

**ANNUAL CONSOLIDATED REPORT
ON THE ACTIVITY OF ENEMONA AD
FOR 2014**

Unofficial translation of the original in Bulgarian

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

1. General information

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

Enemona AD is a publically traded joint stock company, with seat and registered office: at 20, Kosta Lulchev str., 1113 Sofia, Bulgaria, tel.: + 359 6 2 805 4850, fax: + 359 2 915 9815, e-mail: office-sf@enemona.com, Internet site: www.enemona.com. The Company has currently one Bulgarian branches, Enemona AD – Sofia Branch (UIC 0024).

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, BOGDAN DICHEV PROKOPIEV - Deputy Chairman of the Board of Directors and Executive Director and NIKOLAY FILIPOV FILCHEV - Independent Member of the Board of Directors. The Company is represented by DICHKO PROKOPIEV PROKOPIEV and BOGDAN DICHEV PROKOPIEV both together and independently.

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

2. Enemona Group of Companies

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

The companies which Enemona AD controls and manages as of December 31, 2013 and December 31, 2014, are listed in the following table:

ORGANIZATIONAL STRUCTURE OF ENEMONA GROUP OF COMPANIES

COMPANY	Percentage (%) as of 31.12.2013	Percentage (%) as of 31.12.2014
„CHPP NIKOPOL” EAD	100.00	100.00
„PPP MLADENOV0” EOOD	100.00	100.00
“ARTANES MINING GROUP” AD	89.99	89.99
“ENEMONA UTILITIES” AD	92.24	97.23
“ESCO ENGINEERING” AD	99.00	99.00
“NEVROKOP-GAS” AD	90.00	00.00
“ENERGETICS AND ENERGY SAVINGS FUND - EESF” SPV	88.20	37.28*
“PIRINPOWER” AD	84.00	84.00
„EMCO” AD	77.36	77.36
„REAL ESTATE INVESTMENT FUND- FINI” REIT	69.23	55.47
“HEMUSGAS” AD	50.00	50.00

Enemona AD Indirect Shareholdings

Company	Indirect Shareholding through	Percentage (%) of indirect shareholding as of 31.12.2014
„RegionalGas” AD	„Enemona Utilities” AD	50.00
„Pirin Power” AD	„Enemona Utilities” AD	16.00
„Real Estate Investment Fund- FINI” REIT	„Enemona Utilities” AD	39.73

Enemona’s shareholdings below 50%

Company	Percentage (%) as of 31.12.2013	Percentage (%) as of 31.12.2012
„ALFA - ENEMONA” OOD	40.00	40.00
“ENEMONA - START” AD	4.90	4.90
“ENIDA ENGINEERING” AD	4.90	4.90

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

There are no changes in the structure of the economic group, which took place during the period.

4. Brief history

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

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

5. Strategy and investments

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

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

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

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

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

The new strategy of the Group assumes also the divestment of most of its non-core assets and businesses. The work in this direction covers two areas - one develops and tries to sell investment projects and activities, and the other focuses on and optimizes construction and assembly works.

In pursuance of these objectives, in 2013 the Management of Enemona Group launched the sale of the gas business of the Enemona Group.

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

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

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

6. Annual Financial Statements

On June 19, 2014, Enemona AD publicly disclosed its Non-Consolidate Annual Financial Statement of a public company and issuer of securities as of 31-12-2013.

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

On January 08, 2014, the General Meeting of the holders of warrants was held. The Protocol was published on January 10, 2014.

On 17 November 2014, Enemona AD publicly disclosed Information that In accordance with art.227, para.3 of Commerce Act (CA), the conduct of the regular session of the General Meeting of Shareholders of "Enemona" AD, scheduled for November, 12, 2014, beginning at 14.00 o'clock, convened in accordance with art. 223 of the Commerce Act (CA) by the Board of Directors, through an invitation, published on the Trade Registry on October 13, 2014, due to the absence of quorum required under the legislation and the Company Statutes, has been postponed for the indicated in the invitation reserve date, and the meeting will be held on November, 27, 2014, beginning at 14.00 o'clock to the same place and on the same agenda and the agenda for the new session is unable to include matters under art.223a of Commerce Act (CA).

On 27 November 2014, at 14:00 p.m., was held General Meeting of Shareholders (GMS), at the Company's seat and registered address, as follows: Sofia, Slatina, Geo Milev, 20 Kosta Lulchev str., fl.3 Conference room, under to the following agenda: 1. Approval of the individual annual report on activities of the Company for 2013; Draft Resolution: GMS approves the individual annual report on activities of the Company for 2013; 2. Approval of the Report on the activities of the Investor Relations Director for 2013; Draft Resolution: GMS approves the Report on the activities of the Investor Relations Director for 2013; 3. Approval of the individual annual financial statements of the Company for 2013 and the independent auditor's report; Draft Resolution: GMS approves the individual annual financial statements of the Company for 2013 and the independent auditor's report; 4. Approval of the consolidated annual report on activities of the Company for 2013; Draft Resolution: GMS approves the consolidated annual report on activities of the Company for 2013; 5. Approval of the consolidated annual financial statements of the Company for 2013 and the independent auditor's report; Draft Resolution: GMS approves the consolidated annual financial statements of the Company for 2013 and the independent auditor's report; 6. Adoption of a resolution for partial dividend distribution for 2012 to the shareholders, holding preferred shares, issued by the Company; Draft Resolution: GMS adopts a resolution for partial dividend distribution for 2012 to the shareholders, holding preferred shares, issued by the Company; 7. Adoption of a resolution on the distribution of the Company's net profit for 2013; Draft Resolution: GMS adopts the proposition of the Board of Directors for the Company's net profit for 2013 amounting to BGN 387 596, 96 not to be distributed; 8. Adoption of a resolution to discharge from responsibility/liability current and former members of the Board of Directors for their activities during 2013; Draft Resolution: GMS discharges from responsibility/liability current and former members of the Board of Directors for their activities in 2013; 9. Adoption of a resolution to dismiss the following members of the Board of Directors: Emil Kirilov Manchev and Margarita Ivanova Dineva according to their applications under Article 233, paragraph 5 of the Commercial Code; Draft Resolution: GMS dismiss the following members of the Board of Directors Emil Kirilov Manchev and Margarita Ivanova Dineva according to their applications under Article 233, paragraph 5 of the Commercial Code; 10. Approval of the Report of the audit committee for 2013; Draft Resolution: GMS approves the Report of the audit committee for 2013; 11. Election of a certified auditor for the year 2104 - in accordance with the proposal of the audit committee; Draft Resolution: GMS adopts a decision for election of a certified auditor for the year 2014 in accordance with the proposal of the audit committee; 12. Miscellaneous.

