

## INTERIM CONSOLIDATED REPORT ON THE ACTIVITY OF ENEMONA GROUP OF COMPANIES FOR THE SECOND QUARTER OF 2012

*Unofficial translation of the original in Bulgarian*

The companies which Enemona AD controls and manages as of June 30, 2012 and March 31, 2012, are listed in the following table:

### ORGANIZATIONAL STRUCTURE OF ENEMONA GROUP OF COMPANIES

| COMPANY   | Percentage (%)<br>as of<br>30.06.2012 | Percentage (%)<br>as of<br>31.03.2012 |
|---|---------------------------------------|---------------------------------------|
| „CHPP NIKOPOL” EAD                              | 100.00                                | 100.00                                |
| „PPP MLADENOV” EOOD                             | 100.00                                | 100.00                                |
| “ARTANES MINING GROUP” AD                       | 89.99                                 | 99.99                                 |
| “ENEMONA UTILITIES” AD                          | 99.46                                 | 99.46                                 |
| “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                                 | 88.97                                 |
| “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                                 |

### Enemona AD Indirect Shareholdings

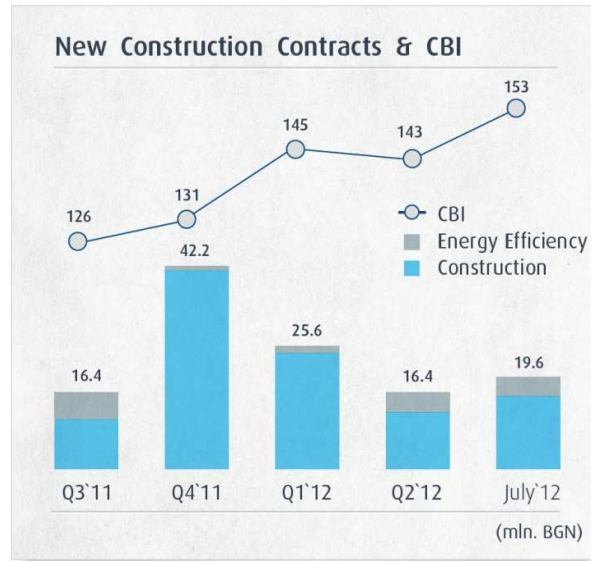
| Company          | Indirect Shareholding through | Percentage (%) of indirect<br>shareholding as of 31.03.2012 |
|------------------|-------------------------------|---|
| „RegionalGas” AD | „Enemona Utilities” AD        | 50.00   |
| „PirinPower” AD  | „Enemona Utilities” AD        | 16.00   |

## 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 June 30, 2012, the Construction Backlog Indicator – CBI of Enemona on a consolidated basis totals BGN 143million, a 9.16% increase as compared to the end 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.*



## 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.

## ENEMONAAD

### Short description of the Company's activity

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](mailto:office@enemona.com), Internet site: [www.enemona.com](http://www.enemona.com). The Company has currently two Bulgarian branches, Enemona AD – Sofia Branch (UIC 0024) and Enemona AD – Galabovo Branch (UIC 0016).

The **scope of activity** of the Company is: *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.*

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.

## **Information on the securities, issued by Enemona AD**

### **Ordinary shares (E4A)**

For the period between April and June 2012, the total turnover of ordinary shares, issued by Enemona AD, realised on the BSE-Sofia AD increased by 128.28%, while the number of the shares traded increased by 158.75% as compared to the first quarter of 2012. A drop of 11.79% was registered in the weighted average price of the shares as compared to the previous quarter.

During Q2 2012, the total turnover realised was worth BGN 1 123 776.79, while the daily average was BGN 19 715.38. The total number of transactions was 868, while the daily average was 15.23. The weighted average share price for the period was BGN 3.039.

|                                      | April                  | May                     | June                    | April-June              |
|--------------------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| <b>Total Number of Transactions</b>  | 52                     | 252                     | 564                     | <b>868</b>              |
| <b>Total Number of Shares Traded</b> | 18 166                 | 123 540                 | 228 057                 | <b>369 713</b>          |
| <b>Weighted Average Share Price</b>  | BGN 3.330              | BGN 3.048               | BGN 3.011               | <b>BGN 3.039</b>        |
| <b>Total Turnover</b>                | <b>BGN</b><br>60343.83 | <b>BGN</b><br>376555.42 | <b>BGN</b><br>686877.53 | <b>BGN</b><br>112776.79 |

Source: [www.infostock.bg](http://www.infostock.bg)

#### Comparative Data about the Trade in Ordinary Shares in Q2 2011 and Q2 2012

|                                      | Q2 2011               | Q2 2012               |
|--------------------------------------|-----------------------|-----------------------|
| <b>Total Number of Transactions</b>  | <b>664</b>            | <b>400</b>            |
| <b>Total Number of Shares Traded</b> | <b>123 747</b>        | <b>142 885</b>        |
| <b>Weighted Average Share Price</b>  | <b>BGN 6.942</b>      | <b>BGN 3.445</b>      |
| <b>Total Turnover</b>                | <b>BGN 859 055.41</b> | <b>BGN 492 285.21</b> |

Source: [www.infostock.bg](http://www.infostock.bg)

#### Preferred shares (E4AP)

During the second quarter of 2012, the total turnover of preferred shares, issued by Enemona AD, decreased by 40.51% as compared to the first quarter of 2012 and totalled BGN 146 645.00, the daily average was BGN 2 572.72. The total number of transactions was 167, while the daily average was 2.93. The total number of shares traded was 27 379, and the weighted average share price for the period was BGN 5.356.

|                                      | April                  | May                    | June                   | April-June           |
|--------------------------------------|------------------------|------------------------|------------------------|----------------------|
| <b>Total Number of Transactions</b>  | 5                      | 91                     | 71                     | <b>167</b>           |
| <b>Total Number of Shares Traded</b> | 1 749                  | 14 005                 | 11 625                 | <b>27 379</b>        |
| <b>Weighted Average Share Price</b>  | BGN 6.454              | BGN 5.523              | BGN 4.988              | <b>BGN 5.356</b>     |
| <b>Total Turnover</b>                | <b>BGN</b><br>11289.25 | <b>BGN</b><br>77362.48 | <b>BGN</b><br>57993.28 | <b>BGN</b><br>146645 |

Source: [www.infostock.bg](http://www.infostock.bg)

## Warrants (ZNOA)

During Q2 2012, the total turnover of warrants, issued by Enemona AD, realised on the BSE-Sofia AD was worth BGN 1 904.31, while the daily average was BGN 33.41. The total number of transactions was 15, while the daily average was 0.26. The total number of shares traded was 14 243 and the weighted average share price for the period was BGN 0.133.

|                                      | April            | May             | June                 | April-June          |
|--------------------------------------|------------------|-----------------|----------------------|---------------------|
| <b>Total Number of Transactions</b>  | 1                | 4               | 10                   | <b>15</b>           |
| <b>Total Number of Shares Traded</b> | 75               | 4 926           | 9 242                | <b>14 243</b>       |
| <b>Weighted Average Share Price</b>  | BGN 0.482        | BGN 0.474       | BGN 0.399            | <b>BGN0.401</b>     |
| <b>Total Turnover</b>                | <b>BGN325.35</b> | <b>BGN94.90</b> | <b>BGN 18 234.10</b> | <b>BGN18 654.35</b> |

Source: [www.infostock.bg](http://www.infostock.bg)

## Comparison between the price movements of the securities, issued by Enemona AD



Source: [www.investor.bg](http://www.investor.bg)

## Main Activities and Events during the Second Quarter of 2012

The value of new construction and engineering contracts signed in Q2 2012 reached BGN 12.589 million, excl. VAT

| Contractor                      | Subject  |
|---------------------------------|--|
| Assarel Medet AD                | <b>Annex № 2</b> to Contract №638/08.02.2011 for additional activities amounting BGN 153 901.74 and for the exclusion of works included in the Contract amounting BGN 155 481.97, excl.VAT   |
| Chelopech Mining EAD            | <b>Annex № 2</b> to Contract № 1272/01.12.2011. Replacement of the fabrication and delivery of a metal profile UPE200 with UPE240 for site: "Structural Steel Fabrication for underground premises for CV-1105, Area 11 – Surface Stockpile & Reclaim System   |
| Chelopech Mining EAD            | <b>Annex № 1</b> to Contract № 1383/22.02.2012 for additional steel construction supply for site: Production of steel construction and mechanical equipment for GTL GV -1106, Area 11 - Development of a system for ore transportation.  |
| Agropolychim AD                 | Construction of connections for fresh water supply.  |
| TenneT TSO GmbH                 |  |
| Municipality of Kozloduy        | Completion of the local waste water treatment plant (LWWTP) in the town of Kozloduy  |
| Imtech Deutschland GmbH& Co.KG  | Electrical Erection at a University in the town of Bielefeld.  |
| Chelopech Mining EAD            | Additional Agreement to Contract № 1111/19.09.2011 for additional activities for site: "Concentrator Upgrade Project“ Zone 78-tailings thickener installation” of Chelopech Mining EAD.  |
| LOIBL Allen-Sherman-Hoff GmbH   | Execution of assembly works of pipelines and steel constructions at Meinheim Power Plant, Germany.   |
| Electricity System Operator EAD | Reconstruction of a 400 kV Open Switchgear Yard and reconstruction of the substation in the town of Blagoevgrad.   |
| Medical University of Sofia     | Carrying out of additional Construction and Assembly Works – Reconstruction of a transformer station and boards CH for the building of the Pre-clinical University Center, including reconstruction of a transformer station MA-VI and boards CH for a temporarily electricity supply for the building of the Pre-clinical |

