

To: **Bucharest Stock Exchange**
Financial Supervisory Authority
London Stock Exchange

Current report according to Article 99 letter (s) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

Important events to be reported:

Voting recommendations and supporting materials related to the 25 September 2023 shareholders' meetings

Franklin Templeton International Services S.À R.L., in its capacity as alternative investment fund manager and sole director (the "**Fund Manager**") of Fondul Proprietatea S.A. (the "**Fund**"/"**Fondul Proprietatea**"), would like to remind shareholders that the Fund Manager has convened the Fund's Ordinary ("**OGM**") and Extraordinary ("**EGM**") General Shareholders' Meetings for 25 September 2023 at "**INTERCONTINENTAL ATHÉNÉE PALACE BUCHAREST**" Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, starting at **11.00 a.m.** (Romanian time) for the OGM, and **12.00 p.m.** (Romanian time) for the EGM.

The entire OGM and EGM supporting documentation is available for the shareholders' reference at <https://www.fondulproprietatea.ro/home/investor-relations/gsm-information/gsm-documentation/2023.html#gsm-document-list-2-content>.

The deadline for proposing new items on the OGM & EGM agendas expired on 6 September 2023, 5:00 p.m. (Romanian time) and the Fund received by the deadline a request from the Ministry of Finance, which holds more than 5% of the share capital of Fondul Proprietatea, to supplement the OGM agenda by introducing three new items and the EGM agenda by introducing one new item. The OGM and EGM agenda was supplemented accordingly.

On 6 September 2023, 5:00 p.m. (Romanian time) also expired the deadline for:

(i) receiving candidate proposals for two members in the Board of Nominees of Fondul Proprietatea following the expiration of two mandates on 15 November 2023 and 25 November 2023 and the following proposals were received:

- *for the seat resulted from the expiry of Mrs. Ilinca von Derenthal's mandate on 25 November 2023:*
 - Mrs. Ilinca von Derenthal – proposed by FDI BT Maxim (BT

Report date:
11 September 2023

Name of the issuing entity:
Fondul Proprietatea S.A.

Registered office:
76-80 Buzesti Street
7th floor, district 1,
Bucharest, 011017

Phone/fax number:
Tel.: + 40 21 200 96 00
Fax: +40 31 630 00 48

Email:
office@fondulproprietatea.ro

Internet:
www.fondulproprietatea.ro

Sole Registration Code with the Trade Register Office:
18253260

Order number in the Trade Register:
J40/21901/2005

Subscribed and paid-up share capital:
RON 3,233,269,110.76

Number of shares in issue and paid-up:
6,217,825,213

Regulated market on which the issued securities are traded:
Shares on Bucharest Stock Exchange
GDRs on London Stock Exchange

Asset Management SAI SA)

- Mrs. Liliana Anghel – proposed by the Ministry of Finance;
- Mr. Marian-Cristian Mocanu – proposed himself.

- *for the seat resulted from the expiry of Mr. Ciprian Laduncă's mandate on 15 November 2023:*

- Mr. Ciprian Laduncă – proposed by Swiss Capital S.A..

(ii) receiving candidate proposals for item 2 of the OGM agenda and no such proposal was received. As such, item 2 of the OGM agenda is left with no object for voting and any decision on this item has no legal effects.

Regarding the items on the OGM agenda, the Fund Manager recommends voting in favour of item 1.

This recommendation is based on the strong performance of Franklin Templeton in managing Fondul Proprietatea over the last 13 years, with a total cumulative increase of 301% in the NAV and 624% in the share price from January 2011 until 31 July 2023. Key highlights include the successful completion of the landmark Initial Public Offering of Hidroelectrica in July 2023 and the subsequent full distribution of proceeds from the IPO in September 2023 (which increases total distributions paid to shareholders to \$6.7 billion). As a natural consequence, the Fund Manager has proposed a 4-year mandate for Franklin Templeton to manage the Fund to allow for a continuation and implementation of the measures to generate value for the Fund's shareholders. The Fund Manager's view is that a change in the strategy to manage the Fund is warranted to allow for new investments, building on the successful track record, which would also require a longer-term mandate.

The Fund Manager recommends voting “*against*” with respect to item 2 on the OGM agenda as no candidate proposal was received, this item being left with no object for voting and, in any case, any decision on this item has no legal effects.

The Fund Manager refrains from making any voting recommendation on item 3 on the OGM agenda, as candidates for the Board of Nominees are appointed and approved by shareholders, but recommends shareholders to exercise their voting right only after reviewing the:

- The list of candidates and the related information available on the Fund's website at:
<https://www.fondulproprietatea.ro/files/live/sites/fondul/files/en/gsm->

[documentation/2023/25%20September/OGM%203.%20List%206%20Sept%202023.pdf](#)

- The Board of Nominees recommendation available on the Fund's website at: [Current report candidates recommendation of the Board of Nominees \(fondulproprietatea.ro\)](#)

The Fund Manager refrains from making any voting recommendation on items 4, 5 and 6 on the OGM agenda, but notes that all these items are incompatible with item 1 on the OGM agenda.

The Fund Manager recommends voting in favour of item 7 on the OGM agenda.

Regarding the points on the EGM agenda, the Fund Manager recommends voting in favour of item 1 and item 3.

The Fund Manager refrains from making any voting recommendation on item 2 on the EGM agenda, but notes that this item is incompatible with item 1 on the OGM agenda.

The Fund Manager's voting recommendations contained herein are not binding in any way and should not be deemed under any circumstances as a supporting documentation/argument for substantiating one's vote. The Fund Manager will implement and will comply with all the decisions taken by the Fund's shareholders, irrespective of its recommendations herein, subject to compliance with law and regulation.

Franklin Templeton International Services S.À R.L., acting as Alternative Investment Fund Manager of FONDUL PROPRIETATEA S.A.

Johan MEYER
Permanent Representative