

# ELANA Group

2011

q ELANA is one of the largest non-banking financial groups in Bulgaria and preferred partner to local and international investors for 20 years already in a range of expertise areas: asset management, trading on financial markets, investment banking, business consultancy, real estate investment, renewable energy investment, etc.

q Being one of the first fully licensed investment intermediaries, ELANA also holds the responsibility for a series of start ups on the Bulgarian market, such as founding one of the first asset managers and mutual funds, implementing the first bond issue, establishing the first fund for investing in agricultural land, being selected to be the first private fund manager of a public financial institution in the country and many other examples that uphold the position of the company as innovator in finance and investment.

q The diversified business portfolio of the group is structured as follows: *financial services* are managed by ELANA Financial Holding and the *renewable energy* business divisions – within ELANA Holding.

## Our mission

Is to provide a wide range of professional services to institutional investors, corporate customers and private investors and help them achieve their objectives by constantly maintaining the highest standards of professionalism and performance.

## We believe

Our human capital is the key factor to success as well as the reason for upholding a leading position on the Bulgarian financial market.

## Our corporate vision

We maintain the position of a premier Bulgarian investment company which is always the preferred partner due to offering the highest quality investment solutions based on professionalism, diversity, integrity and transparency. Building stable relationships with our business partners is our foremost objective.

## ELANA Financial Holding

The financial services of ELANA are structured into ELANA Financial Holding which is the major shareholder of each of the following companies: **ELANA Trading** (brokerage & investment banking), **ELANA Fund Management** (asset management), **ELANA Property Management** (agricultural land investment) and **ELANA Investment** (EU funding consultancy).

## ELANA Holding

The renewable energy business of the group is organized into ELANA Holding and includes:

- q **ELANA Energy Management** - investment in renewable energy and development of wind and photovoltaic projects;
- q **Fund management of Bulgarian Energy Efficiency Fund** - as part of the World Bank selected fund management consortium Econoler-EnEffect-Elana - the first private fund manager of a public financial institution in Bulgaria;

**ELANA Fund Management**

- q One of the first asset managers set in Bulgaria
- q 8 mutual funds and individual portfolios.

**ELANA Trading**

- q The first company in the group
- q Brokerage and investment banking services in the lead of the local financial market

**ELANA Property Management**

- q The real estate investment subsidiary which has contributed to the development and transparency of the Bulgarian agricultural market by founding ELANA Agricultural Land Opportunity Fund REIT (ticker BSE – 4EC) - the first and the largest Bulgarian fund for investments in agricultural land

**ELANA Investment**

- q A leading expert in consulting Bulgarian business and public administration on funding from EU & international donor programmes

**ELANA Energy Management**

- q The renewable energy division of ELANA – develops and manages the renewable energy projects.
- q Over 30 photovoltaic projects were developed or are in a process of development.
- q The company assists the development of big wind projects (over 30 MW)– in cooperation with Wind Power Farms.

**Fund Management of the Bulgarian Energy Efficiency Fund (BEEF)**

- q ELANA Holding is part of the consortium appointed in 2005 by the World Bank for BEEF fund management which made it the first private manager of a public financial institution in Bulgaria.
- q BGEEF was set to facilitate energy efficiency investments in the Bulgaria with funding from UN&WB Global Environmental Facility , the Government of Austria and the Government of Bulgaria.

# ELANA FINANCIAL HOLDING

- q One of the first asset managers in Bulgaria founded 2002.
- q Offers 8 mutual funds and management of individual portfolios covering all types of investment strategies, including a KBC Asset Management capital-protected fund designed especially for the Bulgarian market.
- q Total assets under management – approx. EUR 20 mln (31 January 2011).
- q Provides service to approx 2400 institutional and individual investors.
- q ELANA Fund Management is among the top 3 players by AUM on the Bulgarian mutual funds market following OTP-owned DSK Asset Management and Raiffeisen Asset Management.
- q ELANA Fund Management is a member of the Bulgarian Association of Asset Managers.
- q ELANA Fund Management was awarded The Asset Manager of the Year four years in a row (2006, 2007, 2008, 2009) within the annual ranking of The Banker Weekly.
- q ELANA Money Market Fund wrapped up 2010 with the highest annual return among low-risk funds (8.56%) and for 2008 was the Bulgarian fund with the best annual return (7.6%).
- q ELANA Money Market Fund was awarded Business New Europe 2009 Best Fixed Income Fund among funds investing in CEE and CIS.
- q ELANA Money Market Fund was awarded Investment Product 2007 at the International Financial Exhibition Banks, Investment, Money 2008 and wrapped up 2008.