In order to implement Decision 975-PD of 11 November 2014r., of the Financial Supervision Commission, paragraphs 1, 3, 4, 5, 6, 7 and 8 of the agenda of the Ordinary General Meeting of shareholders, held on January 25, 2013, were not put to the vote.

On 27 November 2014, the Ordinary session of the General Meeting of the Shareholders (GMS) of Enemona AD adopted a decision to dismiss the following members of the Board of Directors Emil Kirilov Manchev and Margarita Ivanova Dineva according to their applications under Article 233, paragraph 5 of the Commercial Code;

On 27 November 2014, the Ordinary session of the General Meeting of the Shareholders (GMS) of Enemona AD elected Plamen Kirilov Angelov certified auditor registered under № 0316 in the Registry of Institute of Certified Public Accountants by "ANGELOV AUDITING" OOD, UIC 111018844, with seat and address of management Lom, 1 Stefan Karadza str., ent.B, 4th floor, ap. 21, represented by Plamen Kirilov Angelov to perform the independent financial audit and certify the annual financial statement for 2014, in accordance with the proposal of the audit committee.

The Protocol of The Ordinary General Meeting of shareholders, held on November 27, 2014, was published on December 02, 2014.

8. Dividend payments

According to resolution of the General Meeting of Shareholders of Enemona AD, held on 25 of July 2013, for distribution of dividend for 2011 and partial distribution of dividend for 2012 to the shareholders, holding preferred shares, issued by the Company – a total amount of BGN 1 708 819, the payment of the partial dividend for 2012 amounting to BGN 631 605 was transferred to the Central Depository on February 28, 2014. The partial dividend payment for 2012 was paid together with the legal interest, due for the period from November 25, 2013 until February 28, 2014, amounting to BGN 0.02 per share.

The distribution of the partial dividend for 2012, was done under the terms and conditions of LPOS, ORDINANCE No 8 of November 12, 2003 on the Central Depository of securities, Rules and Regulations of Central Depository AD (Enclosure №27- „Procedure for payment of maturity payments on bonds and the distribution of dividends on share issues) and all the other relevant provisions of the Bulgarian legislation.

9. Changes in the board of directors

On 27 November 2014, the Ordinary session of the General Meeting of the Shareholders (GMS) of Enemona AD adopted a decision to dismiss the following members of the Board of Directors Emil Kirilov Manchev and Margarita Ivanova Dineva according to their applications under Article 233, paragraph 5 of the Commercial Code.

10. Amendments to the Articles of Association

During the period under review no Amendments to the Articles of Association

II. PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

In its ordinary course of business, 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.

III. INFORMATION ON IMPORTANT EVENTS THAT TOOK PLACE AFTER DECEMBER 31, 2014

The Company publicly disclosed via the unified system for disclosure of information E-Register of the Financial Supervision Commission and those of the Bulgarian Stock Exchange Sofia its new audited Separate Financial Statements for the year ended December 31, 2013 and new audited Consolidated Financial Statements for the year ended December 31, 2013.

IV. MAIN BUSINESS LINES IN THE GROUP

ENGINEERING, CONSTRUCTION AND ASSEMBLY WORKS, INCLUDING ENERGY EFFICIENCY

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

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

1. ENEMONA AD

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

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

Assets

The total assets of the Company as of 31 December 2014 amount to BGN 146 393 thousand, increasing by 8.7% compared to 31 December 2013.

The non-current assets of Enemona AD as of 31 December 2014 amount to BGN 51 435 thousand, or 35.1% of its total assets, and decrease by 4.0% compared to 31 December 2013.

The current assets of Enemona AD as of 31 December 2014 amount to BGN 94 958 thousand, representing 64.9% of its total assets, and increase by 17.2% compared to 31 December 2013, mainly due to an increase in trade and other receivables and gross amount due from customers on construction contracts.

Liabilities

Enemona AD finances its principal activity with equity or borrowings.

The Company's equity as of 31 December 2014 amounts to BGN 21 060 thousand, or 16.8% of its liabilities. As of 31 December 2014, equity increased by 0.5% compared to 31 December 2013 due to the reported profit in 2014.

The share capital of Enemona AD amounts to BGN 13 037 thousand split into BGN 11 934 thousand ordinary shares and BGN 1 103 thousand preference shares.

The non-current liabilities of Enemona AD as of 31 December 2014 amount to BGN 12 750 thousand, or 10.2% of the Company's total liabilities. They include mainly long-term bank loans.

The current liabilities of Enemona AD as of 31 December 2014 amount to BGN 112 583 thousand, or 89.8% of the Company's total liabilities, and increase by 8.4% compared to the previous year.

Liquidity analysis

Ratio	Description	31 December 2014
General liquidity	CA/CL	0.84
Quick liquidity	(Cash+Cash equivalents+Receivables)/CL	0.81
Immediate liquidity	(Cash+Cash equivalents)/CL	0.017

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

Operating revenue

The revenue of the Company for 2014 amounts to BGN 72 523 thousand and increases by 7.5% compared to 2013. During the past three years the management of Enemona AD focused its efforts to conclude construction contracts abroad, as well as in Bulgaria. The CBI as of 31 December 2014 amounts to approximately BGN 16 million. In addition the company has received calls for final negotiations for contracts amounting to over BGN 20 million. By these strong measures the management aims to boost revenue in 2015 compared to 2014 and achieve high positive results from operations.

Operating Expenses

The Company's operating expenses in 2014 amount to BGN 73 551 thousand, decreasing by 13.13% compared to 2013.

The Company's operating expenses in 2014 comprise: materials and consumables used BGN 18 918 thousand, hired services BGN 25 436 thousand, employee benefits expenses BGN 23 608 thousand, depreciation/amortization BGN 1 342 thousand, other expenses BGN 3 417 thousand and change in reduction of work in progress in the amount of BGN 830 thousand.

