

THE BUSINESS REPORT OF GENESIS ENERGY PLC.

A. General data of Genesis Energy Plc.

1. Company name, registered seat, foundation, company data

Genesis Energy Investment Public Limited Company

Abbreviated company name: Genesis Energy Plc.

Registered seat: 1137 Budapest, XIII. Szent István krt. 18.

Date of the Articles of Associations: 20 December, 1983

Date of the company registration: 17 July, 1984

The company was registered at the Metropolitan Court, as court of registration. Company registration number: 01-10-041020

Company form: Public Limited Company

Date of the current Articles of Associations: 2009.11.03

The Company was founded for an unlimited period of time.

The business year of the Company corresponds with the calendar year, in case of the parent company and the subsidiaries as well.

dr. Mencz Julianna, representing Audisoft Kft.

The Company publishes its announcements on the website of the Budapest Stock Exchange and on its own website, furthermore, it sends them to the media and information storage system (www.kozzetetelek.hu) according to the provisions of law.

2. Scope of activity

The following activities belong to the scope of activities of the Company according to the Standard Sectoral Classification of Economic Activities (TEÁOR'08):

Main activity:

6420	Asset management (Main activity)
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The main activity of the Company is asset management (activities of holding companies). The company has performed investments in various industrial sectors in the course of its operation and it created a diversified investment portfolio. Genesis Technology Fund obtained significant participation in the Company in the course of the capital increase of 29 August, 2006 (and since then it participated in another capital increase). The main shareholder significantly changed the scope of activities of the Company. The name of the Company was changed to Genesis Energy Investment Public Limited Company. According to the business plans, Genesis intends to build a factory manufacturing photo-voltaic solar panels, and to attain these plans, it established project companies. The Company helps its subsidiaries in the field of asset management to prepare the

investments. An overview of the key facts in connection with the activity of the Company can be found in Chapter 5.

Further activities:

4110	Development of building projects
5210	Warehousing and storage
5821	Publishing of computer games
5829	Other software publishing
5920	Sound recording and music publishing activities
6201	Computer programming activities
6202	Computer consultancy activities
6203	Computer facilities management activities
6209	Other information technology service activities
6311	Data processing, hosting and related activities
6399	Other information service activities n.e.c.
6820	Renting and operating of own or leased real estate
6832	Management of real estate on a fee or contract basis
7010	Activities of head offices
7021	Public relations and communication activities
7022	Business and other management consultancy activities
7733	Renting and leasing of office machinery and equipment (including computers)
7740	Leasing of intellectual property and similar products, except copyrighted works
7490	Other professional, scientific and technical activities n.e.c.
8110	Combined facilities support activities
8230	Organisation of conventions and trade shows
8299	Other business support service activities n.e.c.
8560	Educational support activities

B. Securities structure

1. Issue dates, capital increases

Year	Increase (HUF thousand)	Equity capital (HUF thousand)
1983 (foundation)	124.500	124.500
1988	28.000	152.500
1989 March	40.000	192.500
1990. February	10.250	202.750

1990. March	200.000	402.750
1990. May	22.250	425.000
1991. May	42.500	467.500
1993. December	66.786	534.286
1995. May	20.000	554.286
1997. April	110.857	665.143
1998. May	133.029	798.172
2002. January	199.500	997.672
2006. July	2.400.000	3.397.672
2007. November	603.908	4.001.580
2009. July*	666.666	4.668.246
Altogether:	4.668.246	4.668.246

The capital increase was registered on 5 January, 2010. The new share package arising from the capital increase, 1.333.333 pieces of shares, will be listed on the stock exchange on 2nd April 2010.

2. Share types

Each share is registered, has a face value of HUF 500, represents equal rights and is dematerialized share. Among the 9,336,493 pieces of shares, the 1,333,333 pieces of shares which were issued in the course of the capital increase as of 2009, will be listed on the stock exchange prior to the general meeting as of 19 April 2010, foreseeable on 2 April, 2010.

The Company does not limit the transfer of the participation interests, however, the regulations of Act CXX of 2001 on Capital Markets apply to the acquisition of a participation interest reaching or exceeding the level set forth by the law.

The Company has not issued shares granting special management rights.

