

ENEFI Energy Efficiency Plc.

EXTRAORDINARY ANNOUNCEMENT¹

pursuant to the Capital Market Act and to decree No. 24/2008 (VIII. 15.) of the Minister of Finance

ENEFI Energy Efficiency Plc. (“Company”) hereby informs its Honourable Investors that the Romanian affiliate thereof, E-Star CDR srl. has informed the Company about the following:

As opposed to the different news in the press, there is still no agreement between CDR and the Municipality of Gheorgheni about the settlement of the dispute.

Considering the efficient mediation of the competent Romanian Prefect (representative of the government at county level), CDR is trying to maintain limited service up to the incoming amounts; in the event, however, that the incomes do not cover the expenses, it shall not be able to maintain the service. CDR practically does not see any realistic chance for an agreement.

The Prefect tried to facilitate the settlement of the dispute and the maintenance of the safety of the service with helpful intent and ensured the Town that following the final takeover of the district heating system by the Town, if the municipality submits a reasonable application, he shall reserve the right to compile a note of bases required for a government decree proposal, to apply for financing from the government budget.

In spite of the above, in the recent period, the leaders of Gheorgheni have not even been able to acknowledge the fact constituting the basis of the agreement and the payment, i.e. the termination of the agreement by CDR and therefore the termination of the agreement in spite of the previous court decisions and they even refused to pay the previously acknowledged price difference.

On the basis of the public community message of the chair of the Harghita County Council it can be concluded that the Town has not been able to address the county council with the problem since Autumn 2015, although according to the statement made by the chair of the Harghita County Council they had funds as well as intent to solve the situation.

According to the viewpoint of CDR, it is obvious that the Town would be able to solve the situation, but CDR does not see any real intent to do so from the leaders of the Town, therefore it still sees that its claim may be realistically enforced in a lawsuit.

CDR and the Company hereby also calls the attention of its Honourable Investors to the fact that they should get informed from the communication of the Company and not from

¹ The present extraordinary announcement is the translation of the Hungarian announcement. In case of any discrepancies between the Hungarian and English language versions the Hungarian version shall prevail.



Romanian and Hungarian press, particularly because neither the media, nor the news agency referred to as the basic news addressed the Company prior to the unilateral publications.

Board of Directors
ENEFI Energy Efficiency Plc.