University Center on site with subject: Reconstruction, replacement and modernization of power supply installations (high voltage, grounding and lightning rod, low voltage) and expansion of the system for fire alarm in the building of the Pre-clinical University Center within the Medical Faculty of the Medical University of Sofia, according to an approved Working Project

|  |  |
|--|--|
| <b>Agropolychim AD</b>   | Construction of connection in the fertilizers industrial unit - condensation products.   |
| GWG Gewerbe Gesellschaft für Kommunal- und Gewerbeimmobilien mbH | Annex for additional activities for site: Educational center Tor zur Welt.   |
| <b>Assarel Medet AD</b>  | <b>Annex № 3</b> to Contract №638/08.02.2011 for additional activities amounting BGN 26 904.07 and for the exclusion of works included in the Contract amounting BGN 26 919.80, excl.VAT   |
| <b>Alstom Power Italia SpA</b>                                   | <b>Annex № 1</b> for additional activities for site: Production and steel constructions delivery the contractors site - San Giuseppe di Cairo SV, Italiana Coke.   |
| <b>Schneider Electric Energy GmbH</b>                            | Implementation of additional assembly network operations in Moorburg Power Plant   |
| <b>Kozloduy NPP EAD</b>  | Design, supply and installation of power supply cabinets 0,4kV.  |
| <b>Bauer Elektroanlagen GmbH</b>                                 | <b>Annex № 1</b> for additional activities for site: Construction of a new building for the office of Urban Planning and Environment in Hamburg, Wilhelmsburg.   |
| <b>Chelopech Mining EAD</b>                                      | Manufacture and assembly of hydraulic pipelines - Area 27- Project for underground crusher and conveyor belt system at Chelopech Mining EAD  |
| <b>Enemona Start AD</b>  | Repair of ceilings and sanitation.   |
| <b>Key Developments EOOD</b>                                     | Service with an excavator (Hyundai 450-LC7A, 45 tons).   |
| <b>Chelopech Mining EAD</b>                                      | <b>Annex № 1</b> to Contract № 1201/14.10.2011. Additional activities for site: "Implementation of concrete work and installation of structural and mechanical part of the conveyor area and reclaiming units - Area 27 - Underground Crusher and Conveyors System Project at Chelopech Mining EAD |



The value of new energy efficiency contracts signed in Q2 2012 totalled BGN 3.76 million, excl. VAT

| Contractor   | Subject   |
|--|---|
| Municipality of Strelcha   | Annex to Contract № 4646/20.06.2007 regarding the closure of the monitoring activities for the building of St.St. Kiril y Metodi school, in the town of Strelcha. |
| Energokonsult EOOD   |   |
| Multiprofile Hospital for Active Treatment St.Ivan Rilski, Razgrad | ESCO contract with guaranteed energy saving results   |
| Municipality of Haskovo  | Implementation of engineering with guaranteed energy saving results for the administrative building of the Municipality.  |

#### Information on framework contracts

At the General Shareholders' Meeting of Enemona AD, held on June 30, 2011, the shareholders authorized the Board of Directors and the Executive Directors of the Company to extend for one year the period of transactions under Article 114 of the Law on Public Offering of Securities (LPOS), as follows:

- Annex to the Contract of 13-07-2010 for the implementation of construction and assembly works and/or deliveries of materials and equipment between Enemona AD (Contractor) and Enemona Galabovo AD (Executor);
- Annex to the Contract of 13-07-2010 for the implementation of the CMP for construction and assembly works and/or deliveries of materials and equipment between Enemona AD (Executor) and Enemona Galabovo AD (Contractor);
- Annex to the Contract on 13-07-2010 for manufacturing and/or delivery of metal structures and supports and/or assembly between Enemona AD (Contractor) and EMCO AD (Executor);
- Annex to the Contract on 13-07-2010 for supplies and/or assembly between Enemona AD(Executor) and EMCO AD (Contractor);

At the Extraordinary Shareholders' Meeting of Enemona AD, held on December 2, 2011, the shareholders of the Company authorized the Board of Directors and the Executive Directors for transactions under Article 114 of the LPOS with a subject - sale of electricity between Enemona Utilities AD and Enemona AD for a period of three years.

| Date       | Contractor          | Subject   | Value in BGN, excl. VAT       | Turnover       |
|------------|---------------------|---|-------------------------------|----------------|
| 02.04.2012 | Enemona-Galabovo AD | Annex №17 to framework contract №349/13.07.2010 for Construction and Assembly Works for | 45 calendar days from signing | By unit prices |

|                   |                     |   |                      |   |
|-------------------|---------------------|---|----------------------|---|
|                   |                     | site:"Construction of a rubber conveyor belt №3", as a fourth stage of the implementation of the Building site:"Construction of a new cyclic flow technology /CFT/ for transportation of the overburden from Asarel mine to West Dump site with a capacity of 5 000 tones/hour".  |                      |   |
| <b>10.04.2012</b> | "EMCO" AD           | <b>Annex № 46</b> to contract №351/13.07.2010 and to Annexes № 33/06.12.11 and №41/15.02.2012 for Replacement of the fabrication and delivery of a metal profile UPE200 with UPE240 for site: "Structural Steel Fabrication for underground premises for CV-1105, Area 11 – Surface Stockpile & Reclaim System (Phase 2)" | 2 weeks from signing | 1 132.87  |
| <b>18.04.2012</b> | Enemona-Galabovo AD | <b>Annex № 2</b> to framework contract №1138/01.08.2011 for Temporary and paid usage of a Liebherr Crane 35 tones for site: „Execution of the Conveying and transfer area – Civil, Structural and Mechanical Works – Area 27 – Underground Crusher and Conveyors System Project at Chelopech Mining EAD”.                 | 4 months             | BG 400.00 a month   |
| <b>18.04.2012</b> | Enemona-Galabovo AD | <b>Annex № 3</b> to framework contract №1138/01.08.2011 for Temporary and paid usage of an auto-crane 35 tones and auto-crane 80 tones for site: "Construction of a new cyclic flow technology /CFT/ for transportation of the overburden from Asarel mine to West Dump site with a capacity of 5 000 tones/hour"         | 1 month              | For crane 35 tones – BGN 400.00 a month;<br>For crane 80 tones - BGN 1 000.00 a month |
| <b>20.04.2012</b> | EMCO AD             | <b>Annex №47</b> to framework contract №351/13.07.2010 for Fabrication and delivery of a metal structure for site: „Execution of the Conveying and transfer area – Civil, Structural and Mechanical Works – Area 27 – Underground Crusher and Conveyors System Project at Chelopech Mining EAD”.                          | 16.05.2012           | 32 360.00   |
| <b>09.05.2012</b> | Enemona-Galabovo    | <b>Annex № 4</b> to framework contract №1138/01.08.2011 for   | 2 months             | BGN 200 a month;  |

|                   |                     |  |                               |            |
|-------------------|---------------------|--|-------------------------------|------------|
|                   | AD                  | Temporary and paid usage of a five-tone heavy truck for site: "Construction of a new cyclic flow technology /CFT/ for transportation of the overburden from Asarel mine to West Dump site with a capacity of 5 000 tones/hour"   |                               | BGN 2 a km |
| <b>15.5.2012</b>  | EMCO AD             | <b>Annex № 48</b> to contract №351/13.07.2010 for Fabrication and delivery of a metal structure for site: Installation of construction and mechanical part and pipelines" for Zone 78-tailings thickener" of Chelopech Mining EAD.   | 3 days after signing          | 7 526.31   |
| <b>15.5.2012</b>  | Enemona-Galabovo AD | <b>Annex № 18</b> to framework contract №349/13.07.2012 for Construction and Assembly works for site: Installation of construction and mechanical part and pipelines" for Zone 78-tailings thickener" of Chelopech Mining EAD.   | 3 calendar days after signing | 49 326.14  |
| <b>06.06.2010</b> | EMCO AD             | <b>Annex № 49</b> to framework contract № 351/13.07.2010 for elaboration of 4 straps with dimensions 30x400x400 mm. for site: "Construction of a new cyclic flow technology /CFT/ for transportation of the overburden from Asarel mine to West Dump site with a capacity of 5 000 tones/hour" | 08.06.2012                    | 403.92     |

On April 23, 2012 the following cessions under the Framework contract for transferring (cession) of current and future receivables up to BGN 30 million, arising from contracts for engineering with a guaranteed energy-efficient result and related construction and repair activities, payable in equal monthly installments, the first installment maturity of which should not occur sooner than one month after signing of the agreement for the transfer of the receivables, and the last installment maturity of each one of which should not occur later than 96 (ninety six) months after signing of the agreement for transfer of the receivables, as follows:

| <b>1st Receivable:</b>                    |   |
|---|---|
| <b>Contract</b>                           | 13.06.2011  |
| <b>Subject of the Contract</b>            | Implementation of engineering activities for energy efficiency with guaranteed result and related repair activities to the buildings of Hospital Pazardjik AD – ESCO part |
| <b>Debtor</b>                             | Hospital “Pazardjik” AD   |
| <b>Value of the Receivable</b>            | BGN 1 838 182.67  |
| <b>Owner of the Receivable / Seller</b>   | "Enemona" AD  |
| <b>Buyer</b>                              | "Energetics and Energy Savings Fund - EESF" SPV   |
| <b>Installments</b>                       | 82 monthly installments   |
| <b>Value of the transaction (cession)</b> | BGN 1 250 347.04  |

| <b>2nd Receivable:</b>                    |  |
|---|--|
| <b>Contract</b>                           | 13.06.2011   |
| <b>Subject of the Contract</b>            | Implementation of engineering activities for energy efficiency with guaranteed result and related repair activities to the buildings of Hospital Pazardjik AD – repair activities part |
| <b>Debtor</b>                             | Hospital Pazardjik AD  |
| <b>Value of the Receivable</b>            | BGN 1 872 079.71   |
| <b>Owner of the Receivable / Seller</b>   | Enemona AD   |
| <b>Buyer</b>                              | Energetics and Energy Savings Fund - EESF SPV  |
| <b>Installments</b>                       | 82 monthly installments  |
| <b>Value of the transaction (cession)</b> | BGN 1 273 404.29   |

