



# Fondul Proprietatea – H1 2024 Results Conference Call

30 August 2024

# Fund Information



# Key Facts

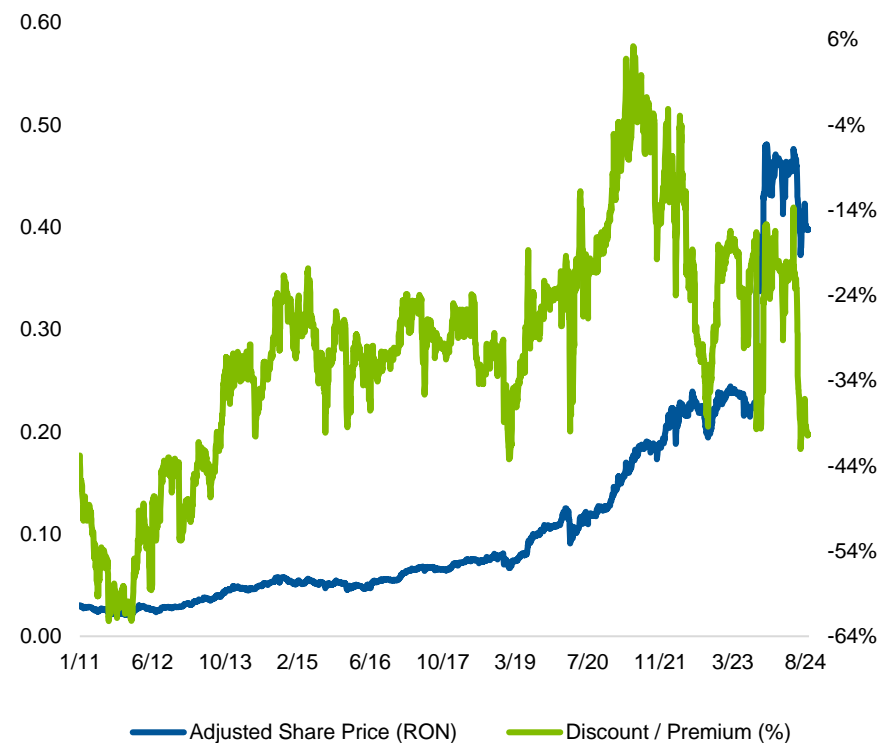


## Fund Details

31 July 2024 NAV	RON	USD
Total NAV	<b>2.31 bn</b>	<b>0.50 bn</b>
NAV/Share	<b>0.6666</b>	<b>0.1451</b>
<b>Key trading figures as at 29 August 2024</b>		
Price/Share	<b>0.3978</b>	<b>0.0887</b>
Price/GDR	<b>21.80</b>	<b>4.86</b>
Market Capitalization <sup>1</sup>	<b>1.38 bn</b>	<b>0.31 bn</b>
(Discount)/Premium per Share	<b>(40.32)%</b>	
(Discount)/Premium per GDR	<b>(33.01)%</b>	
<b>Dividend Yield<sup>2</sup></b>		
Dividend/share (RON)	<b>0.06</b>	
Dividend yield <sup>3</sup>	<b>12.59%</b>	



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



Source: FP July 2024 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, according to the IPS.

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 12 July 2024.