No employee participation system operates at the Company.

The voting rights are not limited at the Company.

The Company has no knowledge of such agreements between the shareholders which would result in the limitation of the transfer of the shares.

2. The shareholder structure

Name of the shareholder group	With respect to the listed series					
	01. 01. 2009.			Based on the data of the general meeting held on 19. 10. 2009.		
	Shareholder's proportion %	Voting proportion %	Pieces	Shareholder's proportion %	Voting proportion %	Pieces
Local institution/company	29.94	29.94	2,395,559	29.15	29.15	2,332,772
Foreign institution/company	69.49	69.49	5,561,611	70.85	70.85	5,670,388
Local natural persons						
Foreign natural persons						
Employees, managing officers	0.57	0.57	45,990			
Company owned shares						
Owner part of the general government						
International development institutions						
Others						
Altogether	100	100	8,003,160	100	100	8,003,160

The Company is member of the Genesis company group. The most significant shareholders of the Company (over 5 %) are displayed in the below chart, in respect of the status as of 2 April 2010, regarding the total equity capital.

Name	Nationality	Activity	Amount (pieces)	Participation (%)	Voting rights (%)	Remark
Genesis Investment Funds Ltd.	Foreigner	Business association	4 298 300	46.03%	46.03%	Financial investor
STP Technologies Pte. Ltd.	Foreigner	Business association	800 000	8.56%	8.56%	Financial investor
Acquisition Pro Ltd.	Foreigner	Business association	1 116 217	11.96%	11.96%	Financial investor
Altogether:			6 214 517	66.55%	66.55%	

Genesis Energy and its subsidiaries do not own the shares of the companies.

4. The development of the share prices

The annex contains the illustrative chart regarding the development of the prices.

C. Management, employment

The development of the number of the full-time employees (person)

	End of basis period	Beginning of the reference year	End of the reference period
On the level of the Company	4	4	1
On the level of the Group	4	4	1

As a consequence of the changes executed at the end of the year 2009, the Company currently has one employee. After the general meeting as of 29 April 2009, the management of the Company is managed by the Management Board.

The Articles of Association does not contain further regulations beyond the rules of Act IV of 2006 on Business Associations (**BA**) regarding the appointment and removal of managing officers and the modification of the Articles of Association

The Management Board acts in the capacity set forth in the BA.

Based on the resolution of the general meeting as of 29 April 2009, the composition of the Management Board has changed as follows:

Edward Michael Andrew Mier-Jedrzejowicz / Chairman
 Dr. Gábor Rényi
 Dr. Eckardt Michael Bihler

Dieter Hentschel
 Damian J. Greco
 Dr. József Bulcsú Fenyvesi
 Dr. Mihály Barcza

The general meeting as of 19 October 2009 decided to change the composition of the Management Board, in order to reallocate the tasks. The change of the personal composition of the Management Board of Genesis Energy Investment Plc. reflects the goal to have more American businessmen and financial experts in the Management Board, in accordance with the agreement concluded with Cogenco and the business goals.

Dr. Gábor Rényi resigned from his membership and expressed his intentions to transfer the management of the Company. Dr. Eckardt Michael Bihler and Mr Dieter Hentschel will be the most important technical leaders of the investments planned by the Company in Spain. Mr Damian J. Greco took up the management of the Spanish subsidiary, while Dr. József Bulcsú Fenyvesi and Dr. Mihály Barcza will hereinafter participate as legal counsels in the life of the company.

The composition of the Management Board is subsequently and currently the following:

Edward Michael Andrew Mier-Jedrzejowicz / Chairman
 Herald A.M.A. Janssen
 Dr. Tamás Matarits
 John G. Adair
 Robert L. Kubik

Managing executives and (strategic) employees influencing the operation of the Issuer

Nature ¹	Name	Position	Start of mandate	End/termination of mandate	Number of owned shares (piece)
ITT	E.M.A. Mier-Jedrzejowicz	Chairman of the Management Board	19.10.2009.	19.04.2010.	0
ITT	Herald A.M.A Janssen		19.10.2009.	19.04.2010.	0
ITT, AB	Dr. Tamás Matarits	Chairman of the Audit Committee	19.10.2009.	19.04.2010.	0
ITT	John G. Adair		19.10.2009.	19.04.2010.	0
ITT	Robert L. Kubik		19.10.2009.	19.04.2010.	0
Number of owned shares (piece) A L T O G E T H E R:					0