| <b>3rd Receivable:</b>                    |  |
|---|--|
| <b>Contract</b>                           | №14/16.05.2011   |
| <b>Subject of the Contract</b>            | Implementation of engineering activities for energy efficiency with guaranteed result and related repair activities to the buildings of “Toshka Petrova” central kindergarten – Borovan village, “Yurii Gagarin” municipal kindergarten – Malorad village and “Ivan Nivyanin” municipal kindergarten – Dobrolevo village – ESCO part |
| <b>Debtor</b>                             | Municipality of Borovan  |
| <b>Value of the Receivable</b>            | BGN 734 435.57   |
| <b>Owner of the Receivable / Seller</b>   | Enemona AD   |
| <b>Buyer</b>                              | Energetics and Energy Savings Fund - EESF SPV  |
| <b>Installments</b>                       | 76 monthly installments  |
| <b>Value of the transaction (cession)</b> | BGN 485 268.25   |

|   |   |
|---|---|
| <b>4th Receivable:</b>                    |   |
| <b>Contract</b>                           | №14/16.05.2011  |
| <b>Subject of the Contract</b>            | Implementation of engineering activities for energy efficiency with guaranteed result and related repair activities to the buildings of “Toshka Petrova” central kindergarten – Borovan village, “Yurii Gagarin” municipal kindergarten – Malorad village and “Ivan Nivyanin” municipal kindergarten – Dobrolevo village - repair activities part |
| <b>Debtor</b>                             | Municipality of Borovan   |
| <b>Value of the Receivable</b>            | BGN 610 605.43  |
| <b>Owner of the Receivable / Seller</b>   | Enemona AD  |
| <b>Buyer</b>                              | Energetics and Energy Savings Fund - EESF SPV   |
| <b>Installments</b>                       | 76 monthly installments   |
| <b>Value of the transaction (cession)</b> | BGN 403 449.25  |

#### Research and development activities

During the period under review, the Issuer has not been not engaged in any research and development activities.

#### Financial standing for the period

#### INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

AS OF MACRH 31, 2012

All amounts are in thousand Bulgarian Levs, except otherwise stated

|   | As of<br>30.06.2012 | As of<br>31.12.2011 |
|---|---------------------|---------------------|
| <b>NON-CURRENT ASSETS</b>                                     |                     |                     |
| Property, plant and equipment                                 | 36,879              | 35,382              |
| Intangible assets   | 642                 | 687                 |
| Investments in subsidiaries and associates                    | 16,905              | 17,022              |
| Loans and advances  | 10,161              | 24,596              |
| Deferred tax assets, net                                      | 2,520               | 2,520               |
| <b>TOTAL NON-CURRENT ASSETS</b>                               | <b>67,107</b>       | <b>80,207</b>       |
| <b>CURRENT ASSETS</b>   |                     |                     |
| Inventories   | 5,649               | 3,996               |
| Trade and other receivables                                   | 28,380              | 32,930              |
| Gross amounts due from customers under construction contracts | 25,783              | 22,002              |
| Financial assets held for trading                             | 53,700              | 53,700              |
| Loans and advances  | 11,150              | 8,974               |

|   |         |         |
|---|---------|---------|
| Cash and cash equivalents                                   | 1,779   | 4,957   |
| TOTAL CURRENT ASSETS  | 126,441 | 126,559 |
| <br>  |         |         |
| TOTAL ASSETS  | 193,548 | 206,766 |
| <br>  |         |         |
| EQUITY  |         |         |
| Issued share capital  | 49,299  | 49,299  |
| Reserves  | 28,709  | 28,709  |
| Retained earnings   | 12,265  | 17,475  |
| TOTAL EQUITY  | 90,273  | 95,483  |
| <br>  |         |         |
| NON-CURRENT LIABILITIES                                     |         |         |
| Loans   | 3,393   | 2,781   |
| Finance lease   | 465     | 672     |
| Finance liability on preferred shares                       | 3,485   | 3,747   |
| Liability on financial assets held for trading              | 12,104  | 11,583  |
| Long-term employee benefits                                 | 62      | 62      |
| TOTAL NON-CURRENT LIABILITIES                               | 19,509  | 18,845  |
| <br>  |         |         |
| CURRENT LIABILITIES   |         |         |
| Trade and other payables                                    | 13,229  | 17,765  |
| Gross amounts due to customers under construction contracts | 5,991   | 4,946   |
| Loans   | 63,871  | 68,516  |
| Finance lease   | 455     | 498     |
| Current tax liabilities                                     | -       | 493     |
| Provisions  | 220     | 220     |
| TOTAL CURRENT LIABILITIES                                   | 83,766  | 92,438  |
| <br>  |         |         |
| TOTAL EQUITY AND LIABILITIES                                | 193,548 | 206,766 |

**INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED MARCH 31, 2012**

**All amounts are in thousand Bulgarian Levs, except otherwise stated**

|   | Period ended<br>30.06.2012 | Period ended<br>30.06.2011 |
|---|----------------------------|----------------------------|
| Revenue   | 24,564                     | 37,538                     |
| Investment revenue  | 1,563                      | 991                        |
| Changes in inventories of finished goods and work in progress | 347                        | 764                        |
| Materials and consumables used                                | (4,316)                    | (16,761)                   |
| Hired services  | (8,550)                    | (14,341)                   |
| Employee benefits expenses                                    | (9,940)                    | (9,087)                    |
| Depreciation and amortization expenses                        | (896)                      | (904)                      |
| Other expenses  | (2,155)                    | (1,748)                    |
| Other gains, net  | 211                        | 13,208                     |

|   |         |         |
|---|---------|---------|
| Loss from securitization of receivables and discounting liabilities | (3,614) | -       |
| Finance costs   | (2,424) | (2,393) |
| Profit before tax   | (5,210) | 7,267   |
| Income tax benefit / (expense)                                      | -       | (727)   |
| Net profit for the year   | (5,210) | 6,540   |
| Other comprehensive income for the year                             | -       | -       |
| Total comprehensive income for the year                             | (5,210) | 6,540   |
| Basic and diluted earnings per share                                | (0.44)  | 0.55    |

**INTERIM SEPARATE CASH FLOW STATEMENT  
FOR THE PERIOD ENDED MARCH 31, 2012  
All amounts are in thousand Bulgarian Levs, except otherwise stated**

|   | Period ended<br>30.06.2012 | Period ended<br>30.06.2011 |
|---|----------------------------|----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                               |                            |                            |
| Receipts from customers   | 31,807                     | 45,679                     |
| Payments to suppliers   | (27,484)                   | (34,822)                   |
| Payments to employees   | (10,928)                   | (10,810)                   |
| Profit tax paid   | (145)                      | (436)                      |
| Payments for other taxes  | (1,440)                    | (282)                      |
| Other cash flows from operating activities                                | (1,057)                    | (1,184)                    |
| <b>CASH FLOWS USED IN OPERATING ACTIVITIES, NET</b>                       | <b>(9,247)</b>             | <b>(1,855)</b>             |
| <b>CASH FLOWS FROM INVESTING ACITIVIES</b>                                |                            |                            |
| Purchase for property, plant and equipment                                | (74)                       | (484)                      |
| Proceeds from sale of property, plant and equipment and intangible assets | 6                          | 2,095                      |
| Proceeds from cession receivables   | 15,409                     | -                          |
| Loans granted   | (6,831)                    | (4,016)                    |
| Proceeds from loan repayment  | 3,296                      | 4,750                      |
| Purchase of investments and increase in share capital of subsidiaries     | (83)                       | (5,496)                    |
| Proceeds from sales of investments  | -                          | 61                         |
| Dividends received  | 72                         | 1,225                      |
| <b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES, NET</b>              | <b>11,795</b>              | <b>(1,865)</b>             |
| <b>CASH FLOWS FROM FINANCING ACITIVIES</b>                                |                            |                            |
| Proceeds from borrowings  | 35,165                     | 17,974                     |
| Repayments of borrowings  | (39,186)                   | (12,554)                   |
| Payments under lease agreements   | (314)                      | (396)                      |

|  |         |         |
|--|---------|---------|
| Interest paid  | (1,618) | (1,847) |
| Other cash flows from financing activities                           | -       | (11)    |
| CASH FLOWS FROM FINANCING ACTIVITIES, NET                            | (5,953) | 3,166   |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS               | (3,405) | (554)   |
| CASH AT THE BEGINNING OF THE PERIOD (NOTE 10)                        | 4,957   | 3,818   |
| CASH AT THE END OF THE PERIOD (NOTE 10)                              | 1,552   | 3,264   |
| Restricted cash (Note 10)  | 227     | -       |
| TOTAL CASH IN THE SEPARATE STATEMENT OF FINANCIAL POSITION (NOTE 10) | 1,779   | 3,264   |

## ENEMONA - GALABOVOAD

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.

### **Main Activities and Events during the Second Quarter of 2012**

As of the end of the second quarter of 2012 Enemona-Galabovo AD employs a total of 194 people (as compared to 212 as of the end of Q1 2012), including:

- Managers: 14;
- Analytical Specialists: 14;



- Technicians and other applied specialists: 9;
- Administrative personnel: 8;
- Machine and equipment operators and assembly workers: 145;
- Unqualified specialists: 4.

### **Research and Development Activities**

The company carries out no research and development activities.

### **New Contracts Signed**

During Q2 2012 a total of 13 new contracts and annexes were signed, most important of which are with *Contour Global Maritza East 3*.

