



Fondul Proprietatea – H1 2023 Results Conference Call

31 August 2023



Fund Information

Key Facts



Fund Details

31 July 2023 NAV	RON	USD
Total NAV	12.76 bn	2.85 bn
NAV/Share	2.3784	0.5320
Key trading figures as at 30 August 2023		
Price/Share	1.9440	0.4283
Price/GDR	97.13	21.40
Market Capitalization ¹	10.38 bn	2.29 bn
(Discount)/Premium per Share	(18.26)%	
(Discount)/Premium per GDR	(19.55)%	
Dividend Yield		
Dividend Yield for the RON 0.0500 RON Dividend/Share ²	2.46%	
Dividend Yield for the RON 1.7225 RON Dividend/Share ³	88.61%	



Adjusted Share Price (RON) vs. Discount/Premium (%)



Source: FP July 2023 Factsheet, BVB and Bloomberg, NBR for the RON/USD FX rate, Fund Manager calculations.

Note 1: The discount/premium is calculated based on the latest published NAV available for the day of the calculation.

Note 2: The USD values are calculated based on the NBR FX as at the day of the calculation.

1. Excluding Treasury shares and the equivalent number of shares corresponding to the GDRs repurchased as at 25 August 2023.

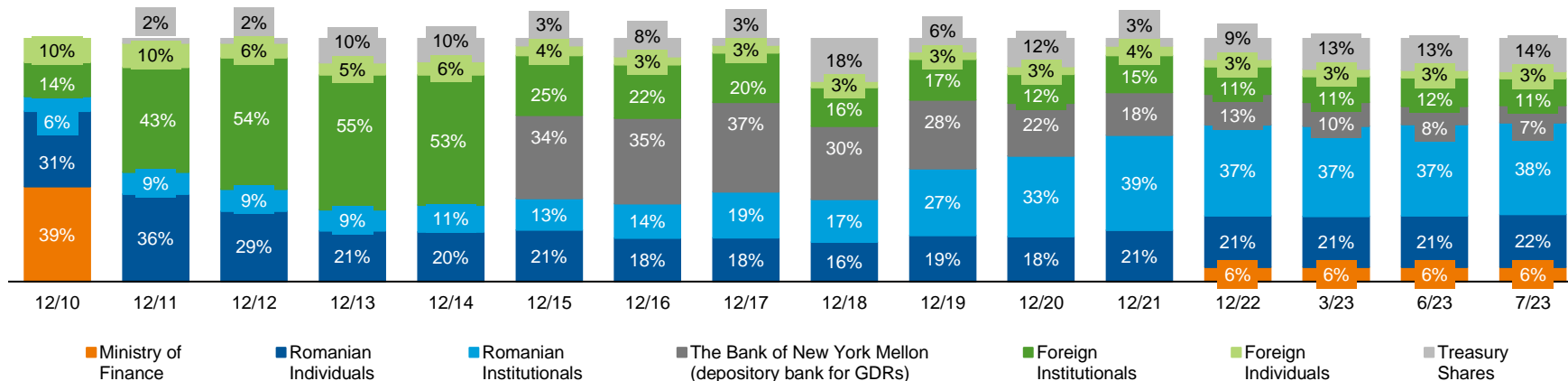
2. Based on FP share price as at 12 May 2023, the Registration date for the RON 0.0500 dividend per share distribution approved by shareholders during the 21 April 2023 Annual GSM.

3. RON 1.7225 dividend per share distribution approved by shareholders in the 18 August 2023 OGSM. Yield calculated based on the FP share price as at 30 August 2023.

Shareholder structure



Evolution (% Held)¹



Largest Shareholders²

NN Private Pension Funds	11.24%
Ministry of Finance	5.97%
Metropolitan Life Pension and Insurance Funds	5.13%
Allianz-Tiriac Private Pension Funds	5.05%
Silver Point Capital Funds	4.89%
Total Number of Shareholders³	21,678

All treasury shares repurchased by the Fund are being cancelled on a regular basis.

1. Note: Based on the paid share capital starting December 2011. Source: FP shareholder structure reports.

2. Based on the total voting rights as declared by shareholders through the ownership disclosures submitted on: 10 May 2023 by Metropolitan Life Pension and Insurance Funds, 5 April 2023 by Silver Point Capital Funds, 11 April 2022 by NN Private Pension Funds, 1 April 2022 by Ministry of Finance, and 1 July 2019 by Allianz-Tiriac Private Pension Funds.

3. Source: FP shareholder structure report as at 31 July 2023.

NAV, Share price and GDR Performance



Cumulative Performance¹

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	H1 2023	YTD ²	Since Performance Inception ²
NAV (RON)	(0.5)%	8.9%	13.3%	1.4%	(0.6)%	7.3%	13.1%	19.9%	31.2%	2.2%	47.8%	19.1%	(4.5)%	(5.7)%	301.2%
Share Price (RON)	(30.3)%	38.3%	61.3%	14.5%	(4.1)%	4.9%	21.5%	9.9%	49.1%	37.8%	48.5%	12.2%	(2.3)%	(3.7)%	623.7%
GDR (USD)	N/A	N/A	N/A	N/A	N/A	1.2%	35.9%	(1.9)%	41.4%	48.5%	42.0%	3.9%	(0.8)%	(0.8)%	235.0%



Average Discount to NAV

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD ³	Current ³
Share Price	(55.7)%	(50.1)%	(40.7)%	(30.9)%	(29.1)%	(32.1)%	(28.1)%	(29.5)%	(29.4)%	(21.1)%	(5.7)%	(21.6)%	(21.0)%	(18.3)%
GDR	N/A	N/A	N/A	N/A	(29.6)%	(30.0)%	(27.0)%	(29.8)%	(30.7)%	(21.7)%	(7.6)%	(22.4)%	(21.0)%	(19.5)%

Source: BVB, Bloomberg, FP Factsheets.