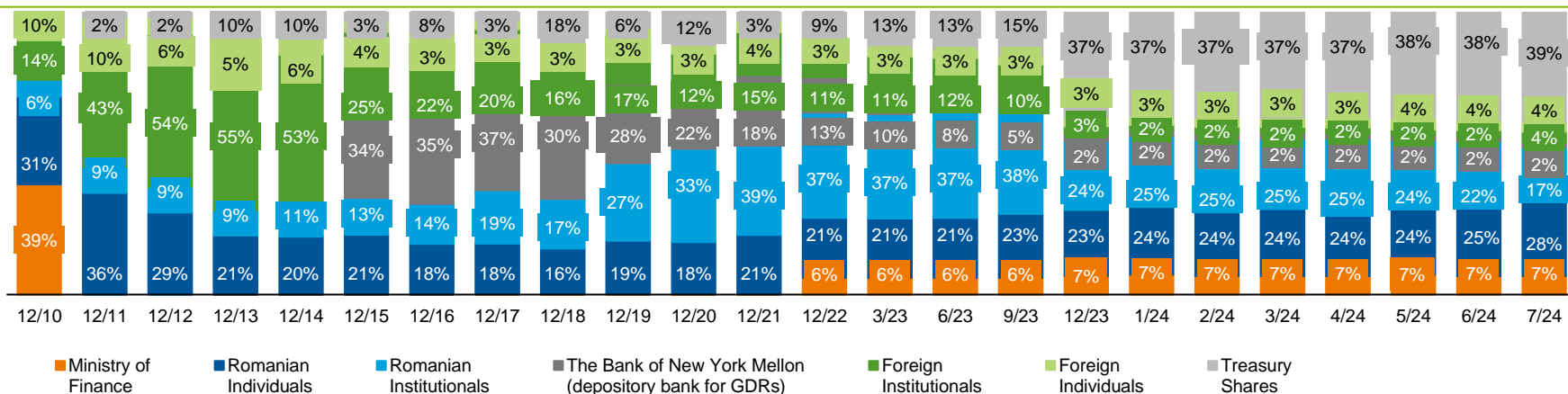
2. Gross dividend distribution approved by shareholders during the 30 April 2024 Annual GSM.

3. Based on FP share price as at 17 May 2024, the Registration date for the RON 0.06 dividend per share distribution approved by shareholders during the 30 April 2024 Annual GSM.

# Shareholder structure



## Evolution (% Held)<sup>1</sup>



## Largest Shareholders<sup>2</sup>

NN Private Pension Funds	9.82%
Ministry of Finance	5.97%
Metropolitan Life Pension and Metropolitan Insurance	4.74%
Allianz-Tiriac Private Pension Funds and Allianz Țiriac Asigurări	4.13%
Total Number of Shareholders <sup>3</sup>	22,860

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

- Note: Based on the paid share capital starting December 2011. Source: FP shareholder structure reports.
- Based on the total voting rights as declared by shareholders through the ownership disclosures submitted on: 27 June 2024 by NN Private Pension Funds, 22 December 2023 by Metropolitan Life Pension Fund and Metropolitan Insurance, 12 December 2023 by Allianz-Tiriac Private Pension Funds and Allianz Țiriac Asigurări and 1 April 2022 by Ministry of Finance.
- Source: FP shareholder structure report as at 31 July 2024.

# NAV, Share price and GDR Performance



## Cumulative Performance<sup>1</sup>

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	H1 2024	YTD <sup>2</sup>	Since Performance Inception <sup>2</sup>
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%	(2.4)%	10.3%	11.0%	360.9%
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%	45.0%	(14.9)%	(9.5)%	886.0%
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%	34.9%	(11.6)%	(7.6)%	320.6%



## Average Discount to NAV

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD <sup>3</sup>	Current <sup>3</sup>
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)%	(23.9)%	(27.2)%	(40.3)%
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)%	(24.5)%	(27.7)%	(33.0)%

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 2024.

3. As at 29 August 2024, calculated in accordance with the IPS.



# Portfolio

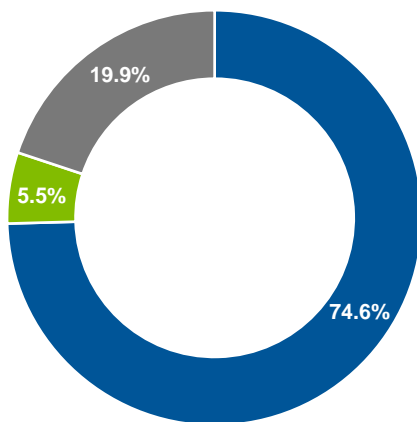
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# Portfolio Structure