D. Detailed Description of Activity and Management

1. Activity

According to the original business plans, Genesis Energy intended to set up solar panel factories in three countries, in Hungary, Spain and Singapore. In November 2006, the Company established Genesis Solar Magyarország Ltd. (Limited Liability Company) in order to carry out the investment plans in Hungary. The project in Spain is to be implemented by Genesis Solar SL, a Company incorporated in Spain, purchased in October 2006. Genesis Energy purchased a participation interest of 75% in 2007 and additionally, a participation interest of 25% in 2009 in Genesis Solar Singapore Pte. Ltd., which is the host of the Asian project.

According to its business plan, the Company intends to produce solar panels based on thin layer technology. Compared to the conventional ones, the top performance of thin layer solar panels is lower, however, the overall daily efficiency of the latter is the same or higher, than the conventional ones. The advantages of the this technology, developed by the American company Applied Materials and already applied in the LCD-industry, are the need of only a thin active layer on the surface of the carrier, few-steps-method production of large panels, the ensured supply and overall low need of raw materials and the low cost of production.

Genesis Solar Espana SL was granted the building permit of a 98 MWp capacity solar panel factory in Cadiz. Genesis Energy increased the capital of its Spanish subsidiary several times in order to finance the investment. The equity capital of Genesis Solar Espana S.L. was EUR 7,247,766 after the registration as of January 30 2009. The goal of the capital increase is that the project companies bear the costs of the future industrial investments and that the necessary own resources are available in order to be able to contract loans and to avail aids.

According to the business plans regarding the Spanish factory, the investment cost of the 98 MWp capacity solar panel plants is EUR 157,200,000. Genesis Solar Espana S.L. receives a non-refundable cash grant of EUR 14,670,000 based on the investment incentive programme of the Government of Andalusia, and a non-refundable cash grant of EUR 5,640,000 from the Spanish Ministry of Economy and Finance as an aid for the establishment of the solar panel factory in Cadiz. The total amount of the available support is 20,310,000 Euro, which is almost 14% of the planned investment amount. As a further sign of the state engagement Genesis Solar Espana SL received an interest-free loan of HUF 4,500,000 for a ten-year term, beyond the already granted state aids. The total awarded amount of aid was paid to the Spanish company by the Ministry of Industry, Tourism and Trade for the projects to be implemented in El Puerto de Santa Maria. In November 2009, the Spanish subsidiary closed the tender process and selected the factory building constructor that is the Bahia San Kristobal S.L., a medium sized private company with 30 years of past and experience.

The Company and the developer of the business park of Tatabánya (IPH LLC) signed a contract in 2008, on the basis thereof Genesis Solar Magyarország LLC purchased a 75,000 m² land on the territory of the business park. The appropriate reclassifying, land shaping and infrastructural tasks as well as land development have been completed. Because of the liquidity problems occurring in the second half of the year, the subsidiary was not able to perform its obligations under the contract hence it made an agreement with IPH LLC about the roll-over of its debt. As a result of the economic crisis and the tightening of the capital markets, the Company decided to concentrate its scarce resources on the construction of the factory in Spain. Therefore, the Company had to give up its investment plans in Hungary; it could not perform its obligation against IPH LLC even under the postponed time limits. The Management Board needed to defer the Hungarian project temporarily.

In order to reorganize the losses, the company decreased its equity capital to HUF 55,000,000.

The Company, as a first step of the expansion to Asia, purchased a participation interest of 75 % in STP Production Pte Ltd, owned by STP Technologies Pte Ltd, the name of which was changed to Genesis Solar Singapore Pte Ltd. The aim of the acquisition was to establish a basis to produce thin-layer solar panels. The minority holding was acquired by Genesis Investment Fund Ltd. that is the majority shareholder of Genesis Energy Plc.; therefore, 100 % of the Company was acquired by the Genesis group. From the sources arising from the capital increase in the end of 2009, the Company purchased the additional share of 25 % of Genesis Solar Singapore Pte.