Note: The discount/premium is calculated based on the latest published NAV available for the day of the calculation.

The Performance Inception date for the NAV is 31 December 2010, for the Share Price is 25 January 2011, and for the GDRs is 29 April 2015.

1. Dividend adjusted.
2. As at 31 July 2023.
3. As at 30 August 2023.

Attribution to NAV Performance for Q2 2023



Top Performers



Bottom Performers

Company	Status	Weight in total NAV ¹	Change in NAV performance	Change in NAV per share (RON)	% Change in share price / NAV per share
CN Aeroporturi Bucuresti SA	Unlisted	6.4%	1.05%	0.0270	16.1%
Societatea Nationala a Sarii SA	Unlisted	2.3%	0.57%	0.0147	8.6%
Engie Romania SA	Unlisted	3.8%	0.35%	0.0091	11.3%
E-Distributie Muntenia SA	Unlisted	1.7%	0.28%	0.0073	21.5%
CN Administratia Porturilor Maritime SA	Unlisted	2.4%	0.26%	0.0066	10.7%
Hydroelectrica SA	Unlisted	71.3%	(7.16)%	(0.1850)	(17.0)%
Alro SA	Listed	0.9%	(0.03)%	(0.0008)	(3.5)%
Romaero SA	Listed	0.2%	(0.04)%	(0.0010)	(15.0)%
TOTAL NAV PER SHARE CHANGE				(0.1720)	(6.66)%

Note: The amounts are adjusted with the dividends declared by the companies, according with FP accounting policy.

1. 30 June 2023 NAV report.

Attribution to NAV Performance for H1 2023



Top Performers



Bottom Performers

Company	Status	Weight in total NAV ¹	Change in NAV performance	Change in NAV per share (RON)	% Change in share price / NAV per share
CN Aeroporturi Bucuresti SA	Unlisted	6.4%	1.01%	0.0259	16.1%
Societatea Nationala a Sarii SA	Unlisted	2.3%	0.55%	0.0140	8.6%
Engie Romania SA	Unlisted	3.8%	0.34%	0.0087	11.3%
E-Distributie Muntenia SA	Unlisted	1.7%	0.27%	0.0070	21.5%
CN Administratia Porturilor Maritime SA	Unlisted	2.4%	0.25%	0.0063	10.7%
Hydroelectrica SA	Unlisted	71.3%	(6.88)%	(0.1769)	(17.0)%
Romaero SA	Listed	0.2%	(0.07)%	(0.0019)	(25.6)%
TOTAL NAV PER SHARE CHANGE				(0.1598)	(6.22)%

Note: The amounts are adjusted with the dividends declared by the companies, according with FP accounting policy.

1. 30 June 2023 NAV report.



Portfolio

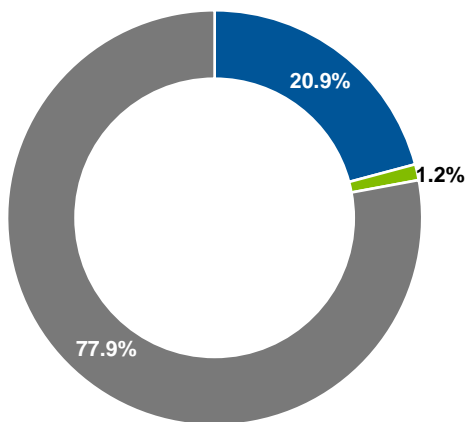
FONDUL
PROPRIETATEA

 **FRANKLIN
TEMPLETON**

Portfolio Structure



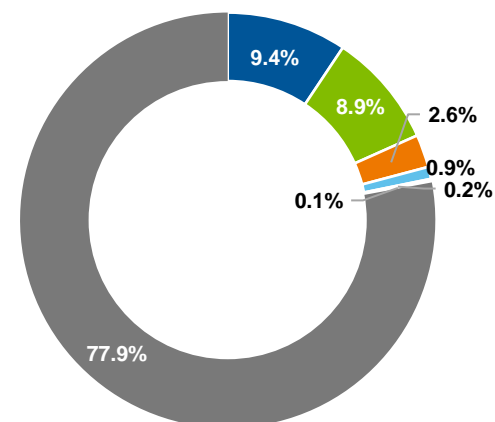
Listed vs Unlisted
(% of NAV as at 31 July 2023)¹



■ Unlisted ■ Listed ■ Net Cash & receivables



By Sector
(% of NAV as at 31 July 2023)¹



■ Infrastructure ■ Aluminium
 ■ Power & Gas Utilities: Transport, Distribution & Supply ■ Postal Services
 ■ Heavy Industry ■ Others
 ■ Net Cash & Receivables

- As at 31 July 2023, the portfolio included stakes in 30 companies (5 listed and 25 unlisted).
- The net cash and receivables as at 31 July 2023 was USD 2,223.6 million².