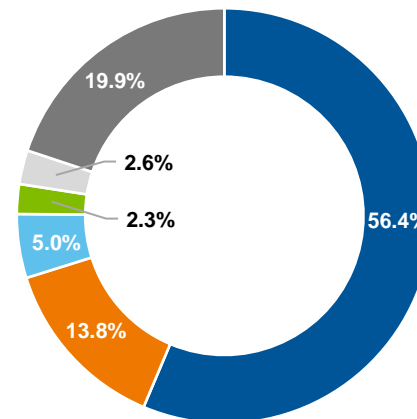
## Listed vs Unlisted (% of NAV as at 31 July 2024)<sup>1</sup>



■ Unlisted ■ Listed ■ Net Cash & receivables



## By Sector (% of NAV as at 31 July 2024)<sup>1</sup>



■ Infrastructure ■ Power utilities: Generation  
 ■ Salt Mining ■ Others  
 ■ Aluminium ■ Net Cash & Receivables

- As at 31 July 2024, the portfolio included stakes in 24 companies (5 listed and 19 unlisted).
- The net cash and receivables as at 31 July 2024 was USD 100.2 million<sup>2</sup>.

1. Source: FP July 2024 Factsheet.

2. Source: 31 July 2024 NAV report, based on the NBR RON/USD FX rate as at 31 July 2024.

## Largest Holdings by NAV

Portfolio Company	Status	Majority Shareholder	% FP Stake <sup>1</sup>	NAV as at 31 July 2024 (USD mn)	% in NAV as at 31 July 2024
Bucharest Airports	Unlisted	Romanian State	20.0%	201.2	40.0%
Constanta Port	Unlisted	Romanian State	20.0%	76.0	15.1%
Salrom	Unlisted	Romanian State	49.0%	69.5	13.8%
Alro SA	Listed	Vimetco PLC	10.2%	25.1	5.0%
Complexul Energetic Oltenia SA	Unlisted	Romanian State	11.8%	11.7	2.3%
<b>Top Portfolio Holdings</b>				<b>383.4</b>	<b>76.2%</b>
<b>Net Cash and Receivables</b>				<b>100.2</b>	<b>19.9%</b>
<b>Total NAV</b>				<b>503.4</b>	
<b>NAV Per Share (USD)</b>				<b>0.1451</b>	

Source: FP July 2024 Factsheet.

Note: Values in USD calculated using the NBR RON/USD FX rate as at 31 July 2024.

1. Based on the FP 30 June 2024 Detailed Statement of Investments.



# Bucharest Airports – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022 <sup>1</sup>	2023	H1 2023	H1 2024	% y.o.y.
Operating revenues (RON mn)	754.7	890.9	992.6	1,066.6	405.6	578.0	999.1	1,206.8	519.5	613.1	18.0%
Operating result (RON mn)	263.6	337.6	445.9	399.0	(175.3)	40.8	345.8	499.7	247.9	302.5	22.0%
Net Income / Loss (RON mn)	224.7	290.7	371.8	359.6	(146.4)	34.0	304.0	453.3	209.4	270.6	29.2%
Number of passengers (mn)	10.99	12.84	13.84	14.73	4.47	6.92	12.61	14.70	6.8	7.4	8.8%

- Traffic continued **to rise** in **H1 2024**, reaching **7.4 million passengers**, **an increase of 9%** compared to **H1 2023**. Higher passenger traffic coupled with a more beneficial contract for commercial spaces, were the main positive drivers for the **22% increase in operational profitability**, which reached **RON 302.5 million**.
- **Litigation:** On 7 March 2024, the Bucharest Court of Appeal ruled in favor of the Fund to annul the shareholders resolution no. 15/26.10.2021 related to the share capital increase with certain land plots. The Bucharest Court of Appeal's decision is final.
- **Corporate Governance:** In July 2024, the Board of Directors was appointed for a 4-year mandate. Fondul Proprietatea challenged the legality of these appointments in Court due to irregularities in the selection process and outcomes, which in our view go against the provisions of OUG 109/2011.