On August 12th 2009, Genesis Energy Investment Plc. and Congeco International Inc, Denver, USA signed a sale and purchase agreement (SPA) on the basis thereof Genesis Energy sold its three subsidiaries. Meanwhile, Cogenco International Inc changed its name to Genesis Solar Corporation (GSC). The Company made it public already in April 2009 that a joint declaration of intent was signed by GSC and Genesis Energy about the sale of shares and business quotas of Genesis Solar España, S.L. (GSE), Genesis Solar Singapore Pte. Ltd. (GSS) and Genesis Solar Hungary PLC (GSH).

The SPA prescribes certain obligations of the Parties and assumes that various steps are taken before and after the agreement enters into force. Since the agreement only enters into force if several preconditions are fulfilled, GSC cannot guarantee the closing of the transaction. The extraordinary General Meeting approved the agreement on the 15th of September 2009.

The agreement between GSC and Genesis Energy was modified twice. According to the agreement in force, GSC purchases all participation interests of GSE and GSS, which are the subsidiaries of Genesis Energy (hereinafter referred to as Purchased Undertakings) and the know-how owned by the Company as well, and continuously reserves its purchase option regarding all business quotas of GSH.

The Management Board, exercising the power granted to it by the resolution Nr. 1/2008. (X.27.) of the general meeting of Genesis Energy Investment Plc., decided on 9 July 2009 to increase the equity capital of the private limited company by way of private placement of new shares, against contribution in cash, with minimum HUF 283,333,000 and maximum HUF 833,330,000. The issue value of the new shares issued in the course of the capital increase was EUR 3/piece of ordinary share

As a result of the closing of the subscription process in connection with the issuance in October, the shareholders of the Company, according to their preferential subscription rights, undertook to take over 1,333,333 new dematerialised equity shares in a total issue value of EUR 4,000,000 and with a face value of HUF 500 and they paid the whole amount of the contribution in cash prescribed in the referred decision of the Management Board. Based on the above, the amount of the capital increase is HUF 666,666,500. The subscription value of one share is HUF 809.

Genesis Capital Management Ltd., which made a preliminary declaration of commitment regarding the subscription of the shares, subscribed 853,524 pieces of shares, and Acquisition Pro Ltd., which belongs to the interest of Dr. Gábor Rényi, who was the chief executive officer at this time, subscribed 479,809 pieces of shares.

The general meeting as of 19 October 2009 decided to change the composition of the Management Board, in order to reallocate the tasks. The change of the personal composition of the Management Board of Genesis Energy Investment Plc. reflects the goal to have more American businessmen and financial experts in the Management Board, in accordance with the agreement concluded with Cogenco and the business objectives.

After the completion of the SPA, the owners of Genesis Energy shall decide about the future of the Company. After the listing of the shares of GSC on an American stock exchange, the shareholders of Genesis Energy will be granted the possibility to exchange their shares to the shares of Genesis Solar Corporation.

2. The portfolio

Name	Participation (%)	Vote(%)	Equity capital	Currency	Classification
Genesis Solar Espana S.L.	100	100	7.248	(000) EUR	Subsidiary
Genesis Solar Magyarország Ltd.	100	100	55	(000) HUF	Subsidiary
Genesis Solar Singapore Pte. Ltd. *	75	75	5.705	(000) SGD	Subsidiary

* The 100% participation has not been registered until the date of the prospectus

3. Utilization of financial instruments

Currently not relevant.

4. The price, credit, interest, liquidity and liquid assets flow exposures of the Company in 2009.

The Company has no bank credit, the outstanding loans and corresponding interests may be found in the supplementary annex. The liquidity exposure of the Company is significant since the Company does not have turnover; its liquidity depends on the payment ability of the main shareholder (the main shareholder is the biggest debtor of the Company).

5. The risk management policy and the hedging policy of the Company

Currently not relevant.

6. Financial and non financial performance indicators relevant for the Company (Subsection (3) Section 95 of the Accounting Act)

May be found in the the Hungarian language annex to the business report.