## Conservative investment strategy

### ELANA Eurofund (founded 2009)

Low-risk fund in EUR

### ELANA Dollar Fund (founded 2008)

Low-risk fund in US dollars.

## Money Market Fund

### ELANA Money Market Fund (founded 2007)

Money market fund

Awarded Best Investment Product 2007

The Fund with Best Return Result for 2008 in Bulgaria (7.6%)

Awarded BNE 2009 Best Fixed Income Fund in CEE and CIS

Best return result among low-risk funds for 2010 in Bulgaria (8.56%)

## Moderate investment strategy

### ELANA Balanced \$ Fund (founded 2006)

The first mutual fund in USD on the market  
Balanced fund in USD.

### ELANA Balanced € Fund (founded 2005)

Balanced fund in EUR and BGN

## Aggressive investment strategy

### ELANA High Yield Fund (founded 2005)

Equity fund in BGN.

### ELANA Global Equity Fund (founded 2010)

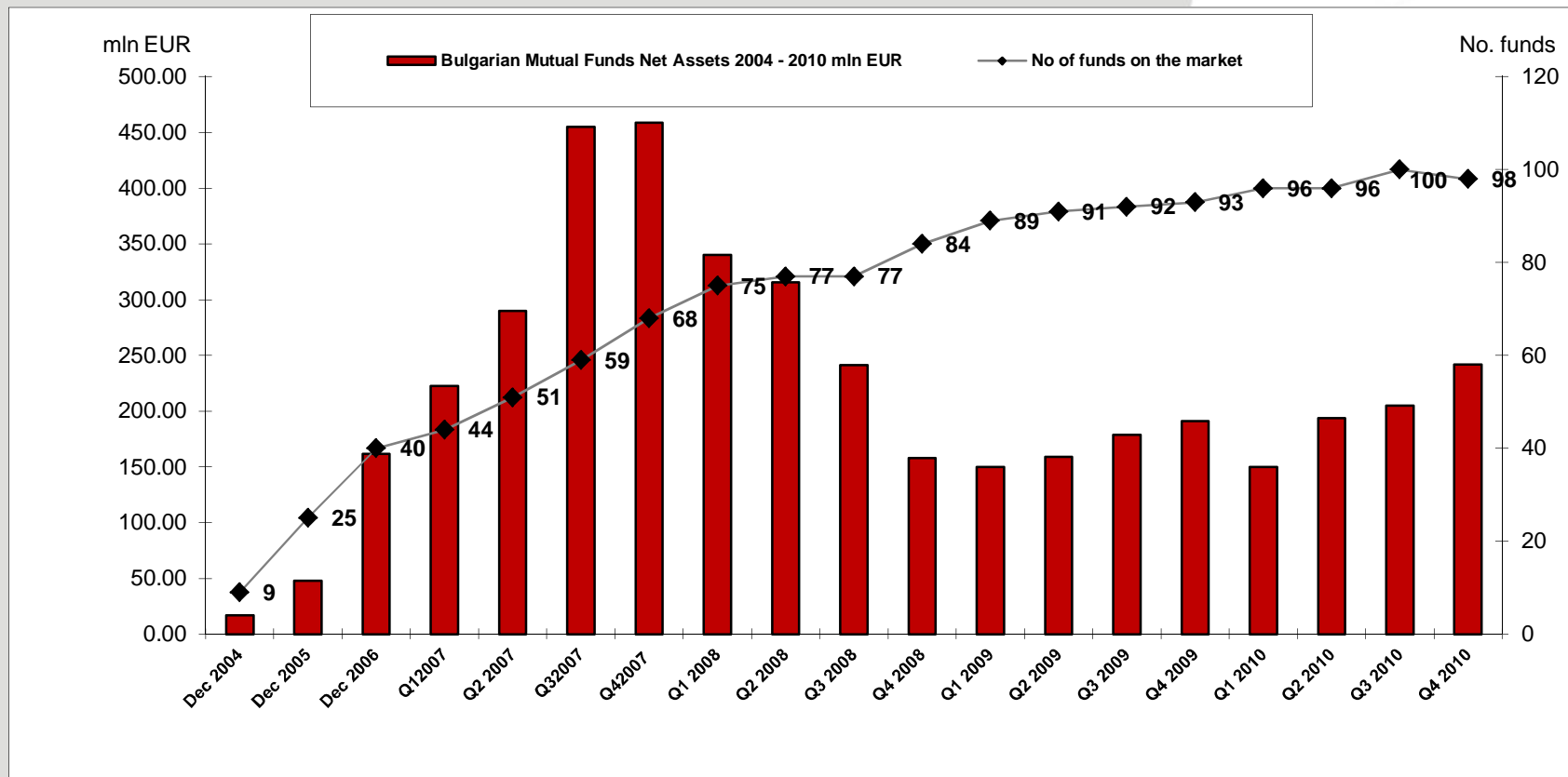
Global equity fund in EUR.