Profit analysis

In 2014 Enemona AD posts a positive net financial result amounting to BGN 141 thousand.

Profitability analysis

Ratio	Description	31 December 2014
Return on sales	Net profit/Total revenue	0.19%

Equity analysis

Ratio	Description	31 December 2014
Equity utilization	Total equity/Total assets	14.4%
Return on assets	Net profit/ Total assets	0.10%
Return on equity	Net profit/Equity	0.67%

Financial leverage analysis

Ratio	Description	31 December 2014
Leverage	Debt/Assets	52.7%
Gearing	Long-term debt/Equity	3.66

For the purpose of financial leverage analysis of Enemona AD, we calculate two ratios by dividing the issuer's debt by its assets and equity, respectively.

Effectiveness analysis

Ratio	Description	31 December 2014
Asset turnover	Sales revenue/Total assets	49.5%

INFORMATION ABOUT THE SOURCES FOR SUPPLY OF MATERIALS FOR 2014 TOP 5 SUPPLIERS OF MATERIALS IN TERMS OF VALUE OF SUPPLIES

Supplier	Type of supplies	Amount ('000BGN)
OMIM EOOD	Materials	809
RAICOMMERCE CONSTRUCTION EAD	Materials	649
SE SPECIALNA ENERGOOTEHNIKA OOD	Materials	641
THYSSENKRUPP INDUSTRIAL SOLUTIONS GMBH	Materials	641
OSKAR-EL EOOD	Materials	364

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

In 2014, Enemona AD signed new contracts in the field of Engineering, Energy efficiency, Construction and Assembly Works for over BGN 20 million (excl. VAT).

2. EMCO AD

EMCO AD is established and entered into the Commercial Register in 1997. It is with seat and registered office at: region of Pleven, Municipality of Belene, town of Belene 5930, P.O.b. 63, Project: Nuclear Power Plant (NPP). The scope of activities of EMCO AD includes: *design*,

construction, mounting and repair works of energy industrial and communal projects and gas supply projects in Bulgaria and abroad, manufacturing of customized equipment, metal structures, reservoir basins, appurtenances, electrical equipment for Bulgaria and abroad, foreign and home trade, services.

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

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

The Total Revenue of EMCO AD for 2014 amounts to BGN 4 907 thousand and decreases by 29.94% compared to 2013, the net profit for the period is loss amounted BGN 1057 thousand.

Revenues from main operations

Revenues from main operations (in thousand BGN)	2014	2013
Products	4684	6 372
Materials	113	89
Services	94	68
Others	4	
TOTAL:	12	475

Liquidity analysis

Ratio	31 December 2014	31 December 2013
General liquidity	1.037	1.090
Quick liquidity	0.849	0.889
Immediate liquidity	0.002	0.020

Profitability analysis

Ratio	31 December 2014	31 December 2013
Return on sales	-	-
Return on equity	-	-

INFORMATION ON THE ACTIVITY

The physical volume of production for 2014 is 972 tons. The main Contactors during the reporting period are: Alstom Sweden, Enemona AD, Doosan Lentjes GmbH, se-austria GmbH&CO.KG and others.

Structural changes in the physical volume of production in 2014 were not made, because the production program of the Company in recent years includes mainly production of components for

electrical precipitators, fundamental parts for gas and steam turbines, tanks for petroleum products and pressure vessels.

As of December 31, 2014 EMCO AD employs 167 people.

TRADE IN ELECTRICITY

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

The Business line includes the Companies: Enemona Utilities AD, along with Nevrokop-Gas AD, Hemusgas AD, Regionalgas AD and Pirin Power AD¹.

1. ENEMONA UTILITIES AD

Enemona Utilities is a joint-stock company with a scope of activity - *trade in electricity, generating, import and export of electric and heating energy, green certificates trading, energy management, investment designing and consulting in the energy field, trade (home and foreign) with all types of energy (after obtaining the required permit / license in the cases provided by the law), building and control on networks for natural gas in urban industrial areas, operation, maintenance, and repair of built-up water sources, water supply systems, appurtenances and pump stations, delivery, power and water supply, transmission and supply of potable water, joint distribution of the consumed quantities of cold potable water, building and control of the catalyst system, provision of telecommunication services, designing and building of telecommunication systems and appurtenances in Bulgaria and abroad, collection, transportation, treatment, and processing of solid (domestic and industrial) waste, treatment (recycling) of waste water (domestic and industrial) and appropriate processing of muddy sediments, improvement of the contaminated areas, city services (street lighting, control of buildings, parkings, subways, etc.), landscape planting, maintenance of parks and gardens, building of parks, and any other activity not forbidden by the law.*

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

The Company's shareholders as of December 31, 2013 are Enemona AD and two natural person. The capital of Enemona Utilities AD is BGN 2.25 million, divided into 1,710,000 ordinary shares and 540,000 ordinary bearer shares with a nominal value of BGN 1.00 each.

Enemona Utilities AD has a two-tier management system.

ANALYSIS OF THE FINANCIAL RESULTS OF THE COMPANY

¹The leading company in the Business line is Enemona Utilities AD, which activities will be discussed in detail in the report. The activities of Nevrokop-gas AD, Hemusgas AD, Regionalgaz AD and Pirin Power AD are either at an early stage of development, or do not differ from the information revealed so far.

In 2013 Enemona Utilities AD focused on minimizing the negative impact of the ongoing financial and economic crisis in Bulgaria.

As a result, in 2014 sales of electricity are reduced by about 25% compared to the 2013.

"Trade in natural gas" was discontinued in 2014. Tangible fixed assets employed in that activity are sold.