1. Source: FP July 2023 Factsheet.

2. Source: 31 July 2023 NAV report, based on the NBR RON/USD FX rate as at 31 July 2023.

Largest Holdings by NAV

Portfolio Company	Status	Majority Shareholder	% FP Stake ¹	NAV as at 31 July 2023 (USD mn)	% in NAV as at 31 July 2023
Bucharest Airports	Unlisted	Romanian State	20.0%	185.2	6.5%
Engie Romania	Unlisted	Engie	12.0%	109.7	3.8%
Constanta Port	Unlisted	Romanian State	20.0%	70.0	2.5%
Salrom	Unlisted	Romanian State	49.0%	66.5	2.3%
E-Distributie Muntenia	Unlisted	Enel Group	12.0%	50.0	1.8%
E-Distributie Banat	Unlisted	Enel Group	24.1%	47.6	1.7%
E-Distributie Dobrogea	Unlisted	Enel Group	24.1%	38.1	1.3%
Alro SA	Listed	Vimetco PLC	10.2%	26.7	0.9%
Top Portfolio Holdings				593.8	20.8%
Net Cash and Receivables				2,223.6	77.9%
Total NAV				2,853.8	
NAV Per Share (USD)				0.5320	

Source: FP July 2023 Factsheet.

Note: Values in USD calculated using the NBR RON/USD FX rate as at 31 July 2023.

1. Based on the FP 30 June 2023 Detailed Statement of Investments.

Hidroelectrica IPO – a milestone transaction in Europe

Transaction Details

Name of Company:	Hidroelectrica S.A.
Country:	Romania
Sector:	Utilities - Renewables
Offering type:	IPO
Existing shareholders pre transaction:	<ul style="list-style-type: none"> ■ Fondul Proprietatea ("Fondul"): 19.94 % ■ Romanian State: 80.06%
Selling Shareholder:	Fondul Proprietatea
Offering structure:	<ul style="list-style-type: none"> ■ Retail offering in Romania ■ Offering to institutional investors according to Reg S in Europe and to Rule 144A in the USA
Offered shares:	Up to 89.7m secondary shares, 19.94% of share capital
Greenshoe:	15% of the total offering
Free float:	19.94% post transaction
Indicative price range:	RON 94 to 112
Revised price range:	RON 103 to 104
Offer price:	RON 104
Transaction size:	EUR 1.9bn (RON 9.4bn)
Lock-up:	<ul style="list-style-type: none"> ■ Fondul: 180 days ■ Company: 180 days ■ Ministry of Energy: 365 days
Cornerstones:	3 Romanian institutional investors committed to purchase in aggregate RON 2.24bn (c. EUR 450m) at the final offer price
Listing shares:	Bucharest Stock Exchange

Key highlights


















- Backed by strong local and international long-only demand from 167 investors, order book was multiple times oversubscribed throughout the price range, allowing to price the deal at the **upper half** of the range
- The deal represents the largest IPO in Europe in 2023, the largest IPO in Romania as well as the third largest IPO in CEE to date
- Strong demand from retail investors of EUR 1.17bn, resulted in allocation of 20% of the overall transaction

Timeline

6 June	Intention to Float (ITF)
6 June – 22 June	Pre Deal Investor Education (PDIE)
22 June	Price range announcement / Prospectus publishing
23 June – 3 July	Management roadshow (institutional clients)
23 June – 4 July noon	Institutional and Retail Bookbuilding
10 July	Settlement
12 July	Start of trading

Source: Erste group – Equity Capital markets

Hidroelectrica IPO – a milestone transaction in Europe

Largest IPO in Romanian history				Third largest IPO in history on a CEE Exchange					Largest IPO in Europe for 2023YTD				
Company	Industry	Pricing Date	Deal Size (EURmn)	Company	Industry	Pricing Date	Country	Deal Size (EURmn)	Company	Industry	Pricing Date	Country	Deal Size (EURmn)
 Hidroelectrica	Utility & Energy	5 July 2023	1,885	 allegro	E-commerce	29 Sept 2020	Poland	2,318	 Hidroelectrica	Utility & Energy	5 July	Romania	1,885
 Electrica	Electricity Distribution	27 June 2014	444	 pZU	Banking	29 April 2010	Poland	2,053	 LOTOMatica	Gaming	28 April	Italy	600
 ROMGAZ	Gas E&P	1 November 2013	391	 Hidroelectrica	Utility & Energy	5 July 2023	Romania	1,885	 thyssenkrupp	Utility & Energy	5 July	Germany	526
 DIGI	Telecommun.	11 May 2017	191	 IRU	Banking	04 Nov 2004	Poland	1,776	 EUROGROUP LAMINATIONS	Computers & Electronics	8 February	Italy	409
 Dr.Max România A&D Pharma Holdings	Pharma	19 October 2006	136	 New World Resources	Mining	06 May 2008	Czechia	1,608	 IONOS	Computers & Electronics	7 February	Germany	389
 AQUILA	Transportation	16 November 2021	74	 PGE	Electricity generation and transm.	27 Oct 2009	Poland	1,427	 CAB PAYMENTS	Financial Services	6 July	UK	341