Source: Individual IFRS financial statements.

1. Restated figures.

## Constanta Ports – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022 <sup>1</sup>	2023	H1 2023	H1 2024	% y.o.y.
Operating revenues (RON mn)	314.0	330.5	345.2	369.0	398.8	418.9	510.4	571.2	276.4	268.4	(2.9)%
Operating profit (RON mn)	54.8	93.8	95.8	117.0	145.9	140.6	131.5	195.9	117.7	227.5	93.3%
Net Income (RON mn)	36.8	79.7	75.7	108.2	130.3	130.5	114.5	195.4	109.2	231.6	112.1%
Total traffic (thousands tons)	59.4	58.4	61.3	66.6	60.4	67.5	75.6	92.5	40.9	40.5	(1.1)%

- Traffic **declined marginally** in **H1 2024** compared to **H1 2023** to **40.5 million tons** due to a significant drop in volumes linked to Ukraine, which almost **halved to approximately 6.5 million tons**.
- Operating profitability **almost doubled y.o.y.**, reaching **RON 227.5 million** in **H1 2024**, primarily due to a reversal of a legal provision of **RON 112.9 million**.
- **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.

1. Restated figures.

# Salrom – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022	2023	H1 2023	H1 2024	% y.o.y.
Operating revenues (RON mn)	312.4	394.1	436.9	469.2	300.2	374.5	495.3	517.1	237.0	241.7	2.0%
Operating profit (RON mn)	36.3	107.3	93.5	84.6	15.8	70.1	134.4	140.8	57.5	66.1	15.0%
Net Income (RON mn)	30.1	81.1	76.4	77.0	11.5	60.2	120.7	130.6	56.5	61.4	8.7%

- **Corporate Governance:** In February 2024, the Board of Directors was appointed for a 4-year mandate. Fondul Proprietatea appointed 2 out of 5 members. Also, the selection procedure based on GEO no. 109/2011 was completed and the Board appointed the General Manager for a period of 4 years starting with July 2024.
- **IPO:** The Fund continues to engage with the majority shareholder and the company in relation to preparations for a potential IPO.

Source: IFRS financial statements.

# Largest Holdings by NAV – Key financials

Top Holdings <sup>1</sup>	EBITDA (RON mn)					Net Profit (RON mn)				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Bucharest Airports	584.6	(25.6)	160.9	477.3	602.3 <sup>3</sup>	359.6	(146.4)	34.0	304.0	453.3 <sup>3</sup>
Constanta Port	147.1	163.0	183.1	197.7	232.6 <sup>3</sup>	108.2	130.3	130.5	114.5	195.4 <sup>3</sup>
Salrom	101.5	41.7	87.1	154.7	154.2 <sup>3</sup>	77.0	11.5	60.2	120.7	130.6 <sup>3</sup>
Alro SA	247.2	566.5	386.2	863.8	(164.3) <sup>4</sup>	(67.2)	334.8	26.3	409.5	(561.7) <sup>4</sup>
Complexul Energetic Oltenia SA	17.2	(343.2)	(931.2)	4,227.7	1,614.0 <sup>3</sup>	(798.1)	(939.4)	(1,523.3)	3,499.9	1,027.3 <sup>3</sup>
<b>Total</b>	<b>1,097.6</b>	<b>402.4</b>	<b>(113.9)</b>	<b>5,921.2</b>	<b>2,438.8</b>	<b>(320.5)</b>	<b>(609.2)</b>	<b>(1,272.3)</b>	<b>4,448.6</b>	<b>1,244.9</b>
<b>Weighted Total<sup>2</sup></b>	<b>225.0</b>	<b>31.7</b>	<b>(49.9)</b>	<b>1,210.4</b>	<b>416.4</b>	<b>(47.6)</b>	<b>(166.0)</b>	<b>(263.3)</b>	<b>939.2</b>	<b>257.8</b>

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 individual financial statements, except for Alro where consolidated is displayed, Fund Manager calculations.