7. Strategic orientation, business concept

Beyond the performance of the SPA, the future of the Company may be determined by the contract concluded on 16 March 2010 between the following investors: Vital Source S.A., which is member of the institutional investment group Vital Planet, operating on the field of renewable energy, and Logical Mining CC, Pinning Properties CC, Calypso Mining Advisors CC, Mohikan Development CC, which are enterprises registered in South Africa and deal with mining, and the original investors of Genesis Energy, GIF and GCM.

The aim of the agreement is such a capital increase of the Company, which shall not be lower than HUF 21,580,140,000 (approximately EUR 81 million) in case of a capital increase exclusively via contribution-in kind, but even in case of a contribution in cash it shall not exceed HUF 24,080,140.000 (approximately EUR 90 million. The face value of the new shares to be issued is the same as of the previously issued shares, which is HUF 500. According to the above, the minimum number of the shares to be issued is 43,160,280 pieces and the maximum is 48,160,280 pieces. The new shares are registered, dematerialized ordinary shares, which represent equal rights as compared to the previously issued shares.

By way of this capital increase, Genesis Energy intends to accumulate more capital in order to accomplish its business plans. One of the aims of the planned capital increase laid down in the agreement is to develop further the solar panel projects, to obtain new capital for the Spanish project in order to finish the construction of the factory building and to accomplish the conditions necessary to receive state aid and further state subsidised Spanish loans. The capitalisation of GSE is the first and more important step for the financing in order to qualify for ordering of the manufacturing equipment.

The other aim of the capital increase is to create a new business profile for Genesis Energy. Beyond Vital Source S.A., the other group of the investors is formed of such South-African companies the contribution-in kind of which is primarily the participation interest in various Hungarian companies, which contributions in kind consist of, among others, the shares and business quotas, machines, equipment and other asset elements such as barite lenses,

overburden dumps and other research and mining rights held by these investors, such as RK Bányatársaság Kft., holding research rights at Rudabánya, Rudaferrox Kft., Pólus Ferroclean Kft., CEMCC Zrt., Ferroflock & Ferroblokk Zrt., Rudagipsz-Mix Zrt, Pólus Szikla Kft., Atombeton Kft. and Pólus Kincs Zrt. The name of Genesis Energy will probably change to „Genesis Energy and Mining Investment Plc.“

The four South-African companies deal with mining activities and processing of secondary raw materials originating from the mines at Rudabánya, on North-East Hungary. The real estates owned by the companies possess hidden reserves beyond their audited value as contribution in kind. According to a Hungarian State Geology Service certificate, the minerals minable at the owned real estates represents a possible value of USD 1,5 - 2,0 billion. The rest of the already partially mined polymetallic minerals also constitutes a part of the minerals, which further promotes the value of the asset of the present deal. Beyond the numerous non-metallic and metallic minerals, such as calcite, certain metallic ores, iron ore, zeolite, Rudabánya is rich in barite (BaSO₄), which serves as base material for self-congregating, shielding heavy concrete and shielding renderings. Subsequent to the closing of the capital increase, Genesis Energy plans to establish a blending plant producing dry mixture of shielding heavy concrete, beyond other investments. The aim of the project is to establish manufacturing capacities of such products, for which barite is used and which products can be directly used in the nuclear industry in the Middle-Eastern European region and other EU-countries.

The investor group has its own research and development centre, and developed outstanding relationships with universities, mining societies from abroad and industrial specialists. The sale of the concrete products has already started on the Russian market. The common goal of the parties is to reopen the mines of Rudabánya, which were closed in 1985 and are forgotten ever since. By way of modern and cost efficient technologies, the extraction can be restarted and the extracted minerals may be sold on the world market at a good price. Considering the hidden reserves of the various mines, the minable value is still higher, than the value of the minerals extracted during the past 80 years of operation. The investment groups have committed themselves to the capital increase in accordance with the agreement executed on 16 March 2010, and the shareholders of Genesis Energy have undertaken to pass the corporate resolutions necessary for the capital increase in due time, and to take the appropriate steps without delay.

8. The Company's environment-related responsibilities, the role of environment protection determining, influencing the Company's financial situation

Currently not relevant.

Environmental protection related developments, completed and anticipated, and any aid in connection therewith

Currently not relevant.

The Company's policy regarding the measures of environment protection

Currently not relevant.

Environment protection measures, their implementation

Currently not relevant.