Source: Dealogic

Bucharest Airports – Update

Financials	2016	2017	2018	2019	2020	2021	2022	H1 2022	H1 2023 ¹	% y.o.y.
Operating revenues (mn RON)	754.7	890.9	992.6	1,066.6	405.6	578.0	999.6	425.2	519.5	22.2%
Operating result (mn RON)	263.6	337.6	445.9	399.0	(175.3)	40.8	344.7	160.0	247.9	54.9%
Net Income / Loss (mn RON)	224.7	290.7	371.8	359.6	(146.4)	34.0	304.0	137.6	209.4	52.2%
Number of passengers (mn)	10.99	12.84	13.84	14.73	4.47	6.92	12.61	-	-	-

- Traffic increased to **6.8 million** passengers in **H1 2023**, almost **in line** with pre-Covid levels and **25% higher year-over-year**. This was the key driver for the significant increase in profitability, which was **up by 52% year-over-year**.
- **Corporate Governance:** All Board members have interim mandates. The selection process for full mandates has not yet started.

Source: Individual IFRS financial statements

1. Based on preliminary IFRS financial statements for the six months ended 30 June 2023.

Constanta Ports – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022	H1 2022	H1 2023	% y.o.y.
Operating revenues (RON mn)	314.0	330.5	345.2	369.0	398.8	418.9	479.5	260.3	294.4	13.1%
Operating profit (RON mn)	54.8	93.8	95.8	117.0	145.9	140.6	131.5	106.8	117.7	10.2%
Net Income (RON mn)	36.8	79.7	75.7	108.2	130.3	130.5	114.5	97.8	109.2	11.7%
Total traffic (thousands tons)	59.4	58.4	61.3	66.6	60.4	67.5	75.6	-	-	-

- Traffic reached **40.8 million** tons in **H1 2023**, **up by 9% year-over-year**, driven by cereals and oily seeds linked to Ukraine. Overall, traffic of goods related to Ukraine **increased by almost 4 times year-over-year**, to **10.2 million tons**. The higher traffic was the key contributor to the increase in operating profitability.
- **Corporate Governance:** All Board members have interim mandates. The selection process for full mandates has not yet started.

Source: Financial statements in accordance with applicable Romanian accounting regulations

Salrom – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022	H1 2022	H1 2023	% y.o.y.
Operating revenues (RON mn)	312.4	394.1	436.9	469.2	300.2	374.5	495.3	195.4	237.0	21.3%
Operating profit (RON mn)	36.3	107.3	93.5	84.6	15.8	70.1	134.4	41.7	57.5	37.9%
Net Income (RON mn)	27.4	81.1	76.4	77.0	11.5	60.2	120.7	35.9	56.5	57.5%

- **Corporate Governance:** In January 2023, shareholders approved the re-launch of the selection process for Board Members based on GEO no. 109/2011, with the selection procedure being conducted at the level of the Ministry of Economy. Currently all Board members have interim mandates.
- **IPO:** The Fund continues to engage with the majority shareholder and the company in relation to preparations for a potential IPO in the context of the protracted process for the appointment of the company's directors under the corporate governance rules applicable to state owned entities.

Source: IFRS financial statements

ENEL companies – Update

	E-Distributie Muntenia	E-Distributie Banat	E-Distributie Dobrogea
Sector	Power & Gas Utilities: distribution		
Type	Unlisted		
Weight in NAV ¹	1.8%	1.7%	1.3%
FP NAV Value ¹	RON 223.5 mn (USD 50.0 mn)	RON 212.9 mn (USD 47.6 mn)	RON 170.4 mn (USD 38.1 mn)
Fondul Proprietatea's Holding ²	12.0%	24.1%	24.1%

	Enel Energie	Enel Energie Muntenia
Sector	Power & Gas Utilities: supply	
Type	Unlisted	
Weight in NAV ²	0.2%	0.2%
FP NAV Value ²	RON 21.6 mn (USD 4.7 mn)	RON 21.6 mn (USD 4.7 mn)
Fondul Proprietatea's Holding ²	12.0%	12.0%

- **Sale process³:** The Fund and the Greek company Public Power Corporation S.A. have concluded on 19 April 2023 an agreement for the sale of all the equity stakes held by the Fund in E-Distributie Muntenia S.A., Enel Energie Muntenia S.A., E-Distributie Dobrogea S.A., E-Distributie Banat S.A., and ENEL Energie S.A. (the “SPA”), in exchange for a total consideration of RON 650.0 million. The completion of the sale under the SPA is subject, among others, to the closing of the transaction between Enel and PPC. The transaction is expected to close in Q3 2023.
- Following the signing of the SPA, the Sole Director of Fondul Proprietatea updated the valuation of these holdings to an aggregated value of RON 650.0 million⁴.

