
E-STAR ALTERNATIVE PLC. "CS. A."
EXTRAORDINARY ANNOUNCEMENT

Pursuant to the Capital Market Act and
to Decree no. 24/2008 (VIII.15) of the Ministry of Finance of Hungary

The Management Board of E-Star Alternative Plc in debt arrangement bankruptcy (hereinafter: **Company**) announces that on 11 April 2013 a subsidiary of the Company, i.e. E-Star Elektrociepłownia Mielec Sp. z o.o. with its registered office in Mielec at ul. Wojska Polskiego 3, 39-300 Mielec, entered into the National Court Register (KRS) under number 0000018849 by the District Court in Rzeszów, 12th Commercial Division, Tax Identification Number (NIP) 817-000-52-88, Statistical Identification Number (REGON) 690239465, share capital of PLN 9,994,000.00 (hereinafter referred to as **ESEC Mielec**), signed a consolidation agreement (hereinafter referred to as the **Agreement**) between the following parties:

- Agencja Rozwoju Przemysłu S.A. [Industrial Development Agency] with its registered office in Warsaw, at ul. Nowy Świat 6/12, 00-400 Warsaw, entered into the register of entrepreneurs of the National Court Register kept by the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register under number KRS 0000037957, Tax Identification Number (NIP) 526-030-02-04, Statistical Identification Number (REGON) 006746410, share capital of PLN 4,804,008,000.00 (hereinafter **ARP SA**).
- Energia Euro Park Sp. z o.o. with its registered office in Mielec at ul. Partyzantów 23, 39-300 Mielec, entered into the register of entrepreneurs of the National Court Register kept by the District Court in Rzeszów, 12th Commercial Division of the National Court Register, KRS number 0000432700, Tax Identification Number (NIP) 817-21-72-671, Statistical Identification Number (REGON) 180866889, share capital of PLN 11,500,000.00 (hereinafter referred to as "**EEPark**").

Subject of the Agreement:

1. A consolidation of two companies:

- Euro-Energetyka Sp. z o.o. with its registered office in Mielec, at ul. Wojska Polskiego 3, 39-300 Mielec, entered in the National Court Register (KRS) by the District Court in Rzeszów, 12th Division of the National Court Register under number KRS 0000080140, Statistical Identification Number (REGON) 690552200, Tax Identification Number (NIP) 8171708649, share capital of PLN 500,000.00 (hereinafter **Euro-Energetyka**), being a subsidiary of ESEC Mielec in which ESEC Mielec holds 51% of shares, while 49% of shares is owned by ARP SA and
- **EEPark**) in which 100% of shares is owned by ARP SA.

2. Determination of the principles of the consolidation of Euro-Energetyka and EEPark and obligations of ESEC Mielec, ARP SA. and EEPark arising from the consolidation, including amendment of the articles of association of EE Park and a change of the principles of capital increase in EEPark,

3. Determination of the principles of taking over by EEPark the function of the Distribution System Operator from Euro-Energetyka.

4. Determination of the principles of cooperation in the area of the electricity distribution and inter-operator cooperation between ESEC Mielec and EEPark.

Re: 1 and 2

A consolidation of Euro-Energetyka and EEPark will be effected by means of an increase of the share capital

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of EEPark from PLN 11,500,000.00 to PLN 16,491,000 by creating 9,982 new shares in EEPark, of which ESEC Mielec will take up 2,958 shares in exchange for 51 shares of Euro-Energetyka with the value of PLN 1,479,000 and 4,182 shares in exchange for a cash contribution. ESEC Mielec will take up a total of 7,140 shares in EEPark. After the increase of EEPark share capital, the share capital will be divided into 32,982 shares. ESEC Mielec will hold 7,140 shares, i.e. 21.65% of shares in the value of the share capital of EEPark. The remaining shares will be owned by ARP SA, ESEC Mielec will have a pre-emptive right to purchase EEPark shares if they are sold by ARP SA.

After the increase of the share capital of EEPark, a merger of Euro-Energetyka and EEPark will be effected in the form of an acquisition of Euro-Energetyka by EEPark.

The conclusion of the consolidation agreement was aimed at enabling further participation of Company's subsidiaries in the electricity distribution in the "Euro Park" Special Economic Zone in Mielec. Previously, Euro-Energetyka used for this purpose a distribution network leased from ARP SA, however the lease agreement was terminated by ARP SA and EEPark became the owner of the distribution network. Euro-Energetyka thus lost the actual possibility of conducting its activities within the previous scope.

As a result of the consolidation agreement ESEC Mielec will become a shareholder in EEPark being the owner of the distribution network in the "Euro Park" Special Economic Zone with the value after the consolidation of approximately PLN 14,000,000 and conducting the activities related to the electricity trade and distribution in the Zone.

Re: 3

In addition, the agreement provides for the determination of the principles of taking over by EEPark the function of the Distribution System Operator in the "Euro Park" Special Economic Zone in Mielec from Euro-Energetyka which performed this function to date.

Re: 4

EEPark and ESEC Mielec also committed themselves to inter-operator co-operation and undertook to perform mutual settlements in accordance with applicable laws, in particular on the basis of the provisions of the tariff regulation for electricity and tariffs for electricity distribution approved by the President of the Energy Regulatory Office, taking into account the legitimate interests of the parties.

Period of Agreement performance:

ESEC Mielec expects that the consolidation process will be conducted in 6 months from the conclusion of the Agreement, however the actual performance period is subject to change. The Agreement was concluded under a condition precedent in the form of obtaining an approval of the General Meeting of ARP SA of the conclusion of the Agreement.

April 12th 2013, Budapest

Csaba SOÓS
CEO & Chairman of the Board
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