The Company's revenues in 2014 are segmented, as follows:

Revenue	Value in thousand BGN
Revenue, including	45 622
Sales of Goods:	42 490
Electricity	41 279
Compressed gas	1 211
Sales of Services:	20
Other Revenues:	3 112
Income from Financing:	106
Financial Income:	4 471

ANALYSIS OF THE RESULTS FROM THE ACTIVITIES OF THE COMPANY

Ratios	31.12.2014	31.12.2013
1. Non-Currents Assets (thousand BGN)	897	6 827
2. Current Assets (thousand BGN)	25 694	14 236
3. Total Assets (thousand BGN)	26 591	21 063
4. Equity (thousand BGN)	5 724	5 678
5. Non-Current Liabilities (thousand BGN)	433	1 742
6. Current Liabilities (thousand BGN)	20 434	13 643

7. Revenue (thousand BGN)	43 820	58 188
8. Expenses (thousand BGN)	43 767	57 771
9. Net Profit (thousand BGN)	46	375
10. General Liquidity (CA/CL)	1,26	1,04
11. Return on Sales (Net Profit/Revenue)	0,006	0,006
12. Return on Assets (Net Profit/Total Assets)	0,01	0,02
13. Leverage (Liabilities/Total Assets)	0,78	0,73

Assets, Liabilities, Equity

In 2014, there is an increase in the current assets as compared to 2013. That fact is due to the decrease in the gross amounts due from customers, other current receivables and cash of the Company as of December 31, 2014.

The equity of the Company as of December 31, 2014 amounts to BGN 5 724 thousand, representing 21.53% of the total assets.

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

Revenue, Expenses, Profit

Company's revenues decreased in 2014 as compared to 2013, at about 25%. That is due to a decrease in the electricity and natural gas traded. The expenses also show decrease of about 26%. The Financial result for 2014 is a profit of BGN 46 thousand.

COMPANY'S FUTURE DEVELOPMENT

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

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

ASSETS MANAGEMENT AND OTHER ACTIVITIES

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

1. ENERGETICS AND ENERGY SAVINGS FUND – EESF SPV

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

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

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

2. REAL ESTATE INVESTMENT FUND- 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 and the selected news media Investor.BG AD, a public company having a large number of web information portal - www.bull.investor.bg.

3. ARTANES MINING GROUP AD

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

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

The Company is a publicly traded company and discloses in accordance with legal requirements all the necessary information to the Financial Supervision Commission, BSE-Sofia AD and the public,

along with publication on the Internet site of the Company - www.artanesmining.bg and the selected news media Investor.BG AD, a public company having a large number of web information portal - www.bull.investor.bg.

4. CHPP NIKOPOL EAD

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

CHPP Nikopol was established as a project company for developing Enemona's activities in the field of renewable energy sources. According to the conceptual technical characteristics, the Central Heating Power Plant will have a total installed heating capacity of 50 MWth, electrical capacity of 16MWel, generating a net annual electricity of 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.

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

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

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

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

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

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

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

The use of the proposed solutions to be patented enables the change of the thermal cycle in the currently operational thermal power plants and in Kozloduy NPP. This creates the possibility for the waste heat from the exhausted steam to be returned back into the thermal cycle and to reduce significantly its needs for cooling and condensation. Thus significant fuel savings are achieved which

reduces the environmental pollution and the need for purification of flue gases. The heat pollution from so-called "hot canals" at the power stations can be reduced. The effect over the ecological balance is favorable as a significantly higher efficiency of steam turbine plants is achieved. The above mentioned benefits from the developed technical solutions contribute to the realization of significant economic effects in the power engineering.

Licenses in the Enemona Group of Companies

1. Enemona Utilities AD – License for trade in electricity for a 10 year period № L201-15/27.02.2006;
2. Enemona AD - License for trade in electricity for a 10 years period - № L275-15/08.09.2008;
3. Nevrokop-Gas AD - license for distribution of natural gas for 35 years period - № L289-08/22.12.2008; license for supply with natural gas on the territory of Gotse Delchev Municipality - № L289-12/22.12.2008;
4. EESF SPV – By a decision issued on May 17, Decision № 333 – SPV, the Financial Supervision Commission issued a License to the Energy and Energetic Savings Fund –EESF SPV;
5. FINI REIT - By Decision № 1138 of the Financial Supervision Commission (FSC) as of 16.08.2007 FINI has a license for carrying on its activity.

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

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

1. Assets

The Total Assets of the Group as of December 31, 2014 reach BGN 170 124 thousand, which is a 1.0% decrease as compared to December 31, 2013.

The Non-Current Assets of the Group as of December 31, 2014 amount to BGN 79 227 thousand, or 46.6% of Total Assets, and increase by 30.9% compared to December 31, 2013.

The Current Assets of the Group (including assets classified as held for sale) as of December 31, 2014 reach BGN 90 897 thousand, representing 53.4% of Total Assets.

2. Equity and Liabilities

The Group finances its principal activity with equity or borrowings.

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

The Group's Equity as of December 31, 2014 amounts to BGN 21 559 thousand, or 12.7% of its assets.

The Non-Current Liabilities of the Group as of December 31, 2014 amount to BGN 12 831 thousand, or 8.6% of Total Liabilities. They include mainly long-term bank loans and financial liabilities on preferred shares which vary compared to those reported at the end of 2013 by 54.6% and (26.6%), respectively.

The Current Liabilities of the Group (including liabilities associated with assets available for sale) as of December 31, 2014 amount to BGN 135 734 thousand, or 91.4% of Total Liabilities and comprise mainly trade and other payables and short-term loans. They decrease in 2014 by 2.0% compared to the previous year.

3. Liquidity analysis

Ratio	Description	31 December 2014
General liquidity	CA/CL	0.67
Quick liquidity	(Cash+Cash equivalents+Receivables)/CL	0.63

Immediate liquidity	(Cash+Cash equivalents)/CL	0.01
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The funds available to the Group at a given moment to cover its operating expenses, incl. all short-term assets that may quickly and at market value, without significant transactions costs, transform into the required funds, are determined as sources of liquidity. The sources of liquidity for Enemona Group are mainly revenue from sales of products and external/debt financing in the form of bank loans.

4. Revenues

The Revenue of the Group in 2014 amounts to BGN 117 925 thousand and decreases by 9.3% compared to 2013.

The Group's operating expenses for 2014 amount to BGN 115 530 thousand, decreasing by 24.7% compared to 2013, due mainly to the decrease in materials and consumables used and cost of goods sold as well as the change in other gains/(losses), net.

5. Financial leverage analysis

Ratio	Description	31 December 2014
Leverage	Debt/Assets	52.1%

For the purpose of financial leverage analysis of the Group, we calculate a ratio by dividing the Group's bank loans by its assets.