## Capital-protected Fund

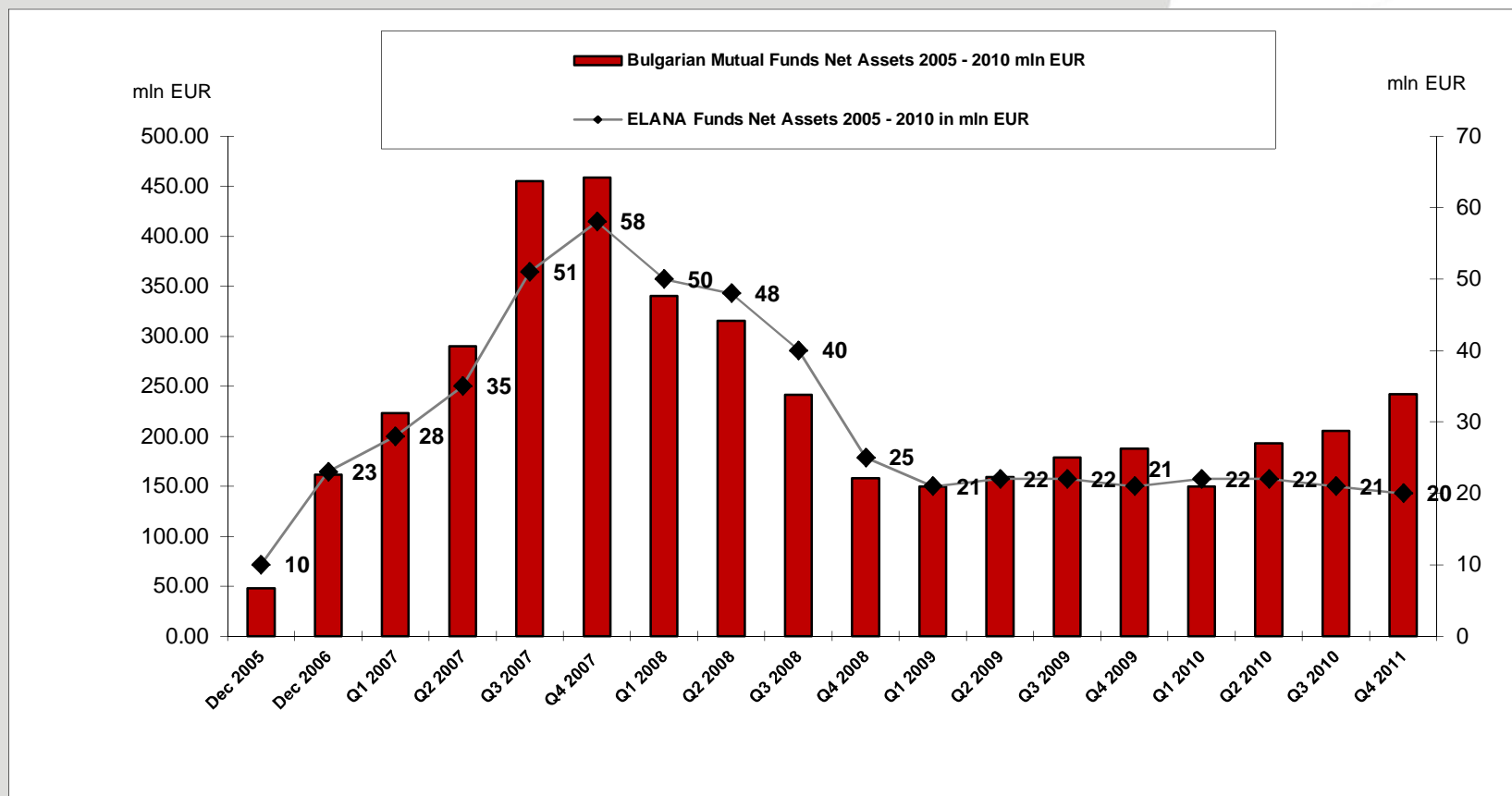
### Horizon Commodity 1 (founded 2008)

ELANA is the distributor and promoter of the fund for the Bulgarian market on behalf of KBC Asset Management.

