

ENEFI Energy Efficiency Plc.

EXTRAORDINARY ANNOUNCEMENT

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

ENEFI Energy Efficiency Plc hereby informs its Honourable Investors on the basis of the notification from the Romanian operations as follows:

In the lawsuit of the affiliate of ENEFI in Gheorgheni (CDR) against the Municipality of Gheorgheni the court made the following judgement without explanation today in the repeated hearings:

- The claim of the Municipality is refused.
- The objection of the Municipality against the positive price assessment of the price-control authority (ANRSC) is refused.
- The claim of CDR is approved in connection with the legal basis (the Court notes that the concession contract was terminated on 07.09.2015.),
- The Municipality is obliged to pay RON 300 as costs of litigation.
- Term for appeal is 15 days from the date of reception of the decision with explanation.

In the lawsuit of CDR against the Municipality of Gheorgheni the action filed by CDR had been previously rejected on first instance which decision was annulled by the second instance court of justice obliging the court of justice to conduct new proceedings. The legitimacy of termination and establishing the amount of compensation for damages was divided in the lawsuit. Today's decision is a significant step forward in this dispute since in case it becomes final and effective the lawsuit will be limited to establishing the amount of compensation for damages. Claim in action: approx. EUR 28 million.

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