1. As at 31 July 2024. Source: FP July 2024 Factsheet.

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

3. As approved by shareholders.

4. Results based on the annual report published by the company as approved by shareholders.



# Corporate Actions

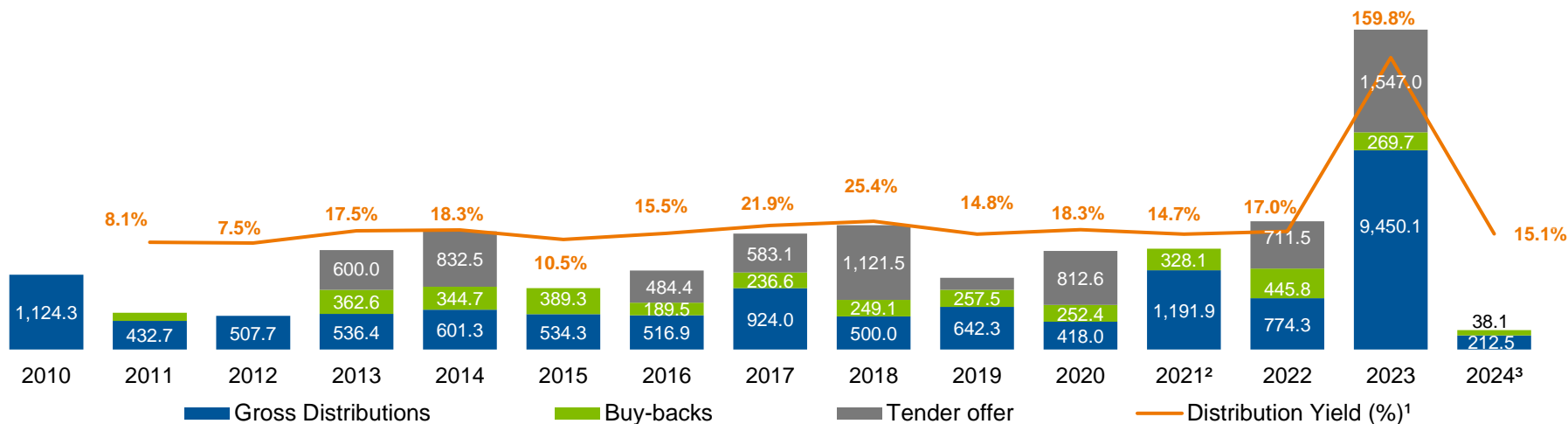


# Distributions to Shareholders



## 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	11,266.8	250.6
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**The total distributions through buy-backs and cash would amount to RON 28.7 bn / USD 7.0 bn<sup>4</sup>**

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 2024, average RON / USD FX as at 29 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 2024: average closing share price as at 29 August and average number of paid shares excluding Treasury shares as at 12 July.
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 12 July 2024, RON 0.06 per share dividend distribution approved by shareholders during the 30 April 2024 Annual GSM and number of paid shares excluding Treasury shares as at 12 July 2024.
4. As at 29 August 2024, average NBR RON/USD FX as at 29 August 2024.

## 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 <sup>1</sup>
14 <sup>th</sup>	Jan – Dec 2023	Finalized	2.11 bn / 37.26%	0.8600 <sup>2</sup>	Auerbach Grayson, Swiss Capital	Ongoing
15 <sup>th</sup>	8 April – 31 December 2024	Ongoing	1.00 bn / 17.64%	0.4416 <sup>3</sup>	Auerbach Grayson, Swiss Capital	The cancellation of shares will be subject to shareholders' approval in 2025

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 2023. Based on 2,112,378,889 shares repurchased (1,892,873,339 ordinary shares and 219,505,550 equivalent shares of the GDRs repurchased).
3. As at 12 July 2024. Based on 86,304,088 shares repurchased (83,015,288 ordinary shares and 3,288,800 equivalent shares of the GDRs repurchased).