### **Environment Protection**

Enemona-Galabovo AD has implemented an Environmental Management System (EMS) corresponding to the international standard ISO 14001:2004. The company applies an Environmental Management System in the fields of **design, management and implementation of energy projects, heavy and civil engineering**.

The revenues of Enemona-Galabovo AD for the second quarter of 2012 is as follows:

| № | Activities                          | Revenue<br>(in '000 BGN) |            |            |
|---|-------------------------------------|--------------------------|------------|------------|
|   |                                     | April                    | May        | June       |
| 1 | Revenue from construction contracts | 305                      | 163        | 77         |
| 2 | Revenue from services               | 9                        | 55         | 11         |
| 3 | Revenue from materials sold         | 0                        | 7          | 0          |
| 4 | Revenue from other activities       | 16                       | 21         | 16         |
|   | <b>Total</b>                        | <b>330</b>               | <b>246</b> | <b>104</b> |

There is a structure of approved suppliers of materials and supplies and services with concluded framework contracts. More than one supplier is provided for the basic materials and supplies, so that the degree of dependence in this regard is very low.

### **EMCOAD**

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.

## **Main Activities and Events during the Second Quarter of 2012**

The current economic activity of the Company is aimed primarily at overcoming the negative effects of economic crisis and work in the following areas:

- Search for investors in the same area of activities to negotiate subcontracts for manufacturing and assembly;
- Search for old investors and restoring the contractual arrangements on favorable terms to both parties;
- Optimization of staff in warehouses, brigades, groups and units.

The company employs a total of 169 people as of June 30, 2012, including:

|                         |             |
|-------------------------|-------------|
| ➤ Administration        | 27 people;  |
| ➤ Assembly workers      | 117 people; |
| ➤ Electricians          | 4 people;   |
| ➤ Welders               | 32 people;  |
| ➤ Painters              | 4 people;   |
| ➤ Craners               | 14 people;  |
| ➤ Car drivers           | 2 people;   |
| ➤ Bus drivers           | 5 people;   |
| ➤ Heavy machine drivers | 1 people;   |
| ➤ Auto-craners          | 2 people.   |

The production program of EMCO AD includes projects that have started in 2011, and their implementation continues in 2012. The company's main contractors in the Second Quarter of 2012 were the divisions of the company ALSTOM, including, Alstom Sweden, Alstom Italy, Alstom South Africa and Alstom India.

### **Information about the revenues allocated by separate categories of activities**

During the Second Quarter of 2012, the Company accounted a revenue of BGN 3549 thousand.

#### **New Contracts Signed**

During Q2 2012 a total of 2 new contracts and annexes were signed.

#### **Environment Protection**

During Q2 2012, the company meets all requirements for environmental protection of the company's projects.

## **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 AD.

## 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 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 June 30, 2012 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.

### **Main Activities and Events during the Second Quarter of 2012**

During the second quarter of 2012, Enemona Utilities AD registered revenue of BGN 19.312 million, as follows:

- Revenue from sale of electricity – BGN 18.588million
- Revenue from sale of natural gas - BGN 532 000
- Revenue from services BGN 11 000
- Finance income - BGN 155 000.
- Income from financing - BGN 26 000.

| Activities                                       | Revenue<br>(in '000 BGN) |       |       |
|--|--------------------------|-------|-------|
|  | April                    | May   | June  |
| Revenue from sale of electricity                 | 5 413                    | 6 229 | 6 946 |
| Revenue from sale of natural gas<br>(compressed) | 241                      | 140   | 151   |
| Other revenue                                    | 71                       | 71    | 50    |

In the second quarter of 2012, Enemona Utilities AD is not made any investments.

#### **Environment Protection**

The company's activities do not require any specific environmental protection measures in accordance with the applicable legislation.

#### **Information on Suppliers**

All energy producers in Bulgaria sell electricity on the free market on a commercial basis, after a tender procedure. For the second quarter of 2012, the main suppliers of Enemona Utilities AD of electricity are NPP Kozloduy EAD, Energy Market AD, Energy Supply EOOD, ECA Golden Sands AD and Gen-i Sofia, marketing and sale of electricity EOOD.

In the second quarter of 2012, no changes in personnel of the Company were made.

#### **Description of Principal Risks and Uncertainties Facing the Company during the First Quarter of 2012 and Forecast for the Coming Year**

The main risks and uncertainties facing Enemona Utilities AD concerning the trade in electricity are related mainly to the inter-company debt in the country. It is possible that delays in payments by the domestic partners of the company may happen along with insolvency of some of them.

Electricity supply in the first half of 2012 will continue to be provided through the execution of tenders by the largest producers. This, in turn, leads to uncertainty for bidders. However, following a tender procedure, carried out in December 2011, Enemona Utilities AD signed a contract to supply electricity from NPP Kozloduy EAD for the first half of 2012.

Specificity trade in compressed natural gas requires potential customers to invest in retrofitting their equipments. In terms of economic and financial crisis, customers prefer to postpone the investment in the short term. As a result, the ongoing economic and financial crisis is the main risk facing Enemona Utilities AD.

Another major risk is the constant increase in fuel prices and consequent increases in the price of natural gas. The high cost in addition to the need for investment for upgrade reduces the interest of potential users in natural gas.

### **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.

## 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](http://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](http://www.bull.investor.bg).

## REAL ESTATE INVESTMENT FUND- FINIREIT

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](http://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](http://www.bull.investor.bg).

## 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](http://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](http://www.bull.investor.bg).

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 16MWeI, generating a net annual electricity of 128MWh. 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.

### **FINANCIAL STANDING OF THE GROUP FOR THE PERIOD**

#### **CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2012**

All amounts are in thousand Bulgarian Levs, except otherwise stated

|  | <u>As of<br/>30.06.2012</u>  | <u>As of<br/>31.12.2011</u>  |
|--|------------------------------|------------------------------|
| <b>NON-CURRENT ASSETS</b>                                  |                              |                              |
| Property, plant and equipment                              | 51,824                       | 51,049                       |
| Investment property  | 203                          | 534                          |
| Intangible assets  | 685                          | 731                          |
| Exploration and evaluation assets                          | 1,617                        | 1,579                        |
| Investments in associates                                  | 4                            | 4                            |
| Loans and advances   | 30,938                       | 33,710                       |
| Goodwill   | 2,113                        | 2,113                        |
| Other non-current assets                                   | -                            | 5                            |
| Deferred tax assets, net                                   | <u>2,626</u>                 | <u>2,626</u>                 |
| <b>TOTALNON-CURRENT ASSETS</b>                             | <b>90,010</b>                | <b>92,351</b>                |
| <b>CURRENT ASSETS</b>                                      |                              |                              |
| Inventories  | 6,652                        | 4,674                        |
| Trade and other receivables                                | 39,503                       | 41,214                       |
| Gross amounts due from customers on construction contracts | 31,557                       | 22,567                       |
| Financial assets held for trading                          | 53,700                       | 53,700                       |
| Loans and advances   | 19,584                       | 21,156                       |
| Cash and cash equivalents                                  | <u>4,391</u>                 | <u>11,738</u>                |
| <b>TOTAL CURRENT ASSETS</b>                                | <b><u>155,387</u></b>        | <b><u>155,049</u></b>        |
| <b>TOTAL ASSETS</b>  | <b><u><u>245,397</u></u></b> | <b><u><u>247,400</u></u></b> |

|  | As of<br>30.06.201<br><u>2</u> | As of<br>31.12.2011<br><u>2</u> |
|--|--------------------------------|---------------------------------|
| <b>EQUITY</b>  |                                |                                 |
| Issued share capital                                     | 49,299                         | 49,299                          |
| Reserves   | 39,190                         | 39,190                          |
| Retained earnings  | 7,696                          | 12,316                          |
| Total equity of the shareholders of the Parent company   | 96,185                         | 100,805                         |
| Non-controlling interests                                | <u>2,318</u>                   | <u>2,110</u>                    |
| <b>TOTAL EQUITY</b>                                      | <b>98,503</b>                  | <b>102,915</b>                  |
| <b>NON-CURRENT LIABILITIES</b>                           |                                |                                 |
| Loans  | 26,152                         | 13,633                          |
| Finance lease  | 931                            | 1,400                           |
| Financial liabilities on preferred shares                | 3,485                          | 3,747                           |
| Liability on investments for trading                     | 12,104                         | 11,583                          |
| Long-term employee benefits                              | 108                            | 108                             |
| Deferred tax liabilities, net                            | <u>69</u>                      | <u>69</u>                       |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                     | <b>42,849</b>                  | <b>30,540</b>                   |
| <b>CURRENT LIABILITIES</b>                               |                                |                                 |
| Trade and other payables                                 | 22,833                         | 35,623                          |
| Gross amounts due to customers on construction contracts | 5,991                          | 5,204                           |
| Loans  | 73,866                         | 71,114                          |
| Finance lease  | 964                            | 1,011                           |
| Current tax liabilities                                  | 13                             | 615                             |
| Provisions   | <u>378</u>                     | <u>378</u>                      |
| <b>TOTAL CURRENT LIABILITIES</b>                         | <b>104,045</b>                 | <b>113,945</b>                  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                      | <b><u>245,397</u></b>          | <b><u>247,400</u></b>           |

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2012**

All amounts are in thousand Bulgarian Levs, except otherwise stated

|   | Period ended<br>30.06.2012<br><u>2</u> | Period ended<br>30.06.2011<br><u>2</u> |
|---|--|--|
| <b>CONTINUING OPERATIONS</b>                                  |  |  |
| Revenue   | 67,668                                 | 80,010                                 |
| Finance income  | 3,063                                  | 1,600                                  |
| Changes in inventories in finished goods and work in progress | 346                                    | 764                                    |
| Cost of goods sold  | <u>(34,528)</u>                        | <u>(37,019)</u>                        |

