

**Resolution no. 7 / 30 April 2024
of the Shareholders' Ordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 76-80 Buzești Street, 7th floor, 1st district, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 30 April 2024, 12:00 PM (Romanian time), the shareholders of Fondul Proprietatea S.A. (the “**Fund**” or “**Fondul Proprietatea**”) have met during the Shareholders' Ordinary General Meeting (“**OGM**”) of the Fund, at its first summoning, at “**INTERCONTINENTAL ATHÉNÉE PALACE BUCHAREST**” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, 1st District, Bucharest, zip code 010292, Romania, the OGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (“**Sole Director**”).

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 25 March 2024, in the Official Gazette of Romania, Part IV, number 1523 of 27 March 2024 and in “Adevărul” newspaper number 9115 of 27 March 2024;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (“**Companies' Law no. 31/1990**”);
- The provisions of Emergency Government Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies, as well as for the amendment and supplementation of Law no. 297/2004;
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (“**Issuers' Law**”);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (“**Regulation no. 5/2018**”);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (“**Law no. 243/2019**”);

- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (“**Regulation no. 7/2020**”);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (“**CE Regulation 1212/2018**”),

it is necessary to have a number of shareholders holding 25% of the total voting shares in order to meet the quorum conditions, in the present OGM, manifesting their vote 139 of shareholders, which represents a number of 1,541,832,850 voting rights (i.e. 43.3637% of the total voting rights at the reference date 17 April 2024, i.e. 3,555,585,304; i.e. 27.1985% of the total number of shares in issue at the reference date 17 April 2024, i.e. 5,668,806,128),

there are met the quorum for holding this meeting and the majority for shareholders to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies’ Law no. 31/1990 and art. 14 I paragraph (1) of the Fund’s Constitutive Act).

Following debates, the Fund’s shareholders decide as follows.

- I. The approval to cover, from various elements of Retained earnings, the accounting loss of RON 904,097,085.75 incurred in 2023 financial year, in accordance with the supporting materials and as reflected in the Annex of the herein Resolution.

This item is adopted with 1,540,342,699 votes, representing 99.9034% of the total votes held by the present or represented shareholders, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies’ Law no. 31/1990.

The votes were recorded as follows:

- 1,540,342,699 votes „for”;
- 82,676 votes „against”;
- 1,403,743 abstentions;
- 3,732 votes „not given”;
- 0 votes annulled from correspondence;
- 0 votes annulled in the OGM meeting.

- II. The approval of:

- (a) The date of **16 May 2024** as the *Ex – Date*, in accordance with Article 176 paragraph (1), computed with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018;

The date of **17 May 2024** as the *Registration Date*, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 87 paragraph (1) of Issuers' Law; and of

The date of **7 June 2024** as the *Payment Date*, in accordance with Article 178 paragraph (2) of Regulation no. 5/2018, computed with the provisions of Article 87 paragraph (2) of Issuers' Law.

As they are not applicable to this OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation.

- (b) The empowerment, with authority to sub-delegate, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 1,541,797,960 votes, representing 99.9977% of the total votes held by the present or represented shareholders, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 1,541,797,960 votes „for”;
- 29,548 votes „against”;
- 1,610 abstentions;
- 3,732 votes „not given”;
- 0 votes annulled from correspondence;
- 0 votes annulled in the OGM meeting.

This OGM Resolution no. **7** is drafted on behalf of the shareholders today, 30 April 2024, in 3 original counterparts by:

Johan MEYER
Chairman

Laurențiu AVRAM
Meeting secretary

Livia DUMITRESCU
Technical secretary

Annex – The Sole Director’s proposal to cover the accounting loss incurred in 2023 financial year, in accordance with the supporting materials and in the Shareholders’ Ordinary General Meeting of Fondul Proprietatea S.A. of 30 April 2024

Sole Director’s Proposal for Accounting Loss coverage

Overview

Fondul Proprietatea S.A. (“**Fondul Proprietatea**” or the “**Fund**”) reported an audited accounting loss of RON 904,097,085.75 in the financial statements for the year ended 31 December 2023, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union („**IFRS**”) and applying the Financial Supervisory Authority’s (“**FSA**”) Norm no. 39/28 December 2015, regarding the approval of the accounting regulations in accordance with IFRS, applicable to the entities authorised, regulated and supervised by the FSA – Financial Investments and Instruments Sector (“**Norm 39/2015**”).

According to Article 28(7) of the Romanian Accounting Law (“**Law 82/1991**”) and to Annex 1 - Article 23(1) from Norm 39/2015, the annual financial statements must be published together with the proposal to allocate the profit or cover the losses.

Accounting loss coverage proposal

The main contributor to the accounting loss was the negative change in fair value of the Fund’s holdings mainly generated by the valuation of the holding in Hidroelectrica SA at expected IPO proceeds. The net loss from equity investments at fair value through profit or loss was partially offset by the gross dividend income from portfolio companies recorded during the year.

According to the article 19, paragraph (4) of the Law 82/1991 “*The retained accounting loss shall be covered from the profit of the financial year and the retained earnings, from reserves, capital premiums and share capital, according to the decision of the general shareholders’ meeting.*”

Also, according to the article 88 of the Norm 39/2015 “*Retained accounting loss is covered from the profit of the current year and the retained earnings, from reserves, capital premiums and share capital, according to the decision of the general shareholders’ meeting, in accordance with the legislation in force. In the absence of any specific legal provisions, the order of the sources to be used for the coverage of the accounting loss is approved by the general shareholders’ meeting and respectively by the board of directors*”.

Considering the legal provisions mentioned above and the retained earnings and reserves structure, the Fund’s Sole Director proposal, subject to shareholders’ approval, is to cover the accounting loss of RON 904,097,085.75 as follows:

Equity elements used to cover the accounting loss of 2023 financial year	Amount (RON)
Other reserves related to uncollected returns of capital	151,945.60
Retained earnings related to uncollected dividends from 2017	1,834,472.99
Retained earnings related to uncollected dividends from 2018	11,143,979.98
Retained earnings related to 2022 unallocated profit	870,752,025.61
Retained earnings related to reduction of legal reserve in 2022	20,214,661.57
Total	904,097,085.75