1. Source: July 2023 Factsheet, NBR RON/USD FX rate as at 31 July 2023

2. 30 June 2023 Detailed Statement of Investments

3. Source: Fund Manager current reports

4. Source: 30 April 2023 NAV report

Largest Holdings by NAV – Key financials

Top Holdings ¹	EBITDA (RON mn)					Net Profit (RON mn)				
	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Bucharest Airports	539.2	584.6	(25.6)	160.9	477.3	371.8	359.6	(146.4)	34.0	304.0
Engie Romania	676.7	623.7	768.1	668.7	818.9	428.7	385.2	492.8	69.9	851.9
Constanta Port	158.2	147.1	163.0	183.1	182.4	75.7	108.2	130.3	130.5	114.5
Salrom	119.7	101.5	41.7	87.1	154.7	76.4	77.0	11.5	60.2	120.7
E-Distributie Muntenia	263.4	191.3	250.9	168.1	313.2	(114.9)	96.7	111.8	55.8	248.7
E-Distributie Banat	170.0	106.5	151.7	58.2	117.3	(211.9)	167.7	38.6	(33.3)	59.9
E-Distributie Dobrogea	158.1	102.7	166.2	86.9	144.0	(143.3)	87.6	53.7	11.5	75.9
Alro SA	485.7	247.2	566.5	386.2	863.8	235.3	(67.2)	334.8	26.3	409.5
Total	2,571.0	2,104.6	2,082.5	1,799.2	3,071.6	717.8	1,214.8	1,027.1	354.9	2,185.1
Weighted Total²	439.6	369.5	304.6	286.3	494.7	103.0	243.8	131.4	74.9	349.4

Note: EBITDA = Operational result adjusted for Depreciation and Amortization revenues/expenses from revaluation of tangible assets, provisions, impairment of tangible assets, and subsidies. For Salrom EBITDA for FY 2020 was adjusted with the Revaluation of assets.

Source: Companies' annual consolidated financial statements and other company reporting.

1. As at 31 July 2023. Source: FP July 2023 Factsheet.

2. Weighted for the Fund's stake in the companies.



Corporate Actions

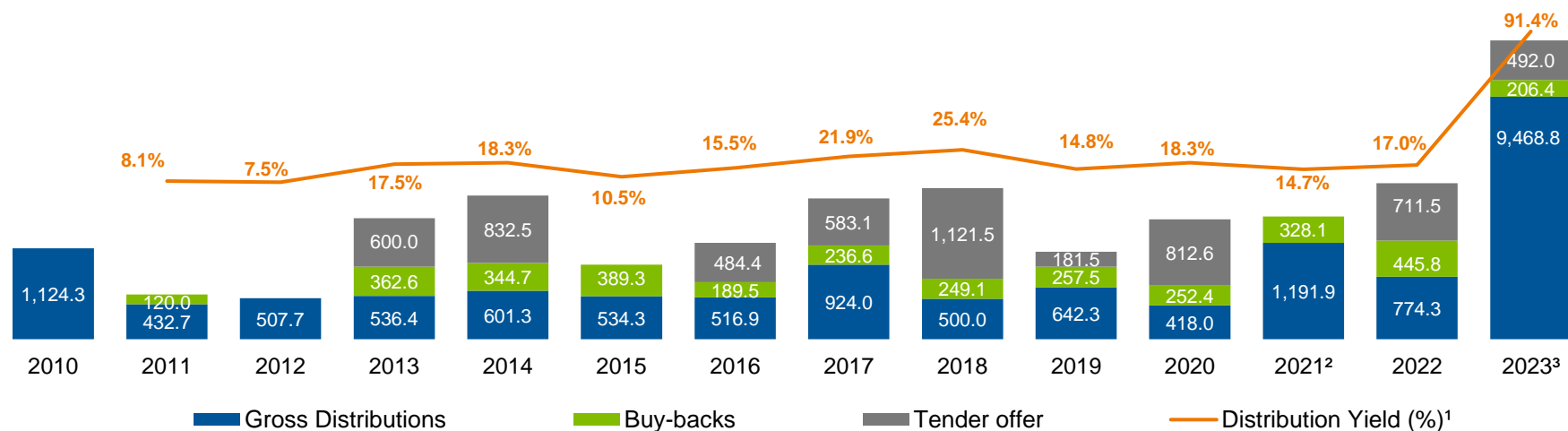


Distributions to Shareholders



Annual Distributions to Shareholders (RON mn)

1,124.3	552.7	507.7	1,499.0	1,778.5	923.6	1,190.8	1,743.7	1,870.6	1,081.3	1,483.0	1,519.9	1,931.5	10,167.2
---------	-------	-------	---------	---------	-------	---------	---------	---------	---------	---------	---------	---------	----------



The total distributions through buy-backs and cash would amount to RON 27.4 bn / USD 6.7 bn⁴

Source: Fund Manager calculations, Fund Manager annual results reports, Fund Manager current reports.

Note: Values exclude related acquisition fees. USD values based on the NBR average USD/RON FX for each year. For 2023, average RON / USD FX as at 30 August.

1. Based on the total annual distributions through buy-backs and cash, the average closing share price on BVB for the respective year, and the average number of paid shares excluding Treasury shares at year-end. For 2023: average closing share price as at 30 August and average number of paid shares excluding Treasury shares as at 25 August.
2. 2021 Gross distributions figure refers to the 3 special gross distributions approved during the year.
3. Fund Manager estimations based on buy-backs as at 25 August, RON 0.0500 per share, RON 1.7225 per share gross dividends and number of paid shares excluding Treasury shares as at 25 August.
4. As at 25 August 2023, average NBR RON/USD FX as at 30 August 2023.