# Annual dividend income – Largest Holdings by NAV

Top Holdings <sup>1</sup>	Dividend Payout (%)						FP Net Dividend (RON mn)					
	2018	2019	2020	2021	2022	2023	2018	2019	2020	2021	2022	2023
Bucharest Airports	90	90	- <sup>2</sup>	0	50	90	68.0	36.7	- <sup>2</sup>	0.0	31.5	80.4
Constanta Port	25	25	25	25	25	0	3.7	5.5	6.7	6.7	5.7	0.0
Salrom	90	50	90	90	90	100	37.4	19.8	5.6	29.3	56.0	63.7
Alro SA	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
Complexul Energetic Oltenia SA	0	0	0	0	0	0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Top Holdings (RON mn)</b>							<b>109.1</b>	<b>62.0</b>	<b>10.3</b>	<b>36.0</b>	<b>93.2</b>	<b>144.1</b>

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 2024 Factsheet.

2. The company registered losses.



# Total dividend income from portfolio companies

RON	FP Net Dividend									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 <sup>12</sup>
Total Dividends from Listed Companies (mn)	251.5	36.0	148.1	199.6	223.0	200.2	117.0	127.7	0.9	0.5
Total Dividends from Unlisted Companies (mn)	315.9	315.2	404.5	366.9	710.0	1,007.9	532.0	800.5	954.9	145.3
Total Annual Dividend Income (mn)	567.4	351.2	552.6	566.5	673.7	525.0	398.1	656.2	875.4	145.8
Total Special Dividend Income (mn)	–	–	185.2	199.5	259.3	683.1	250.9	272.0	80.4	-
<b>Total Dividends (mn)</b>	<b>567.4</b>	<b>351.2</b>	<b>737.8</b>	<b>766.0</b>	<b>933.0</b>	<b>1,208.1</b>	<b>649.0</b>	<b>928.2</b>	<b>955.8</b>	<b>145.8</b>
<b>Dividend / Distribution per Share</b>	<b>0.0500</b>	<b>0.0500</b>	<b>0.0678</b>	<b>0.0903</b>	<b>0.0642</b>	<b>0.2020<sup>6</sup></b>	<b>0.1250</b>	<b>0.0500<sup>9</sup></b>	<b>1.7225<sup>11</sup></b>	<b>0.0600<sup>13</sup></b>
Share Price	0.7200 <sup>1</sup>	0.9180 <sup>2</sup>	0.8990 <sup>3</sup>	1.0150 <sup>4</sup>	1.1850 <sup>5</sup>	1.8520 <sup>7</sup>	1.9880 <sup>8</sup>	2.0350 <sup>10</sup>	1.9840 <sup>11</sup>	0.4766 <sup>14</sup>
Dividend / Distribution Yield	6.94%	8.76%	7.54%	8.90%	5.42%	11.02% <sup>7</sup>	6.29% <sup>8</sup>	2.46% <sup>10</sup>	86.82% <sup>11</sup>	12.59% <sup>14</sup>

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 9 June 2016.

2. As at 6 June 2017.

3. As at 11 June 2018.

4. As at 10 June 2019.

5. As at 10 June 2020.

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

7. 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.

8. As at 3 June 2022.

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

10. 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.

11. Distribution approved by shareholders in the 18 August 2023 OGM. Yield calculated based on the FP share price as at 6 September 2023.

12. As at 31 July 2024.

13. Gross dividend distribution approved by shareholders during the 30 April 2024 Annual GSM.

14. Based on FP share price as at 17 May 2024, the Registration date for the RON 0.06 dividend per share distribution approved by shareholders during the 30 April 2024 Annual GSM.