*This document is a translation of the original Bulgarian text, in case of divergence the Bulgarian text shall prevail.*

|  |                |                |
|--|----------------|----------------|
| Materials and consumables used   | (8,248)        | (19,465)       |
| Hired services   | (8,344)        | (11,003)       |
| Employee benefits expenses   | (14,035)       | (14,149)       |
| Depreciation and amortization expenses   | (1,607)        | (1,621)        |
| Other expenses   | (2,357)        | (1,940)        |
| Other gains, net   | 409            | 8,912          |
| Loss from securitization of receivables and discounting liabilities              | (3,614)        | -              |
| Finance costs  | (3,352)        | (3,236)        |
| PROFIT BEFORE TAX from continuing operations                                     | (4,599)        | 2,853          |
|  | (13)           | (154)          |
| Income tax expense   |                |                |
| <br>   |                |                |
| NET PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS                             | <u>(4,612)</u> | <u>2,699</u>   |
| DISCONTINUED OPERATIONS  |                |                |
| Profit / (Loss) for the year from discontinued operations                        | -              | (5,303)        |
|  |                |                |
| NET LOSS (PROFIT) FOR THE PERIOD   | <u>(4,612)</u> | <u>(2,604)</u> |
| Other comprehensive income for the year  | -              | -              |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR  | <u>(4,612)</u> | <u>(2,604)</u> |
| <br>   |                |                |
| Profit / (loss) attributable to non-controlling interests                        | 17             | 2,129          |
| Profit attributable to the Parent company  | (4,629)        | (4,733)        |
| <br>   |                |                |
| Share of the comprehensive income for non-controlling interests                  | 17             | 2,129          |
| Share of the comprehensive income for the Parent company                         | (4,629)        | (4,733)        |
| <br>   |                |                |
| BASIC AND DILUTED EARNINGS PER SHARE FROM CONTINUING AND DISCONTINUED OPERATIONS | (0.39)         | (0.40)         |
| BASIC AND DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS                  | (0.39)         | 0.05           |

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2012**

All amounts are in thousand Bulgarian Levs, except otherwise stated

|  |               |               |
|--|---------------|---------------|
|  | <u>Period</u> | <u>Period</u> |
|--|---------------|---------------|



|   | ended<br>30.06.2012 | ended<br>30.06.2011 |
|---|---------------------|---------------------|
| Cash flows from operating activities                |                     |                     |
| Receipts from customers                             | 73,469              | 92,176              |
| Payments to suppliers                               | (81,742)            | (73,203)            |
| Payments to employees                               | (15,020)            | (16,379)            |
| Profit tax paid                                     | (267)               | (445)               |
| Payments for other taxes                            | (2,159)             | 473                 |
| Other cash flows from operating activities          | (1,277)             | (374)               |
| CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES, NET | (26,996)            | 2,248               |
| Cash flows from investing activities                |                     |                     |
| Purchase of property, plant and equipment           | (86)                | (2,432)             |
| Proceeds from sale of property, plant and equipment | 6                   | 2,095               |
| Loans granted                                       | (3,669)             | (8,316)             |
| Proceeds from loan repayment                        | 6,213               | 7,539               |
| Proceeds from securitized ESCO contracts            | (171)               | (4)                 |
| Proceeds from securitized trade receivables         | 2,708               | 1,164               |
| Dividends received                                  | 1,553               | -                   |
| Other cash flows from investing activities          | 72                  | -                   |
| CASH FLOWS USED IN INVESTING ACTIVITIES, NET        | 6,626               | 46                  |
| Cash flows from financing activities                |                     |                     |
| Proceeds from borrowings                            | 60,213              | 32,327              |
| Repayments of borrowings                            | (44,761)            | (31,986)            |
| Proceeds from issue of capital                      | -                   | 23                  |
| Payments under lease agreements                     | (412)               | (704)               |
| Interest paid                                       | (2,329)             | (2,524)             |
| Dividend payments                                   | -                   | (11)                |
| Other cash flows used in financing activities       | (19)                | (42)                |
| CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES, NET | 12,692              | (2,917)             |
| NET DECREASE IN CASH AND CASH EQUIVALENTS           | (7,678)             | (623)               |
| CASH AT THE BEGINNING OF THE PERIOD                 | 11,738              | 5,475               |
| CASH AT THE END OF THE PERIOD                       | 4,060               | 4,852               |
| Restricted cash                                     | 331                 | 98                  |
| TOTAL CASH IN HAND AND AT BANKS                     | 4,391               | 4,950               |

#### **ADDITIONAL INFORMATION ABOUT THE PUBLIC COMPANY**

**Information about the changes in the accounting policy during the reporting period, the reasons for their making and in what way they impact on the issuer's financial result and equity:**

There have been no changes in the accounting policy during the reporting period.

**Information about occurred changes in the economic group of the issuer if it participates in such group, including information on the results from organizational changes within the issuer, such as transformation, selling of undertakings from the economic group, non-money contributions by the undertaking, renting out of property, long-term investments, suspension of operation:**

The companies, which Enemona AD manages and controls as of June 31, 2012, are listed below:

**ORGANIZATIONAL STRUCTURE OF ENEMONA GROUP OF COMPANIES**

| <b>COMPANY</b>                                  | <b>Percentage (%) as of 30.06.2012</b> | <b>Percentage (%) as of 31.03.2012</b> |
|---|--|--|
| „CHPP NIKOPOL” EAD                              | 100.00                                 | 100.00                                 |
| „PPP MLADENOV0” EOOD                            | 100.00                                 | 100.00                                 |
| “ARTANES MINING GROUP” AD                       | 89.99                                  | 99.99                                  |
| “ENEMONA UTILITIES” AD                          | 99.46                                  | 99.46                                  |
| “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                                  | 88.97                                  |
| “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                                  |

**Enemona AD Indirect Shareholdings**

| <b>Company</b>   | <b>Indirect Shareholding through</b> | <b>Percentage (%) of indirect shareholding as of 31.03.2012</b> |
|------------------|--------------------------------------|---|
| „RegionalGas” AD | „Enemona Utilities” AD               | 50.00   |
| „PirinPower” AD  | „Enemona Utilities” AD               | 16.00   |

**Transformation** – There have been no transformations within the Group during the reporting period;

**Non-money contributions** – There have been no not-money contributions been made within the Group during the reporting period;

**Suspension of operations** – There have been no suspension of operations during the reporting period;

**Leased**

During Q2 2012 Enemona AD leased buildings and vehicles, under contracts with the following companies: Energomontage AEK AD, ESCO Engineering AD, Escona Consult OOD Enemona Start AD; Izolko OOD, ET CVC - Svetlin Simeonov," CCB AD, SIP OOD and others.

**Enemona AD has no pending legal, administrative or arbitration procedures** relating to liabilities or receivables at the rate of at least 10 per cent from the issuer's equity; if the total amount of the issuer's liabilities or receivables of all initiated proceedings exceeds 10 per cent of its equity, information shall be presented for each procedure separately

**Opinion of the management body about the likelihood of realization of the published forecasts on the results of the current financial year, taking account of the results of the current quarter, as well as information about the factors and circumstances which will influence the obtaining of the forecast results at least for the next quarter:**

In order to provide all investors and interested parties with comprehensive and timely information, Enemona AD publishes Investors' Bulletin on a monthly basis (forecast information in a consolidated basis). Due to the delay in the start of some of the construction contracts, Enemona AD was not able to realize the initially planned revenues. The revenue was postponed for next 2-3 months.

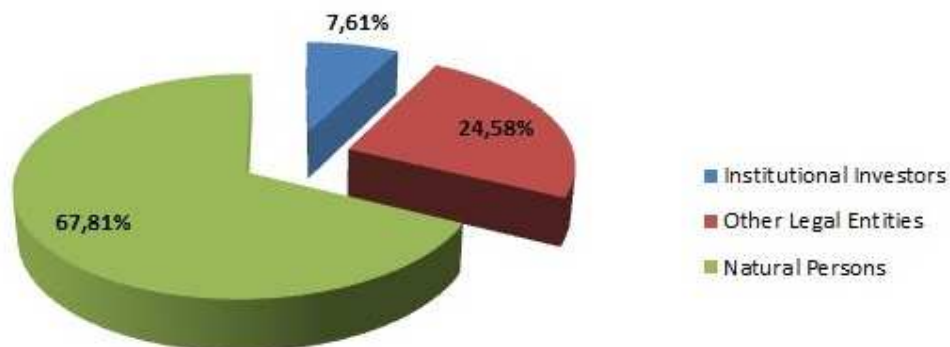
**Structure of the company's capital including the securities that have not been admitted to trading on a regulated market in the Republic of Bulgaria or another Member State, with indication of the different classes of shares, the rights and liabilities attaching to any of the classes of shares and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

**ORDINARY SHARES<sup>1</sup>**

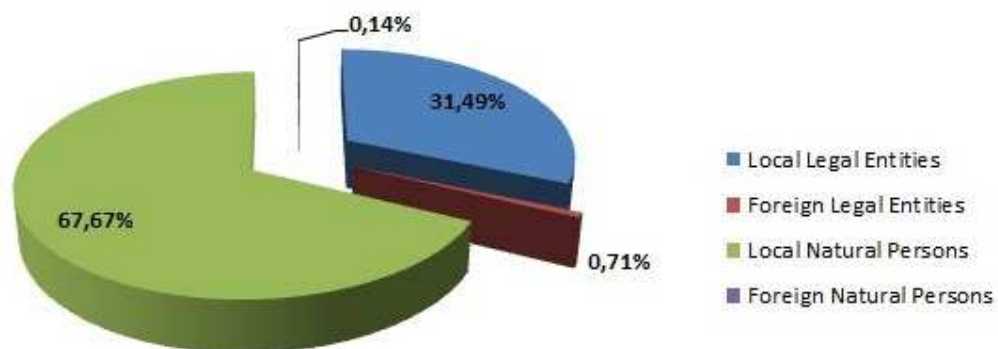
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<sup>1</sup> The shares pledged under repo-transactions, owned by Dichko Prokopiev and Global Capital OOD, are included in their percentage of holding.