Buy – back programs

Program	Period	Status	No. of shares (to be) repurchased / % of the Fund's issued share capital	Average share price (RON / share)	Broker	Cancellation of shares ¹
13 th	Jan – Dec 2022	Finalized	549.02 mn / 8.83%	2.1078 ²	Auerbach Grayson, Swiss Capital	Ongoing
14 th	Jan – Dec 2023	Ongoing	3.50 bn / 56.29%	2.1270 ³	Auerbach Grayson, Swiss Capital	The cancellation of shares will be subject to shareholders' approval in 2024

Source: Fund Manager current reports, Fund Manager calculations.

1. To be effective, the FSA endorsement is legally required, and the shareholders' resolution for the share capital decrease needs to be registered with the Trade Register.
2. As at 31 December 2022. Based on the 549,019,085 shares repurchased (460,629,885 ordinary shares and 88,389,200 equivalent shares of the GDRs repurchased).
3. As at 25 August 2023. Based on the 328,363,578 shares repurchased (219,102,428 ordinary shares and 109,261,150 equivalent shares of the GDRs repurchased).

Eleventh Tender Offer



Size of the Offer

225,000,000 shares in the form of shares and / or GDRs

- 132,875,150 in the form of shares
- 92,124,850 shares in the form of GDRs, namely 1,842,497 GDRs



Purchase price

RON 2.19 per share and the USD equivalent of RON 109.50 per GDR



Subscription period

10 February – 13 March 2023



Allocation method and ratio

- Pro-rata
- 0.1818529681



Intermediary

Swiss Capital S.A.



Dealer managers

Swiss Capital S.A. and Auerbach Grayson



GDR Tender Agent

The Bank of New York Mellon

Source: Fund Manager current report and Tender Offer documentation.

Annual dividend income – Largest Holdings by NAV

Top Holdings ¹	Dividend Payout (%)					FP Net Dividend (RON mn)				
	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Bucharest Airports	90	90	- ²	0	50	68.0	36.7	- ²	0.0	31.5
Engie Romania	30	30	30	0	0	16.4	12.1	17.9	0.0	0.0
Constanta Port	25	25	25	25	25	3.7	5.5	6.7	6.7	5.7
Salrom	90	50	90	90	90	37.4	19.8	5.6	29.3	56.0
E-Distributie Muntenia	- ²	0	86	0	0	- ²	0.0	11.5	0.0	0.0
E-Distributie Banat	- ²	0	40	- ²	0	- ²	0.0	3.7	- ²	0.0
E-Distributie Dobrogea	- ²	0	0	0	0	- ²	0.0	0.0	0.0	0.0
Alro SA	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0
Total Top Holdings (RON mn)						125.5	74.1	45.4	36.0	93.2

Source: Companies' GSM decisions for approving the annual dividend payments.

Note: Annual regular dividends, i.e., excluding special dividends, distributed out of the operating profit recorded during the mentioned financial year. The annual regular dividends are distributed based on the individual financial statements.

1. Source: FP July 2023 Factsheet.

2. The company registered losses.

Total dividend income from portfolio companies

RON	FP Net Dividend									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 ¹²
Total Dividends from Listed Companies (mn)	538.6	251.5	36.0	148.1	199.6	223.0	200.2	117.0	127.7	0.9
Total Dividends from Unlisted Companies (mn)	143.5	315.9	315.2	404.5	366.9	710.0	1,007.9	532.0	800.5	954.9
Total Annual Dividend Income (mn)	682.1	567.4	351.2	552.6	566.5	673.7	525.0	398.1	656.2	875.4
Total Special Dividend Income (mn)	–	–	–	185.2	199.5	259.3	683.1	250.9	272.0	80.4
Total Dividends (mn)	682.1	567.4	351.2	737.8	766.0	933.0	1,208.1	649.0	928.2	955.8
Dividend / Distribution per Share	0.0500	0.0500	0.0500	0.0678	0.0903	0.0642	0.2020⁷	0.1250	0.0500¹⁰	
Share Price	0.8130 ¹	0.7200 ²	0.9180 ³	0.8990 ⁴	1.0150 ⁵	1.1850 ⁶	1.8520 ⁸	1.9880 ⁹	2.0350 ¹¹	
Dividend / Distribution Yield	5.84%	6.94%	8.76%	7.54%	8.90%	5.42%	11.02% ⁸	6.29% ⁹	2.46% ¹¹	

Source: Fund Manager calculations, portfolio companies' GSM decisions for approving dividend payments.

Note: The Fund Manager's dividend proposals are calculated based on the Fund's Annual Cash Distribution Policy.

1. As at 29 May 2015.

2. As at 9 June 2016.

3. As at 6 June 2017.

4. As at 11 June 2018.

5. As at 10 June 2019.

6. As at 10 June 2020.

7. Includes the three special dividends distributions approved in 2021 by shareholders.

8. Average share price based on the share price as at the Registration dates for the three special dividend distributions approved in 2021. Dividend yield calculated as total dividend yield for the three special dividend distributions approved in 2021.