6. Effectiveness analysis

Ratio	Description	31 December 2014
Asset turnover	Sales revenue/Total assets	69.3%

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

Revenue

	Year ended 31.12.2014	Year ended 31.12.2013
	<i>Thousand BGN</i>	<i>Thousand BGN</i>
Revenue from construction contracts	64,882	65,793
Revenue from sale of electricity	41,145	52,717
Revenue from sale of compressed natural gas	1,211	4,949
Revenue from sale of assets	10,267	6,311
Revenue from services	420	326
TOTAL REVENUE	117,925	130,096

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

Segment revenue

	Year ended 31.12.2014	Year ended 31.12.2013
	Thousand BGN	Thousand BGN
Engineering, construction and assembly works	75,538	72,291
Electricity trading	42,376	52,748
Other segments	11	5,057
TOTAL	117,925	130,096

Geographical distribution

	Year ended 31.12.2014	Year ended 31.12.2013
	Thousand BGN	Thousand BGN
Bulgaria	87,662	80,656
Slovakia	15,542	19,809
Germany	4,958	15,938
Norway	319	743
Britain	4,520	272
Other	4,924	12,678
TOTAL	117,925	130,096

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

TOP 5 SUPPLIERS OF MATERIALS IN TERMS OF VALUE OF SUPPLIES

Supplier	Type of supplies
OMIM EOOD	Materials
RAICOMMERCE CONSTRUCTION EAD	Materials
SE SPECIALNA ENERGOOTEHNIKA OOD	Materials
THYSSENKRUPP INDUSTRIAL SOLUTIONS GMBH	Materials
UNION OCEL S.R.O.	Materials

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

The information about the transactions concluded with related parties during the reporting period is disclosed in Note 31 of the Notes to the Consolidated Financial Statement for 2014.

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

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

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

The Group prepares its Consolidated Financial statements in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and the interpretations, issued by the International Financial Reporting Interpretations Committee (IFRIC), as approved by the European Union (the "EU") and applicable in the Republic of Bulgaria. The information about contingent liabilities is disclosed in Note 33 of the Notes to the Consolidated Financial Statement for 2014.

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

The companies which Enemona AD controls and manages as of December 31, 2013 and December 31, 2014, are listed in the following table:

ORGANIZATIONAL STRUCTURE OF ENEMONA GROUP OF COMPANIES

COMPANY	Percentage (%) as of 31.12.2013	Percentage (%) as of 31.12.2014
„CHPP NIKOPOL” EAD	100.00	100.00
„PPP MLADENOVO” EOOD	100.00	100.00
“ARTANES MINING GROUP” AD	89.99	89.99
“ENEMONA UTILITIES” AD	92.24	97.23
“ESCO ENGINEERING” AD	99.00	99.00
“NEVROKOP-GAS” AD	90.00	00.00
“ENERGETICS AND ENERGY SAVINGS FUND - EESF” SPV	88.20	37.28*
“PIRINPOWER” AD	84.00	84.00
„EMCO” AD	77.36	77.36
„REAL ESTATE INVESTMENT FUND- FINI” REIT	69.23	55.47
“HEMUSGAS” AD	50.00	50.00

Enemona AD Indirect Shareholdings

Company	Indirect Shareholding through	Percentage (%) of indirect shareholding as of 31.12.2014
„RegionalGas” AD	„Enemona Utilities” AD	50.00
„Pirin Power” AD	„Enemona Utilities” AD	16.00
„Real Estate Investment Fund- FINI” REIT	„Enemona Utilities” AD	39.73

Enemona’s shareholdings below 50%

Company	Percentage (%) as of 31.12.2013	Percentage (%) as of 31.12.2012
„ALFA - ENEMONA” OOD	40.00	40.00
“ENEMONA - START” AD	4.90	4.90
“ENIDA ENGINEERING” AD	4.90	4.90

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

The information about the concluded by the Companies from the Group, in their capacity of borrower, loan contracts, is disclosed in Note 15 of the Notes to the Consolidated Financial Statement for 2014.

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

The information about the concluded by the Companies from the Group, in their capacity of lender, loan contracts, is disclosed in Note 9 of the Notes to the Consolidated Financial Statement for 2014.

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

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

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

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

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

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

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

As of December 31, 2014 the Group has cash and cash equivalents for a total BGN 2025 thousand. That fact in combination with the increased capital base, determines a good opportunity to raise funds for the implementation of the Group's investment projects.

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

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

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

Name	Gross Remuneration (BGN)	Net Remuneration (BGN)
Dichko Prokopiev Prokopiev	66 000.00	56 079.54
Enemona AD	48 000.00	43 200.00
Enemona Utilities AD	9240.00	8316.00
Total	123 240.61	107 595.54
Margarita Ivanova Dineva		
Enemona AD	11 599.03 лв	9 034.45 лв
Bogdan Dichev Prokopiev		
Enemona AD	60 000.00	50 679.54
Enemona Utilities AD	48 020.00	43 218.00
EMCO AD	24 000.00	21 600.00
ANDI 52 EOOD	285.71	257.14
Total	132305.71	115 754.68
Emil Kirilov Manchev		
Enemona AD	12 099.02	10 770.70
Nikolay Filipov Filchev		
Enemona AD	11 550.00	8 984.41

17. Participation of the members of the Board of Directors and the Procurator as of 31 December 2014

Dichko Prokopiev Prokopiev	
Enemona AD– Chairman of the of Board of Directors and Chief Executive Officer	
Global Capital OOD, Kozloduy – Manager and Partner	
Enemona Utilities AD, Sofia – Chairman of the Supervisory Board	
ANDI 52 EOOD – Owner	
Bogdan Dichev Prokopiev	
Enemona AD - Vice Chairman of the of Board of Directors and Chief Executive Officer	
Global Capital OOD, Kozloduy – Partner	
Enemona Utilities AD, Sofia – Chairman of the Managing Board	
CHHP Nikopol EAD, Sofia – Chairman of the Managing Board	
ESCO Engineering AD, Sofia – Member of the Board of Directors	
PirinPower AD, Sofia – Vice Chairman of the of Board of Directors	
Hemusgaz AD	
EMCO AD, Belene – Member of the Board of Directors	
Artanes Mining Group AD, Sofia – Chairman of the of Board of Directors	
RacioConsult OOD, Sofia - Partner	
Interalt OOD - Partner	
ANDI 52 EOOD – Manager	
NikolayFilipovFilchev	
Enemona AD – Member of the of Board of Directors	