9. Events after closing the balance sheets

After the successful completion of the capital increase, the Management Board completed two significant transactions. On one hand, the Company purchased the minority participation interest of GSS, 75 % of which had already been owned by the Company, from its main shareholder, Genesis Investment Funds Ltd, which qualifies as an affiliated company of the Company. By way of this transaction, the Company is capable to accomplish the provision of the sale and purchase agreement concluded with GSC, which stipulates that 100 % of the subsidiaries shall be sold. (In December 2009, the Company purchased minority participation interest in GSE, in the form of 2 pieces of shares, according to the conditions set forth in the SPA.)

The other relevant transaction, which was financed by the capital increase, was the payment of the amounts arising from the termination of the contracts with the Company's suppliers, according to the provisions of the SPA, also including the severance payment of the chief executive officer, who offered his resignation in order to promote the planned changes.

The declaration of the issuer

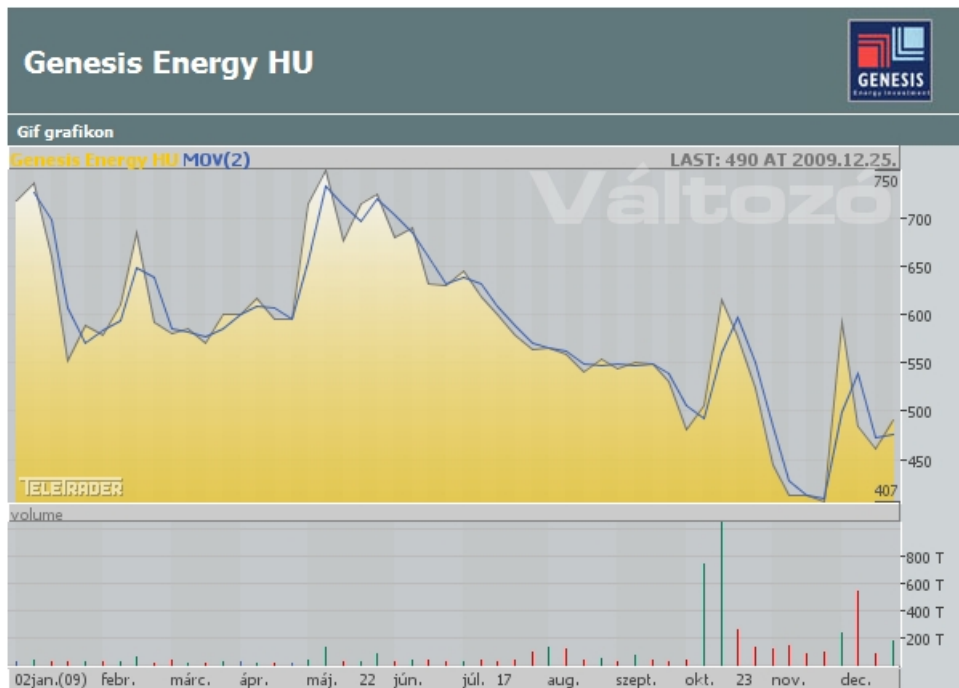
The issuer assumes responsibility for the data and allegations of the annual report corresponding with the truth and does not conceal such facts which bear importance in respect of the assessment of the issuer's state.