9. As at 3 June 2022.

10. Gross dividend distribution approved in the 21 April 2023 Annual GSM.

11. Based on FP share price as at 12 May 2023, the Registration date for the RON 0.05 dividend per share distribution approved by shareholders during the 21 April 2023 Annual GSM.

12. As at 31 July 2023.

2023 Financial calendar

- Ordinary and Extraordinary General Meetings of Shareholders

31 August

25 September

10 – 11 October

15 November

- Publication of the **H1 2023 Results**
- Results **Conference Call**

- **Erste Conference in Vienna**

- Publication of the **Q3 2023 Results**
- Results **Conference Call**



More information about the Investor Relations Calendar can be found on the Fund's website www.fondulproprietatea.ro

25 September 2023 GSM Agenda – Main Points



Only the persons registered as shareholders of Fondul Proprietatea on **11 September 2023** (the **Reference Date**) in the register of shareholders kept by Depozitarul Central S.A. have the right to participate and vote at the GSM



OGM agenda

- The approval of the renewal of the mandate of FTIS as sole director of Fondul Proprietatea that acts also as the alternative investment fund manager of Fondul Proprietatea, for a duration of four (4) years starting with 1 April 2024 and until 31 March 2028, inclusive (the “**New Mandate**”).
- 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 point 1 of the OGM agenda not being approved by the OGM.**
- The appointment for a period of three (3) years of two members in the Board of Nominees of Fondul Proprietatea following the expiration of two mandates.



EGM agenda

- The approval of the amendment of Article 19 paragraph (3) of the Constitutive Act of Fondul Proprietatea, **subject to the approval by the OGM of any of point 1 or point 2 as set out in the OGM agenda**, which shall be read as follows:

“(3) The mandate of the AIFM is of 4 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 of the ordinary general shareholders 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.”

Source: 25 September 2023 GSM Documentation



Financial results

Statement of Financial Position

RON mn	30 Jun 2023 Unaudited	31 Mar 2023 Unaudited	31 Dec 2022 Audited	30 Jun 2022 Unaudited	30 Jun 2023 vs. 31 Dec 2022 (%)
Cash and current accounts	81.0	69.9	73.8	137.6	9.8%
Deposits with banks	786.7	351.7	912.6	121.1	(13.8)%
Government bonds	-	-	-	178.5	-
Dividend receivables	175.8	-	-	229.8	100.0%
Equity investments	2,171.8	13,111.9	13,696.6	15,873.0	(84.1)%
Non-current assets held for sale	9,931.2	588.8	-	-	100.0%
Other assets	1.1	0.8	0.6	4.7	83.3%
Total assets	13,147.6	14,123.1	14,683.6	16,544.7	(10.5)%
Payables	58.3	37.9	27.3	79.5	113.6%
Other liabilities	81.3	85.6	86.8	137.9	(6.3)%
Total liabilities	139.6	123.5	114.1	217.4	22.3%
Total equity	13,008.0	13,999.6	14,569.5	16,327.3	(10.7)%
Total liabilities and equity	13,147.6	14,123.1	14,683.6	16,544.7	(10.5)%

Source: Condensed interim IFRS financial statements of the Fund

Statement of Comprehensive Income

RON mn	H1 2023 Unaudited	H1 2022 Unaudited	Q1 2023 Unaudited	Q2 2023 Unaudited
Unrealised loss from equity investments at fair value through profit or loss	(1,881.0)	(288.8)	(5.2)	(1,875.8)
Unrealised gain from equity investments at fair value through profit or loss	223.6	3,584.1	9.3	214.3
Unrealised gain from non-current assets held for sale valued at fair value through profit or loss	61.2	-	-	61.2
Gross dividend income	962.5	858.9	-	962.5
Net gain from other financial assets at fair value through profit or loss	-	188.3	-	-
Net realised loss from non-current assets held for sale	-	(157.0)	-	-
Interest income	14.5	18.1	10.3	4.2
Other (expenses)/income, net ¹	(0.8)	3.4	(0.8)	-
Net operating (loss)/income	(620.0)	4,207.0	13.6	(633.6)
Administration fees recognised in profit or loss	(30.1)	(54.4)	(13.3)	(16.8)
Other operating expenses	(30.2)	(20.0)	(11.8)	(18.4)
Operating expenses	(60.3)	(74.4)	(25.1)	(35.2)
Finance costs	-	-	-	-
(Loss)/Profit before income tax	(680.3)	4,132.6	(11.5)	(668.8)
Withholding tax on the dividend income	-	(2.9)	-	-
(Loss)/Profit for the period	(680.3)	4,129.7	(11.5)	(668.8)
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/income for the period	(680.3)	4,129.7	(11.5)	(668.8)

Source: Condensed interim IFRS financial statements of the Fund

1. Other (expenses)/income, net included mainly the net foreign exchange gain/(loss) and other operating income/(expenses)

Q&A

To ask a question:

- use the **Ask a question** box or,
- use one of the displayed phone numbers and press *, followed by no. **1** on your telephone keypad.