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

Shares in Enemona AD	Percentage of the capital as of 31 December 2014 at a capital of 13 036 501	Percentage of the ordinary shares as of 31 December 2014 at OS of 11 933 600	Percentage of the preferred shares as of 31 December 2014 at PS of 1 102 901	Percentage of warrants as of 31 December 2014 at an issue of 5 966 792
Dichko Prokopiev Prokopiev - Chairman of the Board of Directors	45.38	49.58	0.00	60.13
Bogdan Dichev Prokopiev – Vice Chairman of the Board	1.84	2.01	0.00	0.33

of Directors NikolayFilipovFilchev - Member of the Board of Directors	0.00	0.00	0.00	0.00
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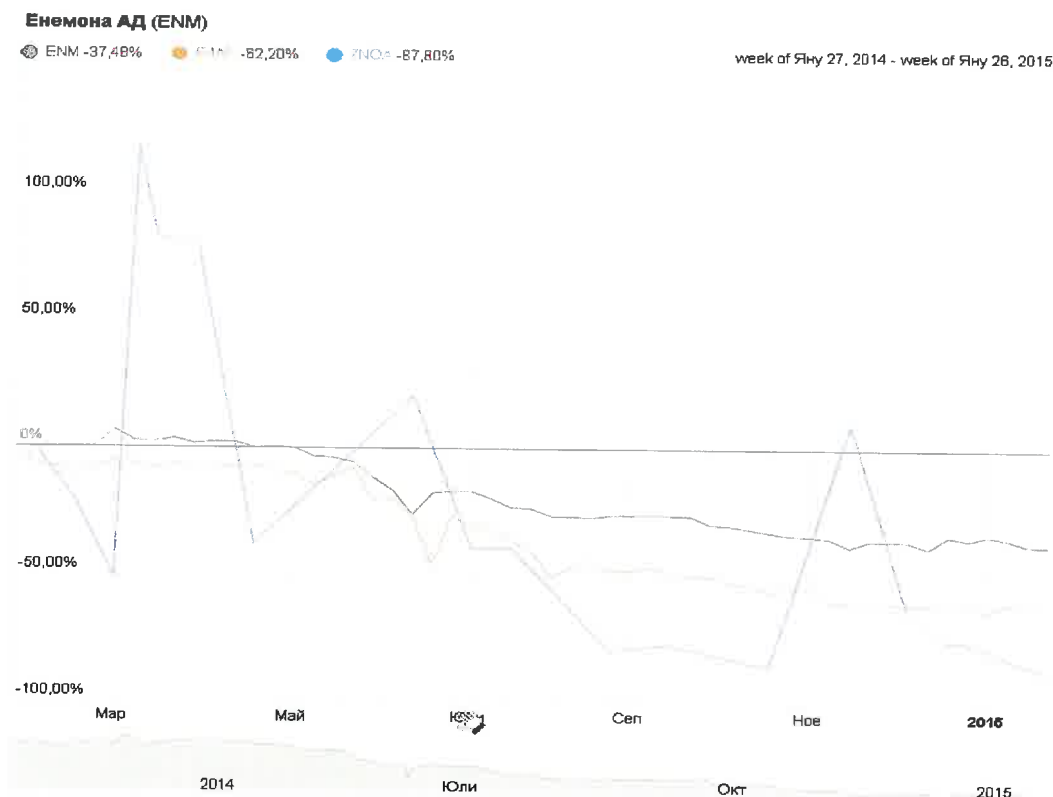
19. Information about the known to the group agreements (including also after the fiscal year closing) as a result of which changes may occur at a future time in the owned percent of shares or bonds by current shareholders and bondholder

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

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

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

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



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

As of December 31, 2014 the position of Investor Relations Director of Enemona AD, is occupied by PetyaTomovaTomova.

Contact Data of the Investor Relations Director:

1113 Sofia

Geo Milev District

20, Kosta Lulchev Str.

tel: +359 2 80 54 766

fax: +359 80 54 837

Mobile: +359 888 318 103

E-mail: p.tomova@enemona.com

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

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

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

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

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

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

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

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

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

The Board of Directors of Enemona AD believes that through its activity in 2014, it has created conditions for sufficient transparency of its relationships with investors, financial media and analysts in the capital market.

For the reporting year 2014, the Company has disclosed any regulated information on time and in accordance with the procedure provided for in LPOS and the regulations on its application.

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

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

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

In conclusion it can be summarized that the activity of the Board of Directors of the Company in 2014 was in accordance with the National Code of Corporate Governance and International Standards.

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

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

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

As of December 31, 2014 the Company's share capital amounts to 13,036,501 (thirteen million thirty-six thousand five hundred and one), divided into 11,933,600 ordinary shares with voting rights in the GMS and 1,102,901 preferred shares without voting rights at the GMS, giving their owners a guaranteed cumulative annual dividend of 10 per cent of the issue price per preferred share.

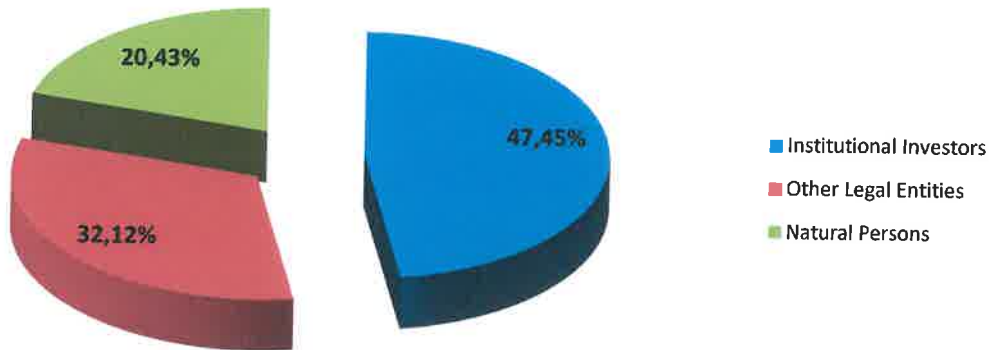
**Structure of the capital
ordinary shares²:**