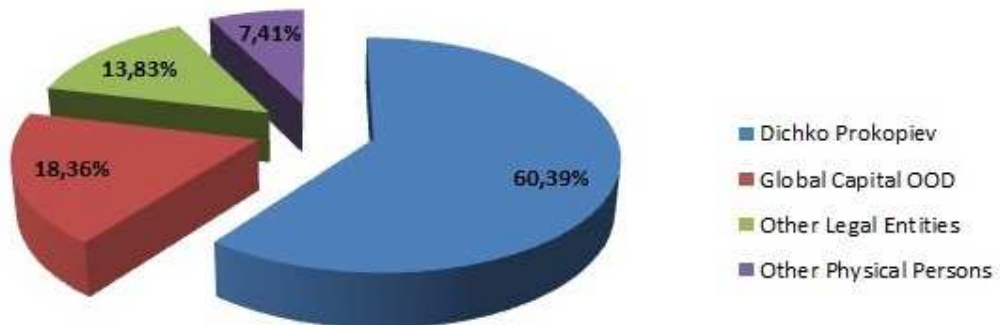
### Shareholder Structure of Ordinary Shares, issued by Enemona AD as of 30.06.2012



### Shareholder Structure of Ordinary Shares, issued by Enemona AD as of 30.06.2012

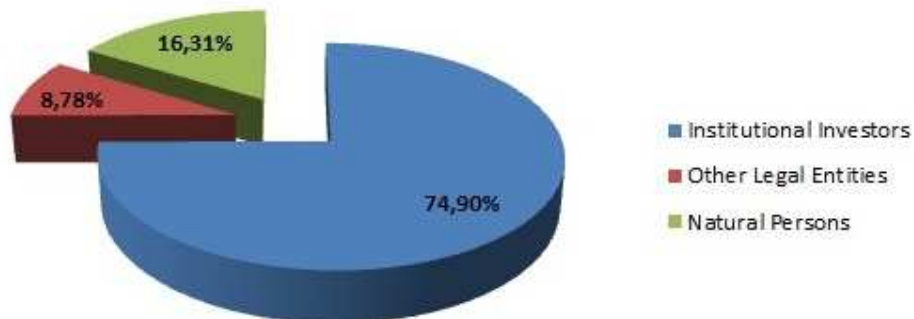


### Shareholder Structure of Ordinary Shares, issued by Enemona AD as of 30.06.2012

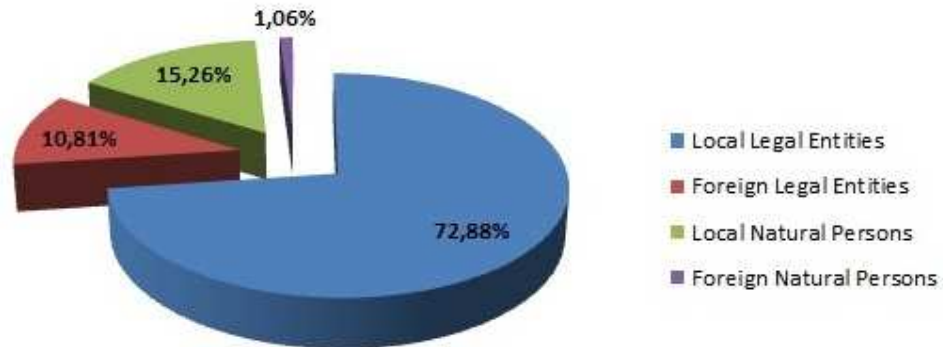


### PREFERRED SHARES

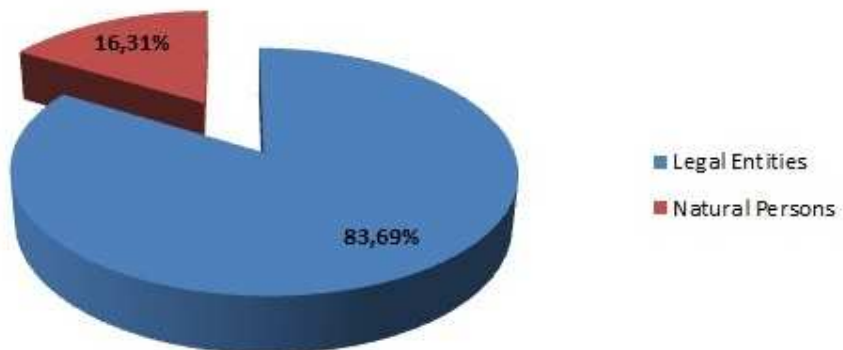
### Shareholder Structure of Preferred Shares, issued by Enemona AD as of 30.06.2012



### Shareholder Structure of Preferred Shares, issued by Enemona AD as of 30.06.2012

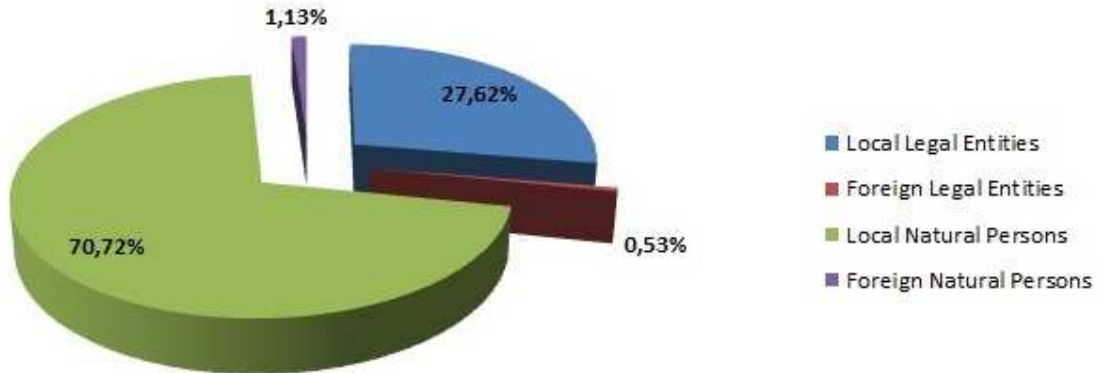


### Shareholder Structure of Preferred Shares, issued by Enemona AD as of 30.06.2012

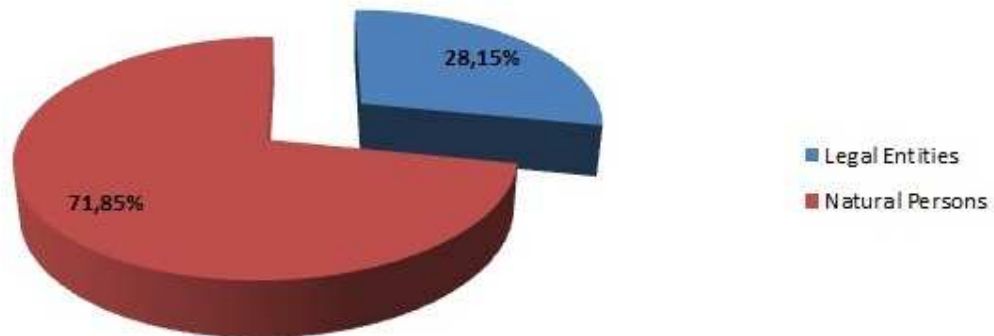


## WARRANTS

### Stricture of the Holders of Warrants, issued by Enemona AD as of 30.06.2012



### Stricture of the Holders of Warrants, issued by Enemona AD as of 30.06.2012



**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:**

Ownerships as of June30, 2012<sup>2</sup>

| Ownerships                 | Ordinary Shares<br>11 933 600 | Preferred Shares<br>1 102 901 | Issued Share Capital<br>13 036 501 |
|----------------------------|-------------------------------|-------------------------------|------------------------------------|
| Dichko Prokopiev Prokopiev | 60.39%                        | -                             | 55.28%                             |
| Global Capital OOD         | 18.36%                        | -                             | 16.80%                             |

Ownership as of March 31, 2012

| Ownerships                 | Ordinary Shares<br>11 933 600 | Preferred Shares<br>1 102 901 | Issued Share Capital<br>13 036 501 |
|----------------------------|-------------------------------|-------------------------------|------------------------------------|
| Dichko Prokopiev Prokopiev | 60.39%                        | -                             | 55.28%                             |
| Global Capital OOD         | 18.36%                        | -                             | 16.80%                             |

Dichko Prokopiev holds directly and indirectly via Global Capital OOD - 72.08% of Enemona's issued share capital.

June 30, 2012, a total of 2 050 000 ordinary shares, owned by Global Capital OOD, and 1 098 515 ordinary shares, owned by Dichko Prokopiev, are subject to repo transactions.