## 2024 Financial calendar



More information about the Investor Relations Calendar can be found on the Fund's website [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)

## 27 September 2024 GSM – Main Points (I)



Only the persons registered as shareholders of Fondul Proprietatea on **6 September 2024 (the Reference Date)** in the register of shareholders kept by Depozitarul Central S.A. have the right to participate and vote at the GSM



### EGM

- The approval of the amendment of Article 19 par. (3) of the Constitutive Act of Fondul Proprietatea, which shall be read as follows:

*(3) The mandate of the AIFM shall not exceed 4 years, with the possibility of re-election. The AIFM will call an Ordinary General Meeting of Shareholders to be held at least 6 months before the expiry of the mandate of 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, (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."*

- The approval of the amendment of Article 20 of the Constitutive Act of Fondul Proprietatea, which shall be read as follows:

*"The Alternative Investment Fund Manager shall appoint a natural person as its permanent representative. The Alternative Investment Fund Manager shall also appoint a natural person as the replacement for the permanent representative, to perform the duties of the permanent representative in case of inability to carry out his/her activities. The Alternative Investment Fund Manager can change the permanent representative and/or the replacement in accordance with the applicable law. All changes will be registered with the Trade Registry."*

## 27 September 2024 GSM – Main Points (II)

### The approval of:

**10 October 2024 as the Ex – Date;**  
**11 October 2024 as the Registration Date**



### OGM

- The approval of 2024 revised budget of Fondul Proprietatea, in accordance with the supporting materials.
- The appointment for a period of three (3) years of two (2) members of the Board of Nominees of Fondul Proprietatea.
- The appointment of Ernst & Young Assurance Services SRL as the financial auditor of Fondul Proprietatea, for auditing the financial statements of the fund for the financial year ended 31 December 2025 and setting the level of its remuneration for the financial audit services described above at a maximum level (without VAT) of EUR 115,235/year. *(secret vote)*
- The approval of the selection criteria, as prepared and proposed by the Board of Nominees on the basis of the advice received by the Board of Nominees from Numis Securities Limited, member of Deutsche Bank Group, and based on which the Board of Nominees shall select the alternative investment fund manager (“AIFM”) of Fondul Proprietatea.
- The appointment, following selection by the Board of Nominees, of Numis Securities Limited, member of Deutsche Bank Group, as selection advisor assisting Fondul Proprietatea through the members of the Board of Nominees in relation to the selection of the potential AIFM.
- The approval of a maximum advisory budget of RON 3,8 million to be used by the Board of Nominees for the services to be provided by Deutsche Numis pursuant to any appointment in accordance with a resolution adopted by the OGM following a favourable vote on item 5 of this OGM agenda, as well as for any other services related to the selection of an AIFM, including financial advisory services and legal services required for this purpose.
- The approval of the authorisation of the Chairperson of the Board of Nominees to take the following actions and to act in the name of and on behalf of the Fund (the “Authorisation”):
  - a. to select and appoint any advisors to assist Fondul Proprietatea and the Board of Nominees in relation to the AIFM selection process;
  - b. to negotiate and agree in the name and on behalf of Fondul Proprietatea, any documents regarding the Selection Process; and
  - c. to sign, execute and deliver all agreements with advisors, written instruments and all other documents in order to fulfil the Authorisation granted hereby.

Source: 27 September 2024 GSM Documentation.

