

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 today:

Târgu Mures Regional High Court finally rejected the appeal of Gheorgheni city with county authority against the Town Council and E-STAR CDR srl by its decision announced on 13/10/2016 after office hours*.

The explanation of the decision has not been published yet, however according to the opinion of the Company, the decision may be favourable to the legal basis of the case for the compensation of damages filed against Gheorgheni city with county authority by E-Star CDR srl. Furthermore considering the final decision made by the Târgu Mures Regional High Court in case No: 37/96/2016 (under which E-Star CDR srl shall provide services until the final settlement of the present case) E-Star CDR srl is not obliged to provided services from today and the City shall take over the district heating system and the operation thereof from the company.

Having assessed the current situation, the Company shall publish a further announcement tomorrow in relation with its Gheorgheni project and its Romanian operation.

Board of Directors
ENEFI Energy Efficiency Plc.

*“As a reminder: On 4th September 2015 E-Star CDR s.r.l. terminated the district heating services agreement with the approval of the General Meeting of ENEFI Energy Efficiency Plc. which had been concluded with the Municipality of Gheorgheni. The Company has published multiple announcements about the legal dispute and the lawsuits following the termination at its places of publication. In the case filed by Gheorgheni city with county authority against the Town Council the Town requested the Harghita County Tribunal to state that the district heating price was accepted at the Town Council meeting held on 19/03/2015 which the Towns also supplemented by an further claim in which it requested to annul the termination of the concession announced by E-Star CDR srl to the Town. The Harghita County Tribunal rejected the claim of the Town at first instance on 07/04/2016. The Town exercised its right to appeal.

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.