

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. (the “Company”) hereby notifies its reputable Investors that an item on the agenda and a proposal for decision has been submitted by the shareholder entitled to do so for the next general meeting as follows:

Proposal for agenda:

Sale of 100% business share of E-Star CDR srl and the claims of the corporate group against E-Star CDR srl for at least the total amount of HUF two billion five hundred million and a conclusion of an out of court agreement with the Municipality of Gheorgheni for at least the amount of HUF two billion five hundred million.

Proposals for decision:

*1: The general meeting shall decide that it authorises the Board of Directors of the Company to commence and conduct negotiations with potential emptors in the subject of the sale of 100% business share of E-Star CDR srl operating the last Romanian project of the corporate group and the claims of the corporate group against E-Star CDR srl. The future sale price to the emptor shall not be less than the total amount of HUF **two billion five hundred million** (business share and claims). The general meeting shall approve in advance now for the potential sale of the business share of E-Star CDR Kft. and its claims against E-Star CDR Kft., however it shall not support any purchase price below HUF **two billion five hundred million**, therefore it shall prohibit the Board of Directors of the Company to sell the 100% business share of E-Star CDR srl and the claims of the corporate group against E-Star CDR srl below HUF two billion five hundred million. **After making the present decision, the approval for the amount of HUF two billion five hundred million shall be increased by 20% compound interest annually.***

*2: The general meeting shall decide to authorise the Board of Directors of the Company that E-Star CDR srl operating the last Romanian project of the corporate group shall conduct negotiations with the Municipality of Gheorgheni in order to reach an out of court agreement and in case of a potential agreement and the payment of HUF **two billion five hundred million** consideration undertaken by the Municipality, it shall rescind from future lawsuits, however it shall not support any out of court agreement below HUF **two billion five hundred million** therefore it shall prohibit the Board of Directors of the Company to conclude any agreement on E-Star CDR srl below this amount of money. **After making the present decision, the approval for the amount of HUF two billion five hundred million shall be increased by 20% compound interest annually.***

Explanation:

Significant amount of time has passed since the decisions were made by the general meeting of the Company on 11/07/2016. In the light of the favourable court decisions that have been made meanwhile it is reasonable to revise the previous decisions of the general meeting and to determine a higher minimum amount.

Board of Directors

ENEFI Energy Efficiency Plc.

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.