Disclaimer (I)

This presentation is for general information only and reflects the personal views of the presenter. Nothing herein is intended to constitute advice on investment, legal or tax matters, any form of personal recommendation nor it should be construed as, constituting or forming part of, any actual offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, or an invitation to buy or sell shares in Fondul Proprietatea SA (“the Fund”) or in any other issuer of securities mentioned herein or to initiate any kind of transaction whatsoever. Neither the Fund nor its Fund Manager (as defined below) and its delegates accept any liability of any kind for any losses arising from making use of such information. Furthermore, this presentation is not intended, and should not be construed, as marketing of the Fund in the meaning of the Directive 2011/61/EU on alternative investment fund managers (“AIFMD”) in any member states of the European Economic Area.

This presentation does not purport to contain all information that may be necessary in respect of the Fund or its shares and in any event each person receiving this report needs to make an independent assessment. Any person considering an investment in the Fund or any other security mentioned herein should refer to the relevant issuer’s documents and consult their own legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of an investment in the securities. The Fund’s documents contain important information on the potential risks involved in such an investment which are not included in this presentation. Read the Fund’s documents before investing in the Fund. The prospectus, the Fund’s rules, the latest annual report and semi-annual report are available on the Fund’s website - www.fondulproprietatea.ro. The distribution of this presentation in certain jurisdictions may be restricted by law and persons who come into possession of it are required to inform themselves about and to observe such restrictions and limitations. Neither the Fund nor its Fund Manager or any of its delegates accepts any liability to any person in relation to the distribution or possession of the presentation in or from any jurisdiction. The shares issued by the Fund have not been and will not be registered under the US Securities Act of 1933, as amended, or with any securities authority of any state or territory within the jurisdiction of the United States of America. The Fund’s shares may not be offered, sold or delivered in the United States of America or to American citizens or nationals.

The information contained in this presentation is as of its date, unless otherwise indicated, and is not a complete analysis of every material fact regarding the market, and any industry sector, security, or portfolio. Statements of fact cited by the Fund Manager have been obtained from sources considered reliable but no representation, warranty or undertaking is made as to the completeness or accuracy of such information and no liability is accepted by the Fund, the Fund Manager or any of its delegates in relation therewith. Furthermore, no responsibility is accepted for updating any facts or assumptions in this document. Because market and economic conditions are subject to rapid change, opinions provided are valid only as of the date of the materials. Any forward-looking statements are based upon certain assumptions; actual events are difficult to predict and are beyond the control of the Fund, therefore actual events may differ from those assumed. References to particular securities are only for the limited purpose of illustrating general market or economic conditions, as such exist at the date of this presentation, and are not recommendations to buy or sell a security or an indication of the Fund’s holdings. The Fund Manager’s or its delegates’ opinions are intended solely to provide insight into how the Fund Manager analyses securities and are not a recommendation or individual investment advice for any particular security, strategy or investment product. Opinions expressed are subject to change without notice and do not consider the needs of investors.

August 2023

Disclaimer (II)

No information hereof is to be considered, under any circumstances, as an information provided in accordance with Article 23 of the AIFMD as such was transposed by Article 22 of Law no. 74/2015 on managers of alternative investment funds.

In addition, the list of investor rights can be found in the Constitutive Act, available on the Fund's website, in the Corporate Governance section, here: <https://www.fondulproprietatea.ro/about-fund/fund-overview/corporate-governance>.

The price of shares and income from them can go down as well as up and you may lose some or all of your capital invested. The previous results of the Fund do not account for future performances. Currency fluctuations will affect the value of foreign investments. All investments are subject to certain risks. Generally, investments offering the potential for higher returns are accompanied by a higher degree of risk. Stocks and other equities representing an ownership interest in a corporation have historically outperformed other asset classes over the long term but tend to fluctuate more dramatically over the shorter term. Small or relatively new companies can be particularly sensitive to changing economic conditions due to factors such as relatively small revenues, limited product lines, and small market share. Smaller company stocks have historically exhibited greater price volatility than larger company stocks, particularly over the short term. The significant growth potential offered by Emerging Markets remains accompanied by heightened risks when compared to developed markets, including risks related to market and currency volatility, adverse social and political developments, and the relatively small size and lesser liquidity of these markets.

The Fund's headquarters are located at 76 – 80 Buzesti street, 7th Floor, Bucharest, 1st District, 011017, Romania. Fund's Fiscal Identification Code is 18253260 and Trade Registry registration number is J40/21901/2005. The subscribed and paid-up share capital is RON 3,233,269,110.76.

Starting with 1 April 2016, in view of complying with the AIFMD, implemented in the Romanian legislation through Law no. 74/2015 on managers of alternative investment funds and Regulation no. 10/2015 on alternative investment fund management, Fondul Proprietatea SA, qualifying as an alternative investment fund, is managed by Franklin Templeton Investment Services S.À R.L., a société à responsabilité limitée qualifying as an alternative investment fund manager under article 5 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8a, rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg register of commerce and companies under number B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016 ("FTIS" or the "Fund Manager").

This presentation herein is issued by FTIS, acting through its Romanian branch having its registered office at 76 – 80 Buzesti street, 8th Floor, 1st District, 011017, Bucharest, Romania.

Fondul Proprietatea
Premium Point
Buzesti Street 76-80, 1st District
Bucharest 011017
www.fondulproprietatea.ro

Thank You 



FONDUL
PROPRIETATEA



FRANKLIN
TEMPLETON