**Information about the shares owned by the issuer's management and supervisory bodies at the end of the relevant quarter as well as the changes that occurred for the period since the end of the preceding quarter for every person individually:**

The Members of the Board of Directors of Enemona AD and the Procurator of the Company hold shares, issued by the Issuer, as follows:

| Members of the Board of Directors  | Percentage from the Issued Share Capital as of 30.06.2012 – issued capital<br>13 036 501 | Percentage from the Issued Share Capital as of 31.03.2012 – issued capital<br>13 036 501 |
|--|--|--|
| <b>Dichko Prokopiev Prokopiev<br/>Chairman of the Board of Directors</b>       | 55.28  | 55.28  |
| <b>Tsvetan Kamenov Petrushkov<br/>Vice- Chairman of the Board of Directors</b> | 0.36   | 0.36   |
| <b>Lyudmil Ivanov Stoyanov</b>   | 0.50   | 0.50   |

<sup>2</sup> The shares pledged under repo-transactions, owned by Dichko Prokopiev and Global Capital OOD, are included in their percentage of holding.



|   |      |      |
|---|------|------|
| <b>Vice- Chairman of the Board of Directors</b> |      |      |
| <b>Ilian Borisov Markov</b>                     | 0.21 | 0.21 |
| <b>Member of the Board of Directors</b>         |      |      |
| <b>Prokopi Dichev Prokopiev</b>                 | 0.22 | 0.22 |
| <b>Member of the Board of Directors</b>         |      |      |
| <b>Margarita Ivanova Dineva</b>                 | 0.00 | 0.00 |
| <b>Member of the Board of Directors</b>         |      |      |
| <b>Ivan Dimitrov Petrov</b>                     | 0.00 | 0.00 |
| <b>Member of the Board of Directors</b>         |      |      |
| <b>Georgi Zamforov Goranov</b>                  | 0.00 | 0.00 |
| <b>Member of the Board of Directors</b>         |      |      |
| <b>Bogdan Dichev Prokopiev</b>                  | 0.30 | 0.30 |
| <b>Procurator</b>                               |      |      |

Information about granted by the issuer or its subsidiary loans, providing of guarantees or assuming liabilities in whole to one entity or its subsidiary, including also related persons with indication of the nature of the relations between the issuer and the entity, the amount of unpaid principal, interest rate, deadline for repayment, amount of the assumed liability, term and conditions:

**RECEIVED LOANS**

**Received Loans from Izolko OOD**

| <b>Document</b> | <b>Date</b> | <b>Value</b> | <b>Interest Rate</b> | <b>Deadline</b>  |
|-----------------|-------------|--------------|----------------------|------------------|
| Contract        | 02.6.2011   | 100 000.00   | 10.3                 | 01.8.2011        |
|                 |             |              |                      | Annex 31.12.2012 |
| Contract        | 06.6.2011   | 200 000.00   | 10.3                 | 04.8.2011        |
|                 |             |              |                      | Annex 31.12.2012 |
| Contract        | 20.6.2011   | 130 000.00   | 10.3                 | 15.8.2011        |
|                 |             |              |                      | Annex 31.12.2012 |
| Contract        | 30.6.2011   | 1 000 000.00 | 10.3                 | 30.8.2011        |
|                 |             |              |                      | Annex 31.12.2012 |
| Contract        | 20.10.2011  | 550 000.00   | 8.3                  | 31.12.2011       |

|          |            |              |     |                  |
|----------|------------|--------------|-----|------------------|
|          |            |              |     | Annex 31.12.2012 |
| Contract | 15.11.2011 | 1 750 000.00 | 8.3 | 31.12.2011       |
|          |            |              |     | Annex 31.12.2012 |
| Contract | 21.11.2011 | 1 500 000.00 | 8.3 | 31.12.2011       |
|          |            |              |     | Annex 31.12.2012 |

#### Received Loans from Enida Engineering AD

| Document | Date      | Value      | Interest Rate | Deadline         |
|----------|-----------|------------|---------------|------------------|
| Contract | 01.6.2011 | 850 000.00 | 9             | 31.12.2009       |
|          |           |            |               | Annex 31.12.2012 |
| Contract | 28.4.2011 | 120 000.00 | 8.3           | 31.12.2011       |
|          |           |            |               | Annex 31.12.2012 |
| Contract | 04.1.2012 | 250 000.00 | 8.3           | 31.12.2011       |

#### Received Loans from Enemona Start

| Document | Date      | Value      | Interest Rate | Deadline         |
|----------|-----------|------------|---------------|------------------|
| Contract | 15.6.2011 | 400 000.00 | 8             | 31.12.2010       |
|          |           |            |               | Annex 31.12.2012 |
| Contract | 25.3.2012 | 505 000.00 | 1.3           | 31.12.2012       |

#### Received Loans from Energomontaj AEK

| Document | Date      | Value        | Interest Rate | Deadline        |
|----------|-----------|--------------|---------------|-----------------|
| Contract | 01.6.2009 | 1 900 000.00 | 9             | 31.12.2009      |
|          |           |              |               | Annex 31.12.201 |

#### **GRANTED LOANS**

##### Granted Loans to Izolko OOD

| Document | Date      | Value     | Interest Rate | Deadline   |
|----------|-----------|-----------|---------------|------------|
| Contract | 15.3.2010 | 32 000.00 | 8             | 31.12.2010 |

Annex 31.12.2012

|          |               |            |   |                  |
|----------|---------------|------------|---|------------------|
| Contract | 16.3.2011     | 67 000.00  | 8 | 31.12.2010       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 07.9.2011     | 300 000.00 | 8 | 31.12.2010       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 25.1.2011     | 300 000.00 | 8 | 31.12.2011       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 01.2.2011     | 330 000.00 | 8 | 31.12.2011       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 24.2.2011     | 552 000.00 | 9 | 31.12.2011       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 03.8.2011     | 150 000.00 | 9 | 31.12.2011       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 19.8.2011     | 150 000.00 | 9 | 31.12.2011       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 15.12.2011 г. | 10 000.00  | 9 | 31.12.2011       |
|          |               |            |   | Annex 31.12.2012 |
| Contract | 31.1.2012     | 230 000.00 | 9 | 31.12.2012       |
| Contract | 04.6.2012     | 150 000.00 | 9 | 31.12.2012       |
| Contract | 29.6.2012     | 105 000.00 | 9 | 31.7.2012        |

#### Granted Loans to Escona Consult OOD

| Document | Date      | Value      | Interest Rate | Deadline         |
|----------|-----------|------------|---------------|------------------|
| Contract | 08.2.2008 | 50 000.00  | ОЛП+2         | 31.12.2008       |
|          |           |            |               | Annex 31.12.2012 |
| Contract | 17.5.2008 | 50 000.00  | ОЛП+2         | 31.12.2008       |
|          |           |            |               | Annex 31.12.2012 |
| Contract | 26.8.2008 | 327 500.00 | 10            | 31.12.2008       |
|          |           |            |               | Annex 31.12.2012 |

|          |            |            |   |                  |
|----------|------------|------------|---|------------------|
| Contract | 22.6.2010  | 100 000.00 | 8 | 21.12.2010       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 28.9.2010  | 146 000.00 | 8 | 27.12.2010       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 29.3.2011  | 33 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 30.3.2011  | 64 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 06.4.2011  | 700 000.00 | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 08.4.2011  | 300 000.00 | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 14.4.2011  | 580 000.00 | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 27.6.2011  | 15 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 27.9.2011  | 20 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 19.10.2011 | 55 000.00  | 9 | 31.12.2011.      |
|          |            |            |   | Annex 31.12.2012 |

#### Granted Loans to Energomontaj AEK

| Document | Date      | Value        | Interest Rate | Deadline         |
|----------|-----------|--------------|---------------|------------------|
| Contract | 21.3.2008 | 1 000 000.00 | 10            | 31.12.2008       |
|          |           |              |               | Annex 31.12.2012 |
| Contract | 21.6.2008 | 1 500 000.00 | 10            | 31.12.2008       |
|          |           |              |               | Annex 31.12.2012 |
| Contract | 01.4.2010 | 60 000.00    | 8             | 31.12.2010       |

|          |            |            |   |                  |
|----------|------------|------------|---|------------------|
|          |            |            |   | Annex 31.12.2012 |
| Contract | 29.6.2010  | 60 000.00  | 8 | 31.12.2010       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 29.9.2010  | 60 000.00  | 8 | 31.12.2010       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 10.12.2010 | 170 000.00 | 8 | 30.6.2011        |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 27.12.2010 | 60 000.00  | 8 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 29.3.2011  | 33 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 30.3.2011  | 60 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 30.6.2011  | 60 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 30.9.2011  | 60 000.00  | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |

#### Granted Loans to Enemona Start

| Contract | Date      | Value     | Interest Rate | Deadline         |
|----------|-----------|-----------|---------------|------------------|
| Contract | 30.6.2011 | 52 000.00 | 9             | 31.12.2011       |
|          |           |           |               | Annex 31.12.2012 |

#### Loans granted to the Environmental and Agricultural Foundation

| Document | Date      | Value     | Interest Rate | Deadline  |
|----------|-----------|-----------|---------------|---|
| Contract | 1.12.2009 | 20 000.00 |               | Up to 30 days after receiving the financing in accordance to Project №431-2-03-37 under Measure 431-2, Axis 4 of Leader Program |

### Granted Loans to SIP OOD

| Document | Date       | Value        | Interest Rate | Deadline         |
|----------|------------|--------------|---------------|------------------|
| Contract | 15.4.2009  | 150 000.00   | 10            | When requested   |
| Contract | 22.5.2011  | 400 000.00   | 10            | When requested   |
| Contract | 03.6.2008  | 1 100 000.00 | 10            | 31.12.2008       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 08.7.2009  | 1 000 000.00 | 10            | 31.12.2009       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 16.2.2010  | 50 000.00    | 8             | 31.12.2010       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 22.2.2010  | 50 000.00    | 8             | 31.3.2010        |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 12.10.2010 | 50 000.00    | 8             | 31.12.2010       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 11.11.2010 | 265 000.00   | 9             | 31.12.2011       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 24.2.2011  | 100 000.00   | 9             | 31.12.2011       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 07.6.2011  | 40 000.00    | 9             | 31.12.2011       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 12.7.2011  | 80 000.00    | 9             | 31.12.2011       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 25.7.2011  | 17 800.00    | 9             | 31.12.2011       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 29.7.2011  | 20 000.00    | 9             | 31.12.2011       |
|          |            |              |               | Annex 31.12.2012 |
| Contract | 29.8.2011  | 70 000.00    | 9             | 31.12.2011       |

|          |            |            |   |                  |
|----------|------------|------------|---|------------------|
|          |            |            |   | Annex 31.12.2012 |
| Contract | 06.10.2011 | 120 000.00 | 9 | 31.12.2011       |
|          |            |            |   | Annex 31.12.2012 |
| Contract | 26.1.2012  | 120 000.00 | 9 | 31.12.2012       |
| Contract | 31.1.2012  | 50 000.00  | 9 | 31.12.2012       |