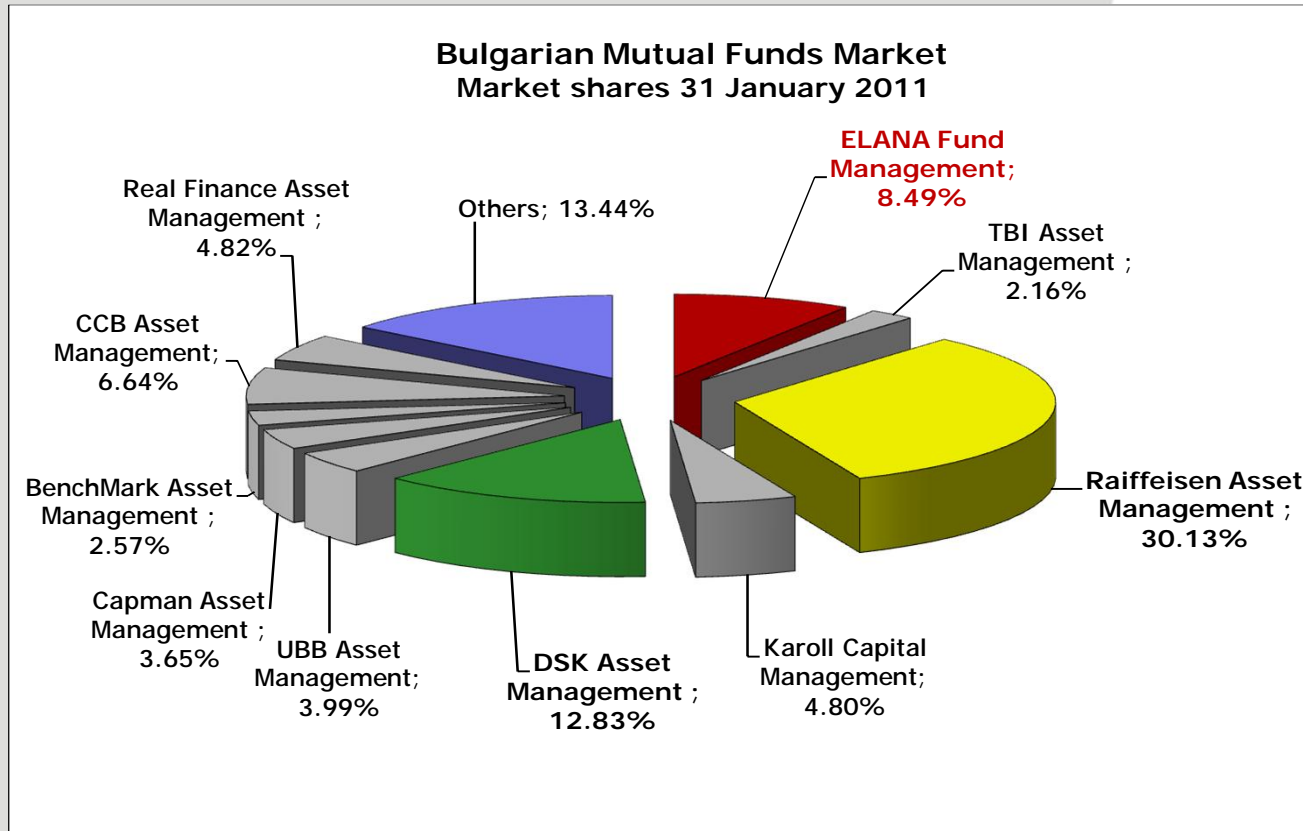
Launch – 9.06.2008; Maturity date – 29.07.2011