Publication

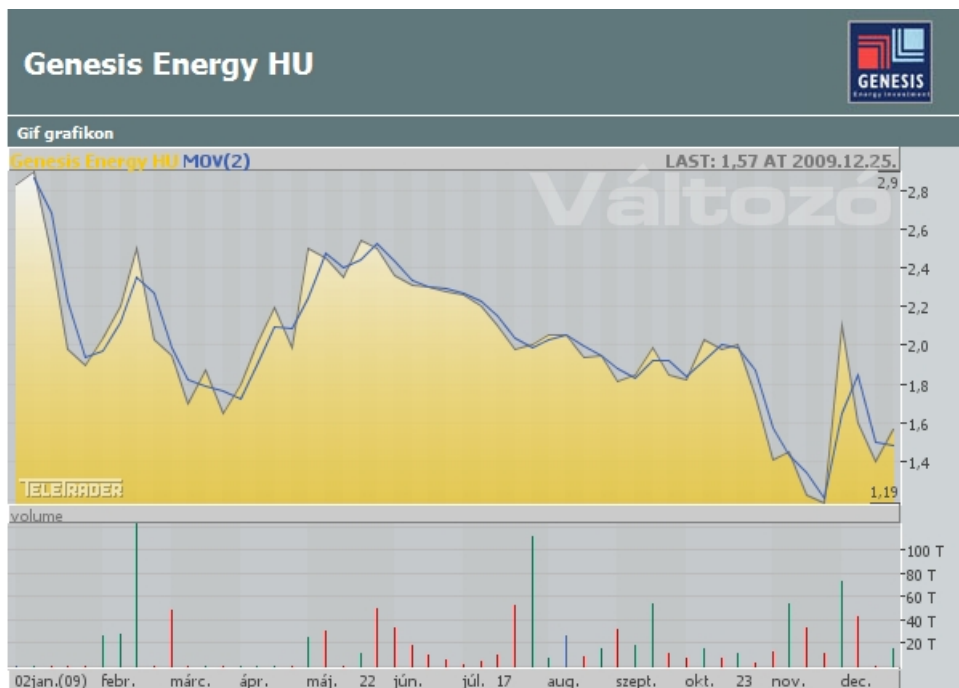
The annual report of the issuer will be published on the website of the Budapest Stock Exchange (www.bet.hu), on the website run by HFSA (www.kozzetetelek.hu) and on the Company's own website (www.genesisenergy.hu). The report will be available for inspection at the registered seat of Genesis Energy Plc. (1137 Budapest, Szent István krt. 18.) on working days between 9 a.m. and 16 p.m.

Budapest, 2nd April 2010.

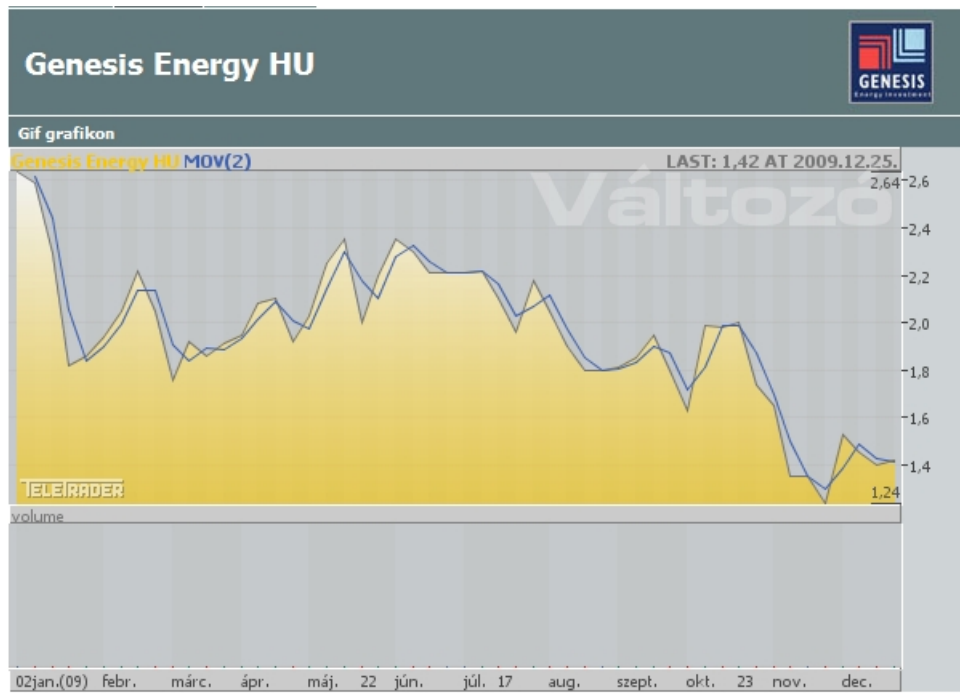
ANNEX



The share price on the Budapest Stock Exchange in the period of 1 January – 31 December 2009



The share price on the OTC market of the Frankfurt Stock Exchange in the period of 1 January – 31 December 2009



The share price on the OTC market of the Stuttgart Stock Exchange in the period of 1 January – 31 December 2009