#### Granted Loans to Ardia OOD

| Document | Date      | Value     | Interest Rate | Deadline   |
|----------|-----------|-----------|---------------|------------|
| Contract | 17.6.2006 | 50 000.00 | BIP           | 30.11.2008 |

#### Granted Loans to Almira Consult EOOD

| Document | Date      | Value     | Interest Rate | Deadline         |
|----------|-----------|-----------|---------------|------------------|
| Contract | 17.5.2012 | 65 000.00 | 9             | 30.6.2012        |
|          |           |           |               | Annex 31.12.2012 |

#### Information on framework contracts

Under a decision taken at the General Shareholders' Meeting of Enemona AD, held on June 30, 2011, the shareholders authorized the Board of Directors and the Executive Directors of the Company to perform transactions under Article 114 of the Law on Public Offering of Securities (LPOS) for receiving/granting credit limits for a period of one year, as follows:

- Enemona Utilities AD receiving/granting credit limits of BGN 3 million for a period of one year;
- Enemona Galabovo AD receiving/granting credit limits of BGN 1 million for a period of one year;
- EMCO AD receiving/granting credit limits of BGN 1 million for a period of one year;
- Artanes Mining Group AD receiving credit limits of BGN 1 million for a period of one year.

On the Extraordinary Shareholders' Meeting of Enemona AD, held on December 2, 2011, the shareholders authorized the Board of Directors and the Executive Directors of the Company to perform transactions under Article 114 of the Law on Public Offering of Securities (LPOS) for receiving a BGN 5 million credit limit for a period of one year.

Enemona AD has received the following loans from Enemona Utilities AD:

#### Granted Loans to Enemona Utilities AD

| Document | Date       | Value        | Interest Rate | Deadline   |
|----------|------------|--------------|---------------|------------|
| Contract | 30.12.2011 | 3 000 000.00 | SOFIBOR + 4%  | 30.12.2012 |

#### Granted Loans to Enemona Galabovo AD

| Document | Date          | Value        | Interest Rate | Deadline      |
|----------|---------------|--------------|---------------|---------------|
| Contract | 30.12.2011 г. | 1 000 000,00 | SOFIBOR + 4%  | 30.12.2012 г. |

#### Granted Loans to EMCO AD

| Document | Date      | Value      | Interest Rate | Deadline   |
|----------|-----------|------------|---------------|------------|
| Contract | 28.6.2011 | 200 000.00 | SOFIBOR + 4%  | 31.12.2011 |

Annex 28.06.2012

|          |           |            |              |            |
|----------|-----------|------------|--------------|------------|
| Contract | 08.7.2011 | 150 000.00 | SOFIBOR + 4% | 31.12.2011 |
|----------|-----------|------------|--------------|------------|

Annex 08.07.2012

|          |           |            |              |            |
|----------|-----------|------------|--------------|------------|
| Contract | 25.7.2011 | 150 000.00 | SOFIBOR + 4% | 31.12.2011 |
|----------|-----------|------------|--------------|------------|

Annex 25.07.2012

|          |           |           |              |            |
|----------|-----------|-----------|--------------|------------|
| Contract | 28.6.2012 | 50 000.00 | SOFIBOR + 4% | 30.12.2012 |
|----------|-----------|-----------|--------------|------------|

#### PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP DURING THE PERIOD UNDER REVIEW

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.

#### 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.

### **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.

### **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.

### **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).

**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.

### TRANSACTIONS WITH RELATED PARTIES

There have been no transactions with related parties within the Group during the reporting period

### OTHER INFORMATION

On May 31, 2012, Enemona AD sold a total of 200 000 ordinary shares, representing 10.00% of the subscribed capital of ARTANES MINING GROUP AD. The transaction was made on the over-the-counter market (OTC). The value of the transaction is BGN 200 000.00, and the selling price a share equals the nominal value – BGN 1.00. The buyer is SOFIA FRANCE AUTO AD.

After the transaction, Enemona AD holds 1 799 995 shares or 89.99975% of the capital of ARTANES MINING GROUP AD.

### APPENDIX №2 TO THE INTERIM REPORT ON THE ACTIVITY OF ENEMONA AD FOR THE SECOND QUARTER OF 2012

#### IMPORTANT EVENTS FOR ENEMONA AD, WHICH TOOK PLACE DURING THE SECOND QUOTER OF 2012 (April 1 - June 30)

| Date       | Event   |
|------------|---|
| 02-04-2012 | Enemona AD publicly disclosed information on Annexes to Framework Contracts signed in March 2012.   |
| 11-04-2012 | Enemona AD published Investors' Bulletin for April 2012   |
| 27-04-2012 | Enemona AD publicly disclosed information about cessions under a framwork contract signed with EESF SPV.  |
| 27-04-2012 | Enemona AD publicly disclosed its Non-Consolidate Interim Financial Statement for Q1 2012.  |
| 27-04-2012 | Enemona AD publicly disclosed its CONSOLIDATE ANNUAL FINANCIAL STATEMENT of a public company and issuer of securities as of 31-12-2011.         |
| 02-05-2012 | Enemona AD publicly disclosed information on Annexes to Framework Contracts signed in April 2012.   |
| 11-05-2012 | Enemona AD published Investors' Bulletin for May2012  |
| 30-05-2012 | Enemona AD publicly disclosed its Consolidate Interim Financial Statement for Q1 2012.  |
| 31-05-2012 | Enemona AD publicly disclosed information concerning the sale of 200 000 ordinary shares from the subscribed capital of ARTANES MINING GROUP AD |
| 01-06-2012 | Enemona AD publicly disclosed information on Annexes to Framework   |

|                   |  |
|-------------------|--|
|                   | Contracts signed in May 2012.  |
| <b>08-06-2012</b> | Enemona AD revealed Invitation and written materials for its Annual General Meeting of Shareholders                              |
| <b>11-06-2012</b> | Enemona AD revealed the announcement of the Invitation for its Annual General Meeting of Shareholders in the Commercial Register |
| <b>13-06-2012</b> | Enemona AD revealed the concerning the desision of the Board of Directors regarding the Annual General Meeting of Shareholders   |
| <b>14-06-2012</b> | Enemona AD published Investors' Bulletin for June 2012   |
| <b>15-06-2012</b> | Enemona AD revealed Invitation and written materials for its Annual General Meeting of Shareholders                              |
| <b>20-06-2012</b> | Enemona AD revealed the announcement of the Invitation for its Annual General Meeting of Shareholders in the Commercial Register |

**APPENDIX №2 TO THE INTERIM REPORT ON THE ACTIVITY OF ENEMONA ADFOR THE SECOND QUARTER OF 2012  
IMPORTANT EVENTS FOR ENEMONA AD, WHICH TOOK PLACE DURING 2012**

| <b>Date</b>       | <b>Event</b>  |
|-------------------|---|
| <b>05-01-2012</b> | Enemona AD publicly disclosed information on Annexes to Framework Contracts signed in December 2011.  |
| <b>10-01-2012</b> | Enemona AD publicly disclosed the Protocol from the Annual general meeting of the owners of the warrants issued by Enemona, held on January 9, 2012.                                      |
| <b>11-01-2012</b> | Enemona AD publicly disclosed information on entering of a Company under the Bulgarian Obligations and Contracts Act – ZZD ENEMONA COM.   |
| <b>18-01-2012</b> | Enemona AD publicly disclosed the Protocol from the EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF ENEMONA, held on January 16, 2012  |
| <b>30-01-2012</b> | Enemona AD publicly disclosed its Non-Consolidate Interim Financial Statement for Q4 2011.  |
| <b>01-02-2012</b> | Enemona AD publicly disclosed information on Annexes to Framework Contracts signed in January 2012.   |
| <b>23-02-2012</b> | Enemona AD publicly disclosed informationfor a contract signed under a Project for constructing a New centre for children, youth and psychosomatic medicine in the town of Bergen, Norway |
| <b>29-02-2012</b> | Enemona AD publicly disclosed its Consolidate Interim Financial Statement for Q4 2011.  |
| <b>29-02-2012</b> | Enemona AD publicly disclosed information about disclosure of a monthly Investors' Bulletin of Enemona Group of Companies   |
| <b>01-03-2012</b> | Enemona AD publicly disclosed information on Annexes to Framework Contracts signed in February 2012.  |

|                   |   |
|-------------------|---|
| <b>02-03-2012</b> | Enemona AD signed a Memorandum of Understanding with the Federal State Enterprise "Federal Energy Service Company" of the Ministry of Energy of the Russian Federation. |
| <b>02-03-2012</b> | Enemona's subsidiary EESF SPV signed a Loan Agreement with EBRD   |
| <b>14-03-2012</b> | Enemona AD publicly disclosed information about cessions under a framework contract signed with EESF SPV.   |
| <b>15-03-2012</b> | Enemona AD publicly disclosed the Investors' Bulletin - March 2012.   |
| <b>30-03-2012</b> | Enemona AD publicly disclosed its NON-CONSOLIDATE ANNUAL FINANCIAL STATEMENT of a public company and issuer of securities as of 31-12-2011.                             |