Source: BNB, FSC



Source: BNB, FSC



Source: Data from the Bulgarian Association of Asset Managers and the Bulgarian Stock Exchange

q **ELANA Trading** – registered in 1997 as one of the first brokerages in Bulgaria, fully licensed for services in Bulgaria and abroad by the Bulgarian Financial Supervision Commission. Brokerage services started in 1991 as ELANA. A member of the Bulgarian Stock Exchange, Central Depository and the Bulgarian Association of Licensed Investment Intermediaries.

q ELANA Trading retains a market position in the lead on the local stock market for 20 years – traditionally, in the top 3 brokers among total of approx 80.

q Approx. 12% market share & No.2 on the market by number of deals on the Bulgarian Stock Exchange (31.01.2011, BSE).

q 35% market share (31.01.2011, BSE) and No.1 on the market by retail customers using the COBOS Internet platform of the Bulgarian Stock Exchange.

q **Bulgarian brokerage 2010** – awarded for ranking first within the annual rating of local brokerages by The Banker Weekly.

q **Maintaining a leading market position in the local investment banking sector** - some of the groundbreaking steps: placed the first bond issue on the market, managed major IPOs among which the first IPO of an industrial and a FMCG companies, etc.

q **Prizes by the Bulgarian Stock Exchange** for annual number of deals from 2006 to 2010. Awarded twice for contribution to the development of local investment banking (2006 – 2007).

q Exclusive partner for Bulgaria of the US Auerbach Grayson & Co. providing services on 127 markets worldwide.

q Partner of Saxo Bank for Bulgaria in online trading on international markets.

q Some of ELANA Trading partners: Rosenthal Collins Group, Saxo Bank, Deutsche Bank, Ameritrade, Sucden, CMC Markets, GFT, IG Index, Man Financial, Lazard, BNP Paribas London.



## **Trading on the Bulgarian Stock Exchange – Sofia**

Broker services and online trading - COBOS service (The Bulgarian Stock Exchange web-based trading platform).

Investment advice on the Bulgarian stock market.

## **Trading with over 30 000 instruments on global financial markets**

24-hours access through desktop, laptop and mobile phone via online trading platforms ELANA Global Trader, ELANA Web Trader and ELANA Mobile Trader – in partnership with leading European investment bank Saxo Bank.

## **Fixed income & Money markets**

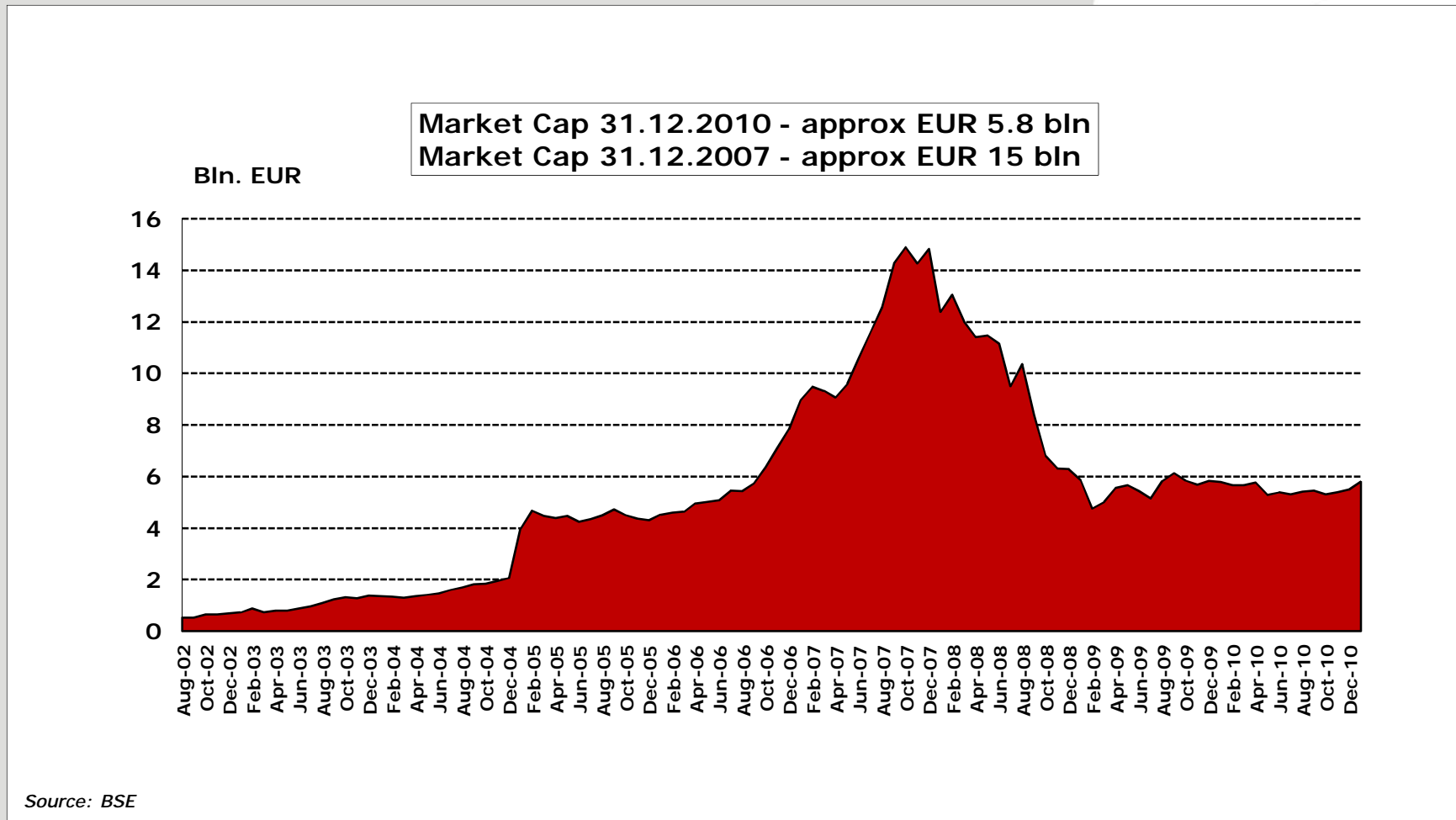
Primary and secondary bond market (government, municipal, corporate, mortgage, global bonds)

