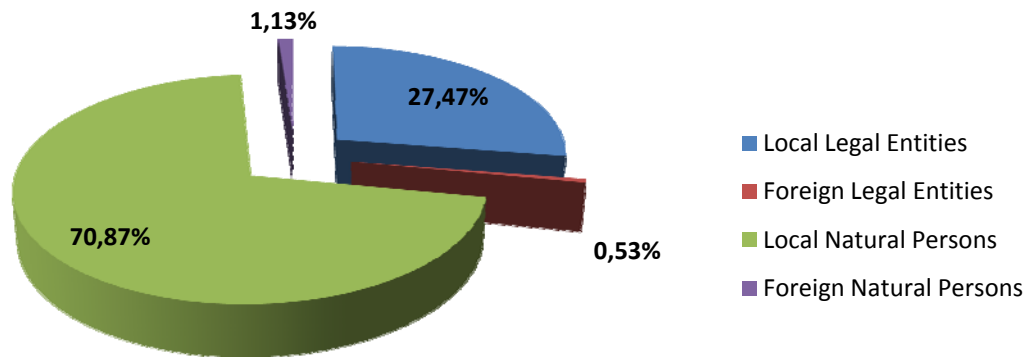


WARRANTS

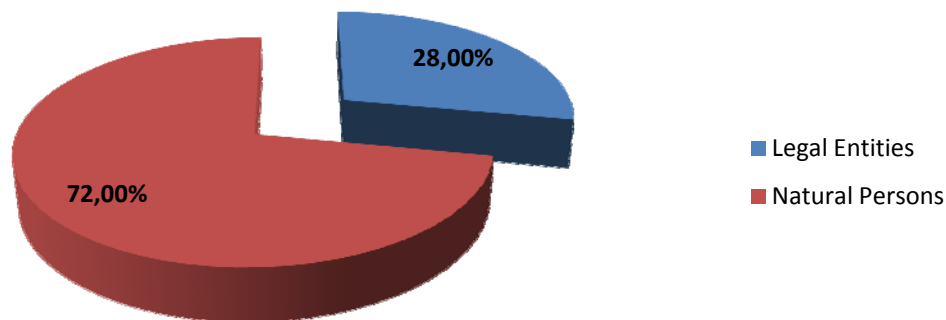
The structure of the issue of warrants, with an underlying asset – a future issue of ordinary shares, ISIN code BG9200001105 is shown below:

№	Shareholders	Number of shareholders	Number of shares
1.	Natural persons	277	4 296 152
2.	Legal entities	35	1 670 640
Total:		312	5 966 792

Structure of the Holders of Warrants issued by Enemona AD as of 31.12.2011



Structure of the Holders of Warrants issued by Enemona AD as of 31.12.2011



2. Limitations over the securities transfer, such as limitations for holding of securities or a requirement to obtain approval of the company or another shareholder

There are no limitations over securities transfer, such as limitations for holding of securities or a requirement to obtain approval of the company or another shareholder.

Securities are freely transferable, subject to the requirements of the applicable law for transactions in dematerialized securities. The Articles of Association and the other internal Acts of the Company may not establish conditions or restrictions on securities transfer.

3. Information on the direct and indirect holding of 5 or more percent of the voting rights in the company’s General Meeting, including data about the shareholders, the amount of their holding and the manner in which the shares are owned

Ownership as of December 31, 2011⁵

Ownerships as of 31 December 2011	Ordinary Shares – 11 933 600	Preferred Shares – 1 102 901	Issued Share Capital – 13 036 501
Dichko Prokopiev	60.39%	-	55.28%
Global Capital OOD	18.36%	-	16.80%

Dichko Prokopiev owns directly and indirectly via Global Capital – 72,08% of the issued share capital.

As of December 31, 2011, a total of 2 139 000 ordinary shares, owned by Global Capital OOD, and 1 109 230 ordinary shares, owned by Dichko Prokopiev, are subject to repo transactions.

4. Data about the shareholders with special control rights and description of these rights

There are no shareholders with special control rights.