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

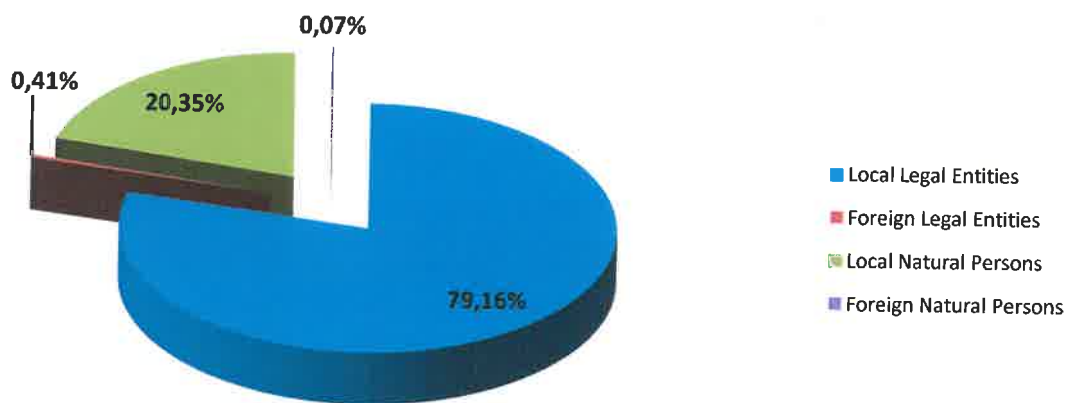
№	Shareholders	Number of shareholders	Number of shares
1.	Natural persons	1 612	2 437 596
2.	Legal entities	121	9 496 004
	Total:	1 733	11 933 600

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

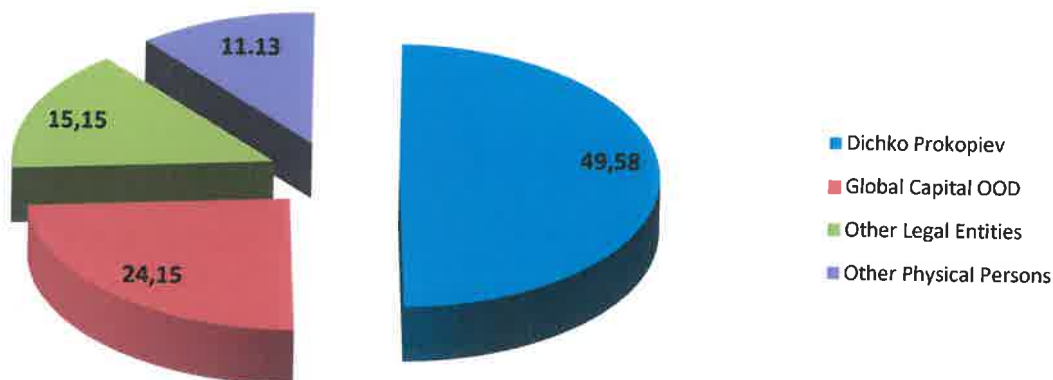
**Shareholder Structure of Ordinary Shares, issued by
Enemona AD as of 31.12.2014**



**Shareholder Structure of Ordinary Shares, issued by
Enemona AD as of 31.12.2014**



Shareholder Structure of Ordinary Shares, issued by Enemona AD as of 31.12.2014

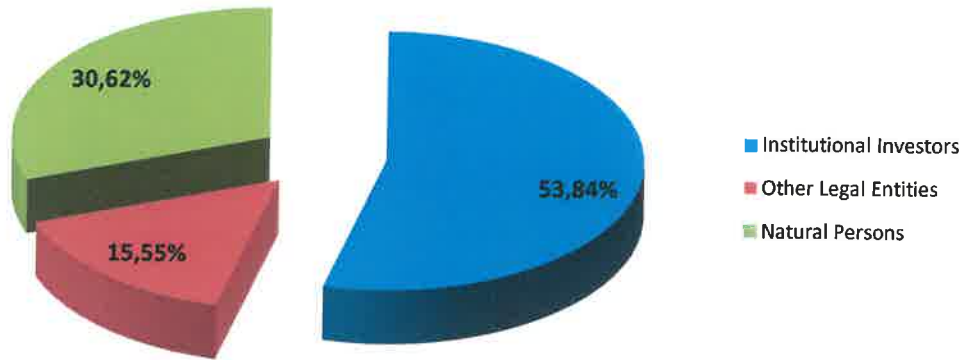


PREFERRED SHARES

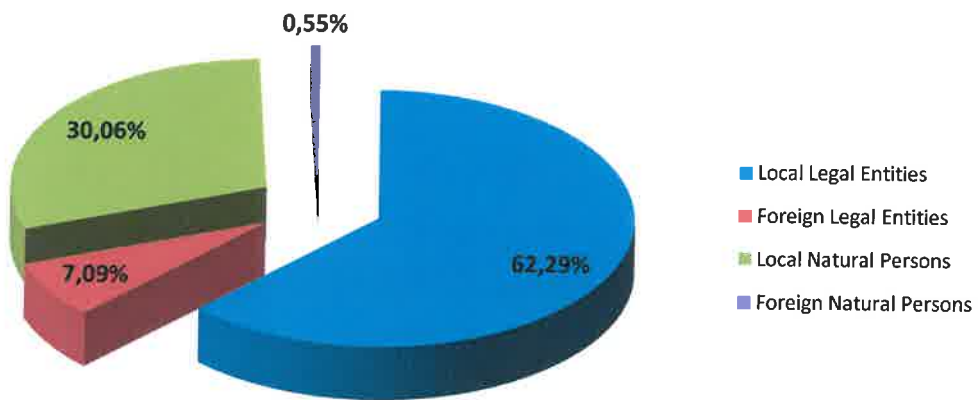
The structure of the issue of preferred, dematerialized shares, without voting rights, with a nominal value of BGN 1.00 and ISIN code BG1200001102 is shown below:

No	Shareholders	Number of shareholders	Number of shares
1.	Natural persons	297	337679
2.	Legal entities	42	765222
Total:		339	1 102 901