## **Investment banking**

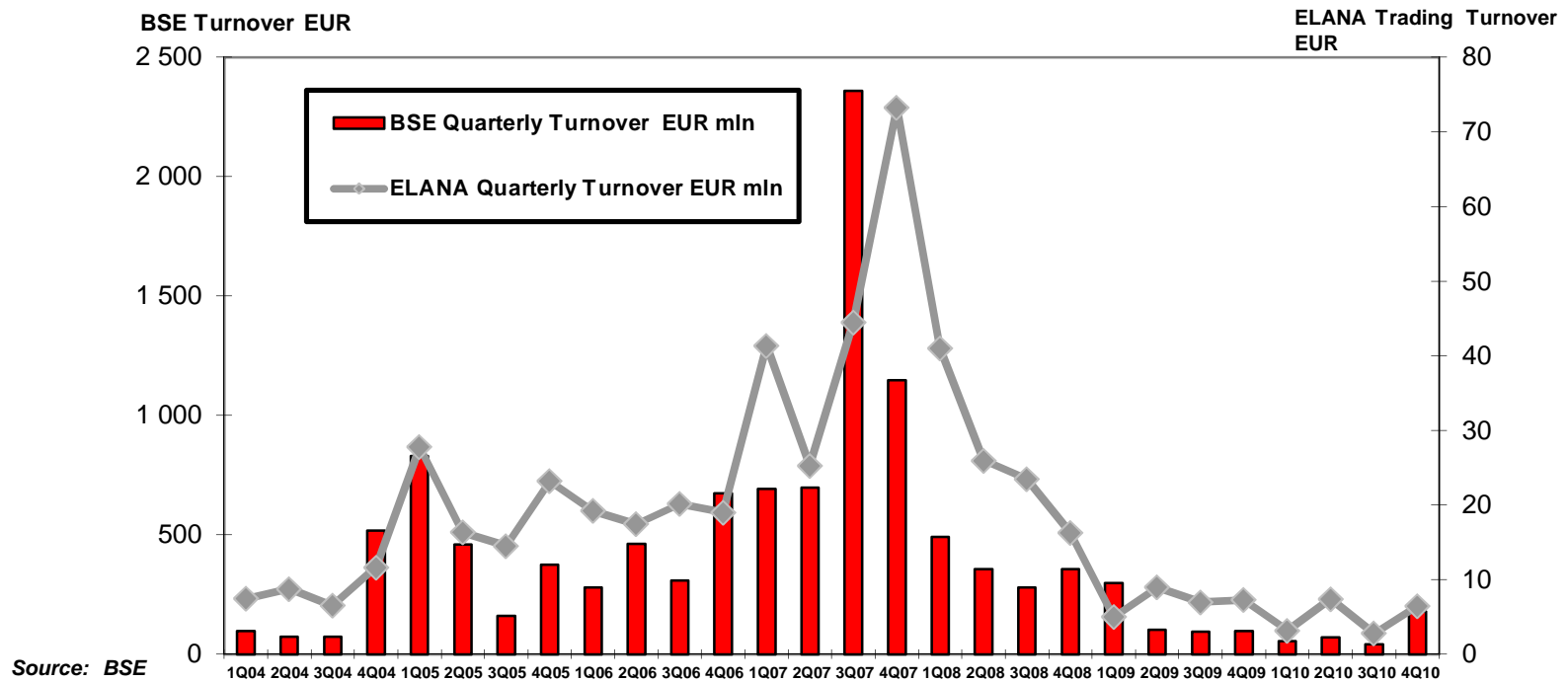
Structuring, placement, underwriting of equities and bonds

