

Memo regarding the appointment of a new sole director of Fondul Proprietatea that will act as alternative investment fund manager

Article 19 para. (3) of the Constitutive Act of Fondul Proprietatea S.A. (the “**Fund**”) regulates the conditions for the renewal of the current mandate of the Fund’s alternative investment fund manager (“**AIFM**”) or the appointment of a new one: “*The mandate of the AIFM is of 2 years. The AIFM will call an Ordinary General Meeting of Shareholders to be held at least 6 months before the expiry of the mandate of the AIFM and will ensure that the agenda for such meeting will include points granting the options to (i) approve the renewal of the AIFM’s mandate and (ii) appoint a new AIFM in accordance with the legal provisions in force, with the shareholders being granted the opportunity to propose candidates for such position; the agenda will also include provisions for the authorization of the negotiation and execution of the relevant investment management agreement and fulfilment of all relevant formalities for the authorization and legal completion of such appointment*”.

In line with the provisions of Article 19 para. (3) above-mentioned, FTIS proposes to shareholders to vote during the ordinary general shareholders’ meeting scheduled for 25 September 2023 (“**25 September 2023 OGM agenda**”) either the renewal of its mandate for a period of four (4) years or the appointment of a new AIFM as set out below.

Item 2 on the 25 September 2023 OGM agenda (as set out below) should not be voted in the same manner as item 1 on the 25 September 2023 OGM agenda since they are mutually exclusive.

The approval of item 2 on the 25 September 2023 OGM agenda is subject to item 1 on the 25 September 2023 OGM agenda not being approved.

The votes for both items on the agenda are secret votes.

Item 2 on the 25 September 2023 OGM agenda subject to shareholders approval is as follows:

“The approval of the appointment of a new sole director of Fondul Proprietatea that will act as alternative investment fund manager for a mandate of four (4) years starting with 1 April 2024 and until 31 March 2028, inclusive, according to legal provisions in force, subject to item 1 of the OGM agenda not being approved by the OGM.

The Board of Nominees is hereby empowered (i) to negotiate the draft of the management agreement which shall be subject to the approval by the ordinary general meeting of shareholders; and (ii) to implement all relevant formalities for authorising and finalising the appointment as per this item.”

For this point, shareholders can propose candidates until **6 September 2023, 5:00 PM** (Romanian time), proposals that should be filed at the headquarters of the Company, in Bucharest, 76-80 Buzesti Street, 7th floor, 1st District, zip code 011017, Romania, or by e-mail having incorporated an extended electronic signature in accordance with Law no. 455/2001 regarding electronic signature, at agafp@fondulproprietatea.ro . The proposals, together with professional qualification and the evidence related to the licenses that allow the candidate to manage Fondul Proprietatea, will be published on the webpage of the Company and will be updated on daily basis.

**Franklin Templeton International Services S.À R.L., acting as Sole Director on behalf of
FONDUL PROPRIETATEA S.A.
Johan Meyer
Permanent representative**