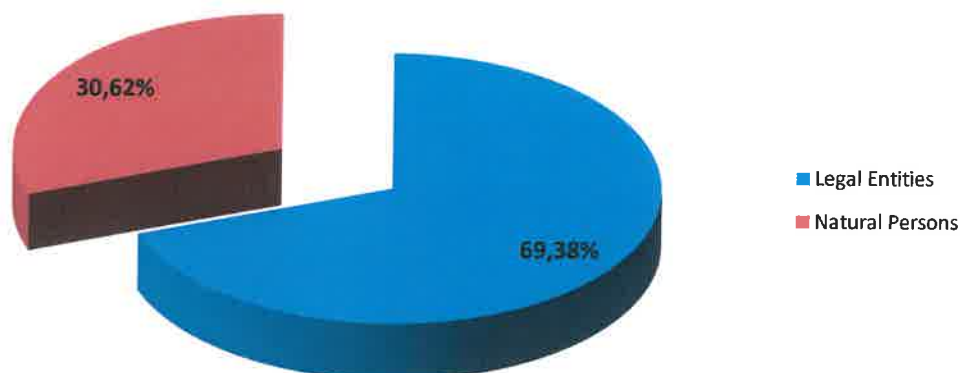
**Shareholder Structure of Preferred Shares, issued by
Enemona AD as of 31.12.2014**



**Shareholder Structure of Preferred Shares, issued by
Enemona AD as of 31.12.2014**



Shareholder Structure of Preferred Shares, issued by Enemona AD as of 31.12.2014

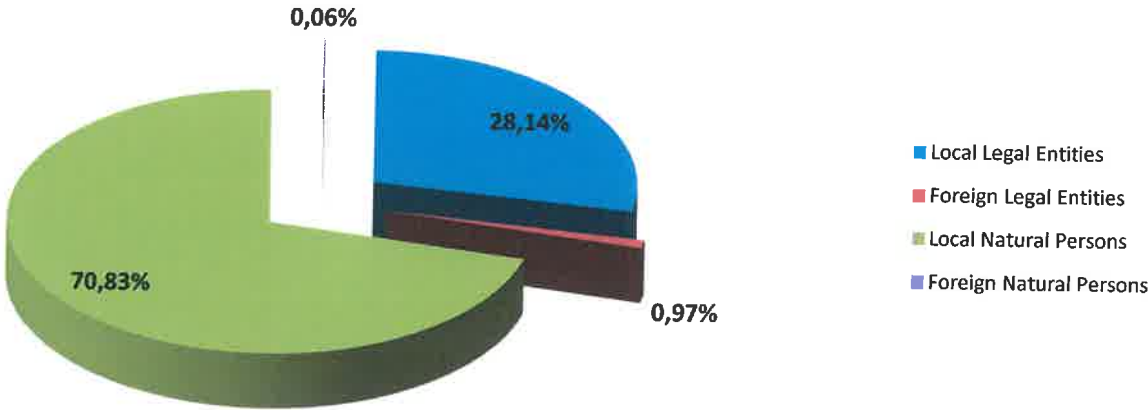


WARRANTS

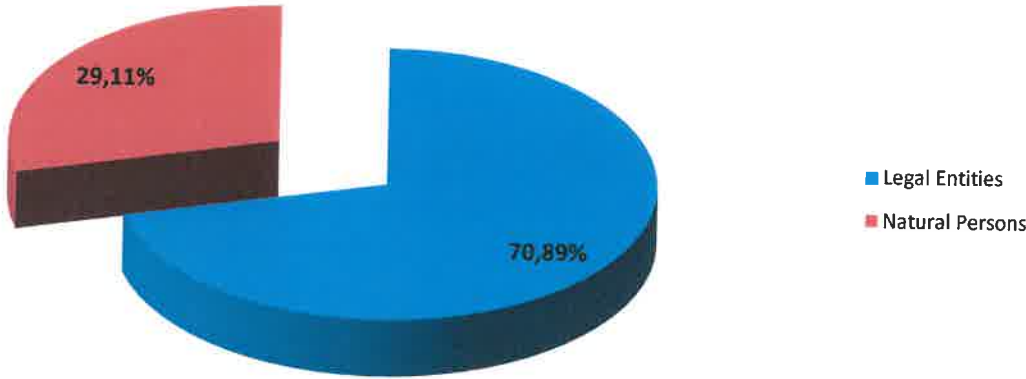
The structure of the issue of warrants, with an underlying asset – a future issue of ordinary shares, ISIN code BG9200001105 is shown below:

No	Shareholders	Number of shareholders	Number of shares
1.	Natural persons	244	4 229807
2.	Legal entities	28	1 736985
Total:		277	5 966 792

Structure of the Holders of Warrants, issued by Enemona AD as of 31.12.2014



Structure of the Holders of Warrants, issued by Enemona AD as of 31.12.2014



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

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

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

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

Ownership as of December 31, 2014³

Ownerships as of 31 December 2014	Ordinary Shares	Preferred Shares	Issued Share Capital
	11 933 600	1 102 901	13 036 501
Dichko Prokopiev Prokopiev	49.58%	-	45.38%
Global Capital OOD	24.14%	-	22.10%

Dichko Prokopiev owns directly and indirectly via Global Capital – 67,48% of the issued share capital.

As of December 31, 2014, a total of 1 306 000 ordinary shares, owned by Global Capital OOD, and 4 576 288 ordinary shares, owned by Dichko Prokopiev, are subject to repo transactions.

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

There are no shareholders with special control rights.

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

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

³The shares pledged under repo-transactions, owned by Dichko Prokopiev and Global Capital OOD, are included in their percentage of holding.

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

There are no limitations over the voting rights.

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

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

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

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

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

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

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

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

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

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

Members of the Board of Directors:

1. Dichko Prokopiev Prokopiev – Chairman of the of Board of Directors;
2. Bogdan Dichev Prokopiev - Deputy Chairman of the Board of Directors;

3. Nikolay Filipov Filchev - Independent Member of the Board of Directors.

Representatives:

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

1. Dichko Prokopiev Prokopiev – Chief Executive Officer;
2. Bogdan Dichev Prokopiev - Executive Director;

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

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

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

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

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

Date: June 04, 2015

On behalf of the Management of Enemona AD:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

Dichko Prokopiev Prokopiev

Chief Executive Director