## **Research and Analysis**

Bulgarian stock market daily and weekly bulletin, international markets daily bulletin, monthly stock picks, in-depth analyses of BG companies, IPOs, as well as macroeconomic reviews and other economic research. Research reports are published by Thomson Reuters, Bloomberg and other financial information companies.



### ELANA Trading - Turnover on the Bulgarian Stock Exchange 2004 - 2010



**ELANA Property Management - A skilled and proved reliable Bulgarian partner for agricultural land business:**

- q Knows thoroughly the agricultural land market in Bulgaria – specifics of regions and plots; established mechanism and networks for making the best cost effective choice of land
- q Proficient in consulting purchase and sale of land, rezoning, selection and acquisition of land plots for wind and solar parks
- q Excelled at structuring and developing innovative investment products – some of them a first step on a newly emerged market

In 2005 ELANA introduced one of its most innovative investment products – the first real estate investment trust in Bulgaria that focused on investing in agricultural land: **ELANA Agricultural Land Opportunity Fund – EALOF.**

ELANA Property Management was selected to be the fund managing and administration company to EALOF from 2005 till March 2009. In the process of developing the new fund, ELANA Property Management was entitled to organize purchasing of quality agricultural land at the best cost available as well as to facilitate consolidation of the land in larger land plots, which were to be leased to agricultural producers and generate revenue for the fund from rentals. EALOF was initially planned to have a fixed term till 2012 when the land would be sold out and the profit distributed among the shareholders.

## Recognition:

q ELANA Holding was awarded for ELANA Agricultural Land Opportunity Fund REIT with the **Financial Product of 2005** at the International Financial Exhibition *Banks, Investments, Money*

q ELANA Agricultural Land Opportunity Fund was awarded Bulgarian REIT with **the Best Corporate Governance for 2007**

q ELANA Agricultural Land Opportunity Fund was **the only public company** included in all indices of the Bulgarian Stock Exchange

ELANA Investment is the consulting arm of ELANA Financial Holding.

ELANA Investment is a leading consultant to Bulgarian business and public administration in facilitating funding for their investment projects and programmes.

**The service:**

Providing consultancy to agricultural producers, enterprises and public administration in developing successful investment projects and business plans for applying for EU funding or for grants at international organisations.

**Highlights of achievement:**

- q Over 145 approved projects of companies worth over EUR 65 mln within EU Structural Funds in the last 3 years;
- q 120 approved projects of companies worth over EUR 35 mln within EU pre-accession programmes;
- q 100% of SAPARD projects consulted by the company wrapped up successfully investment process;
- q Successful implementation of the first EUR 3 mln EU Phare project for technical assistance to SMEs in Bulgaria.



ELANA Investment is certified by the ISO 9001:2008 standard with UKAS (UK) accreditation and ANAB (USA) accreditation:  
**Certificate No. BG13007Q ISO 9001:2008**