## 27 September 2024 GSM – Main Points (III)

### The approval of:

**10 October 2024** as the Ex – Date;  
**11 October 2024** as the Registration  
Date



### OGM

- The approval of (i) the extension of the mandate of FTIS as the sole director and AIFM of Fondul Proprietatea for one (1) year starting with 1 April 2025 and until 31 March 2026, inclusive and (ii) the corresponding extension of the terms of the management agreement executed between Fondul Proprietatea and FTIS on 29 March 2024 until 31 March 2026, inclusive, in accordance with the addendum to the Management Agreement in the form set out in the supporting documentation (the “Addendum”), with all the other provisions of the Management Agreement remaining unchanged. (*secret vote*)
- 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 two (2) years starting with 1 April 2025 (provided that all the legal requirements related to the appointment of the new sole director of Fondul Proprietatea that will act as AIFM are finalized by 31 March 2025, inclusive) and until 31 March 2027, inclusive, according to legal provisions in force, subject to point 8 of this OGM agenda not being approved by the OGM. (*secret vote*)

### Request to supplement the convening notice of the 27 September 2024 GSM

On 29 August 2024 FTIS received from the shareholder Ministry of Finance, holding 6.53% of the Fund’s share capital as at 31 July 2024, a request to supplement the agenda of the Fund’s EGM and OGM convened for 27 September 2024 with the new items which are summarised below:

- ✓ If approved by shareholders, the suspension of the current buyback programme once the GSM Resolution is published in the Official Gazette and the interdiction to perform any other buybacks until 31 March 2025;
- ✓ The preservation of the current portfolio of the Fund and interdiction to perform any buyback programme, and the retention/use of cash held by FP exclusively for the management of the current portfolio and/or for investments, if shareholders approve to extend FTIS’ mandate from 1 April 2025 until 31 March 2026.

Source: 27 September 2024 GSM Documentation, Fund Manager current reports.



## Financial results

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# Statement of Financial Position

RON mn	30 June 2024 Unaudited	31 December 2023 Audited	30 June 2024 vs. 31 December 2023 (%)
Cash and current accounts	0.1	0.1	-
Distributions bank accounts	449.8	547.5	-17.8%
Deposits with banks	351.3	191.4	+83.5%
Dividends receivable	144.3	-	+100.0%
Equity investments	1,851.3	1,784.4	+3.7%
Non-current assets held for sale	-	432.6	-100.0%
Other assets	0.6	-	+100.0%
<b>Total assets</b>	<b>2,797.4</b>	<b>2,956.0</b>	<b>-5.4%</b>
Payable to shareholders	448.8	546.5	-17.9%
Other liabilities and provisions	36.2	67.3	-46.2%
<b>Total liabilities</b>	<b>485.0</b>	<b>613.8</b>	<b>-21.0%</b>
Total equity	2,312.4	2,342.2	-1.3%
<b>Total liabilities and equity</b>	<b>2,797.4</b>	<b>2,956.0</b>	<b>-5.4%</b>

Source: IFRS financial statements of the Fund

# Statement of Comprehensive Income

RON mn	6-month ended 30 June 2024 Unaudited	6-month ended 30 June 2023 Unaudited
Gross dividend income	145.3	962.5
Net gain/ (loss) from equity investments at fair value through profit or loss	66.9	(1,657.5)
Interest income	19.5	14.5
Net gain from non-current assets held for sale	-	61.2
Other income/ (expenses), net <sup>1</sup>	1.0	(0.7)
<b>Net operating income/ (loss)</b>	<b>232.7</b>	<b>(620.0)</b>
Administration fees recognised in profit or loss	(11.5)	(30.1)
Other operating expenses	(7.4)	(30.1)
<b>Operating expenses</b>	<b>(18.9)</b>	<b>(60.2)</b>
Finance costs	-	(0.1)
<b>Profit/ (Loss) before income tax</b>	<b>213.8</b>	<b>(680.3)</b>
Income tax expense	(0.9)	-
<b>Profit/ (Loss) for the period</b>	<b>212.9</b>	<b>(680.3)</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>212.9</b>	<b>(680.3)</b>

Source: IFRS financial statements of the Fund

1. This caption mainly includes the net foreign exchange gain/ (loss), the income from The Bank of New York Mellon (GDR depositary bank) 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)

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August 2024

## Disclaimer (II)

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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 2,947,779,186.56.

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.

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