5. The control system in exercising the voting right in cases when officials of the company are also its shareholders and when the control is not exercised directly by them

There is no control system in exercising the voting right in cases when officials of the company are also its shareholders and when the control is not exercised directly by them.

6. Limitations over the voting rights, such as limitations over the voting rights of the shareholders with a given percent or number of votes, deadline for exercising the voting rights or systems whereby with the company's assistance, the financial rights attaching to the shares are separated from the holding of shares

There are no limitations over the voting rights.

7. Agreements among the shareholders, which are known to the company and which may result in limitations over the transfer of shares or the voting right

There are no agreements among the shareholders, which are known to the company and which may result in limitations over the transfer of shares or the voting right.

8. The provisions about the appointment and dismissal of the members of the company's management bodies and about introduction of amendments and supplements to the Articles of Association

The General Meeting of Shareholders decides by a majority of more than a half of the shares with voting rights about the election and dismissal of members of the Board of Directors. Members of the Board of Directors are elected for a term of 5 years.

⁵ The shares pledged under repo-transactions, owned by Dichko Prokopiev and Global Capital OOD, are included in their percentage of holding.

Members of the Board of Directors may be reelected without any limitations. After termination of their mandate, the Board of Directors shall continue to perform its functions until General Meeting of Shareholders elects a new Board of Directors.

9. The powers of the company's management bodies, including the right to take decisions for the issue and redemption of shares in the company

Enemona AD has one-tier management system. The bodies of the Company are the General Meeting of Shareholders and a Board of Directors.

The General Meeting of Shareholders includes shareholders entitled to vote. They attend the General Meeting either personally or through a person authorized by an express written authorization in compliance with Art. 116, Para.1 from LPOS.

The Company is managed by a Board of Directors elected by the General Meeting of Shareholders.

The company has a one-tier system of government – Board of Directors, consisting of:

Members of the Board of Directors:

1. Dichko Prokopiev Prokopiev – Chairman of the of Board of Directors;
2. Tsvetan Kamenov Petrushkov - Deputy Chairman of the Board of Directors;
3. Lyudmil Ivanov Stoyanov- Deputy Chairman of the Board of Directors;
4. Ilian Borisov Markov – Member of the Board of Directors;
5. Prokopi Dichev Prokopiev - Member of the Board of Directors;
6. Margarita Ivanova Dineva – Independent Member of the Board of Directors;
7. Georgi Zamfirov Goranov - Independent Member of the Board of Directors, and
8. Ivan Dimitrov Petrov - Independent Member of the Board of Directors.

Representatives:

To third parties, the Company is jointly and independently represented by:

Dichko Prokopiev Prokopiev – Chief Executive Officer;

Tsvetan Kamenov Petrushkov - Executive Director;

Lyudmil Ivanov Stoyanov - Executive Director;

Bogdan Dichev Prokopiev - Procurator.

Under Art. 37, Para. 1 of the Articles of Association of the Company within five years from registering in the Trade Register, the Board of Directors may decide to increase the capital to 100 million (one hundred million) by issuing new shares.

10. Significant contracts of the company which give rise to action, have been amended or terminated due to change in the control of the company upon carrying out of obligatory tender offer and the consequences thereof, save for the cases when the disclosure of such information may cause serious damages to the company; the exception of the previous sentence shall not apply in the cases when the company must disclose information by virtue of the law

There are no significant contracts of the Company which give rise to action, have been amended or terminated due to change in the control of the Company upon carrying out of an obligatory tender offer.

11. Agreements between the company and its management bodies or officials for payment of compensation upon quitting or dismissal without legal grounds or upon termination of the labour relations due to reasons, related to a tender offer

There are no agreements between the Company and its management bodies or officials for payment of compensation upon quitting or dismissal without legal grounds or upon termination of the labour relations due to reasons, related to a tender offer.

Date: April 27, 2012

On behalf of the Management of Enemona AD:



Tsvetan Kamenov Petrushkov
Executive Director