For the period of 2000 – 2011 ELANA Investment consulted the successful development and expansion of many Bulgarian companies and agricultural producers:

q **129 approved projects** of agricultural producers and municipalities at the amount of over BGN 89 mln within EU Rural Development Programme; framework agreement with Sofia Municipality for consulting RDP projects till 2013

q **16 approved projects** worth over BGN 39 mln (among the first round of contracts signed) at OP Competitiveness

q **1 approved project** worth approx. BGN 5 mln at OP Regional Development – energy efficiency measures at Blagoevgrad municipality

q Successfully developed and implemented **87 projects** for agricultural producers with funding from EU SAPARD programme at the amount of over EUR 33 mln from the beginning of the programme in 2001

q Successfully developed and implemented **15 projects** at the amount of over EUR 1 mln with EU Phare programme funding

q Successfully developed and implemented **9 projects** at the amount of over EUR 1,5 mln with funding from the Agriculture State Fund”

q Successfully implemented **the first EUR 3 mln EU Phare-funded project** in the country for consulting SME development

# ELANA HOLDING

ELANA entered the renewable energy sector in 2004. The investments in renewable energy are managed by ELANA Holding division for development and financing of renewable energy projects in Bulgaria - ELANA Energy Management.

## Highlights:

At present, ELANA Holding has developed or is in a process of developing a total of **35 projects** for electricity generation from wind and solar energy:

q 31 photovoltaic projects with total capacity of over 3MW;

q 4 wind energy projects with total capacity of 170.5 MW.

*Popsko* Wind power project and *Chal* Wind power project were awarded Certificate for Investment Class A by the Ministry of Economy and the Bulgarian Investment Agency:



## Sale of wind projects

ELANA Energy Management offers the development and sale of wind energy projects in regions of the country with high potential for the production of wind energy.

## Sale of solar projects

ELANA Energy Management provides development and sale of solar parks in regions of the country with high values of solar irradiation per square meter, which is the main feature for assessment of solar potential.

## **Project management**

ELANA Energy Management provides management activities for all stages of the project development of RES projects:

### **q Feasibility study**

The process includes the technical analysis of potential locations, the specific analysis of technical and financial factors, such as climate, geotechnical and topographical conditions, rate of return, payback period and others, as well as, the performance of onsite measurements and analysis according to approved assessment methodologies.

### **q Project development**

ELANA Energy Management provides development and preparation of wind and solar projects, as well as, full assistance with the provision of all necessary licenses and permissions related to the implementation of the projects.

## **q Technical project solutions**

ELANA Energy Management provides the client with the possibility to choose among several technical project solutions, for which technical simulations, scenario analysis and assembly variations are performed.

## **q Selection of technology and equipment and construction process management**

One of the main aspects for the successful realization of solar and wind parks is the technology used. ELANA Energy Management provides assistance for the selection of the most suitable technology and equipment as well as for procurement of the components.

Additionally, ELANA Energy Management manages and coordinates the entire construction process, thereby minimizing the technical risk during the construction process.

q ELANA Holding manages the Bulgarian Energy Efficiency Fund (BEEF) as part of the World Bank selected fund management consortium Econoler-EnEffect-Elana (EEE).

q BEEF is a lending institution established in 2004 by the Energy Efficiency Act to provide credits and credit guarantees for energy efficiency investment projects.

q The fund manages resources from the UN & WB Global Environmental Facility, the Governments of Bulgaria and Austria, and private Bulgarian donors.

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- q ELANA Money Market Fund was awarded Business New Europe 2009 Best Fixed Income Fund among funds investing in CEE and CIS.
- q ELANA Fund Management was awarded The Asset Manager of the Year four years in a row (2006 - 2009) within the annual rankings of the industry by The Banker Weekly.
- q ELANA Money Market Fund was granted the prize Investment Product 2007 at the International Financial Exhibition *Banks, Investments, Money*.
- q ELANA Trading was granted the 2006 to 2009 annual prizes by the Bulgarian Stock Exchange for top 3 brokerage by number of deals on the local stock market.



- q ELANA Agricultural Land Opportunity Fund REIT was awarded REIT with Best Corporate Governance 2007 by the Bulgarian Association of Investors
- q ELANA Holding was awarded for ELANA Agricultural Land Opportunity Fund REIT by The Financial Product of 2005 at the International Financial Exhibition *Banks, Investments, Money*
- q ELANA Trading got the annual prize of the Bulgarian Stock Exchange for the biggest number of issues in 2005
- q ELANA Trading got the award Financial Product of the Year for its web-based trading platform ELANA Trader 2.0 at the International Financial Exhibition *Banks, Investments, Money* (2003)
- q ELANA Fund Management got the award Financial Product of the Year for its first mutual fund ELANA Eurofund at the International Financial Exhibition *Banks, Investments, Money* (2003)



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