Resolution no. […] / 26 April 2018
of the Shareholders' Ordinary General Meeting of
FONDUL PROPRIETATEA S.A.

Headquarters: 78-80 Buzesti Street, 7th floor, 1st district, Bucharest, registered with the Trade Register under number J40/21901/2005, fiscal registration code 18253260

Today, 26 April 2018, 15:00 o'clock (Romanian time), the shareholders of Fondul Proprietatea S.A. ("**the Fund**") have met during the Shareholders' Ordinary General Meeting ("**OGM**") of the Fund, at its first summoning, at "JW Marriott" Hotel, "Constanta" Room, 90 Calea 13 Septembrie Street, 5th District, Postal Code 050726, Bucharest, Romania, the OGM being opened by its Chairman, namely Mr. […], 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..

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 14 February 2018, in the Official Gazette of Romania, Part IV, number 680 of 16 February 2018 and in "Adevărul" newspaper no. 341 of 16 February 2018;
- The provisions of Companies' Law no. 31/1990, republished, with its subsequent amendments and supplementations (Law no. 31/1990);
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (Issuers' Law);
- 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 CNVM Regulation no. 1/2006 on issuers and operations with securities, with its subsequent amendments and supplementations (Regulation no. 1/2006);
- The provisions of CNVM Regulation no. 6/2009 on exercising certain rights of shareholders within general meetings of companies, with its subsequent amendments and supplementations (Regulation no. 6/2009);
- The provisions of Regulation of the Financial Supervisory Authority no. 4/2013 regarding depositary receipts (Regulation no. 4/2013);
- The provisions of Article 21 of CNVM Regulation no. 4/2010 on the registration with CNVM and the operation of the company "Fondul Proprietatea" S.A., as well as on trading the shares issued by this company.

Following debates, the Fund's shareholders decide as follows:

I. The approval of the net profit allocation registered for the financial year 2017, and the approval of the value of the gross dividend of RON 0.0678 per share, in accordance with the supporting documentation, and as described in the annex herein. If net profit and dividend allocation proposal above-mentioned are approved, the shareholders further approve that the payment of the dividends to start on the Payment Date of this OGM (as defined below) to the persons registered as shareholders of Fondul Proprietatea S.A. on the Registration Date (as defined below). Unpaid shares and treasury shares do not constitute dividend entitlement.

   This item is adopted with […] votes representing […]% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Law no. 31/1990. The casted votes were recorded as follows: […] votes "for" and […] votes "against". There were also registered: […] abstains, […] votes „not given” and […] votes were annulled.

II. In accordance with Article 129^2 of Regulation no. 1/2006, the approval of:

(i) 8 June 2018 as the *Ex – Date*, computed in accordance with the provisions of Article 2 paragraph (2) letter f^1) of Regulation no. 1/2006;

(ii) 11 June 2018 as the Registration Date, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law;

(iii) 29 June 2018 as the Payment Date, as it is defined by Article 2 letter g) of Regulation no. 6/2009.

As it is not applicable to this OGM, the shareholders do not decide on the date of the guaranteed participation, as defined by Article 2 letter f^1) of Regulation no. 6/2009.

This item is adopted with […] votes representing […]% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Law no. 31/1990. The casted votes were recorded as follows: […] votes "for" and […] votes "against". There were also registered: […] abstains, […] votes „not given" and […] votes were annulled.

III. The empowerment, with authority to be substituted, 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 […] votes representing […]% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Law no. 31/1990. The casted votes were recorded as follows: […] votes "for" and […] votes "against". There were also registered: […] abstains, […] votes „not given" and […] votes were annulled.

This decision is drafted and signed on behalf of the shareholders by:

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[…]
Chairman

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[…]
Meeting secretary

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[…]
Technical secretary

Annex – *The proposal for the profit allocation for the financial year ended 31 December 2017, as described in the supporting materials and in the Shareholders' Ordinary General Meeting of Fondul Proprietatea S.A. of 26 April 2018*

Sole Director's Proposal for Profit Allocation for the Financial Year ended 31 December 2017

Overview

*Fondul Proprietatea S.A. ("**Fondul Proprietatea**" or the "**Fund**") reported an audited net profit of RON 1,289,896,039 in the financial statements for the year ended 31 December 2017, 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 29 of the Romanian Accounting Law ("**Law 82/1991**") and to 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 profit and distributable amount

Based on the Fund's Annual Cash Distribution Policy (published on the Fund's website), the distributable amounts are intended to be set at the level of 100% of the sum of (i) the Fund's dividend income from portfolio companies, (ii) plus interest on cash balances, (iii) less expenses and taxation and (iv) less compulsory allocations to reserves according to the regulations in force.

By applying the principles above-mentioned to the net profit for 2017, the calculation of the distributable amount would be as follows:

Audited Statement of Comprehensive Income for the Year ended 31 Dec 2017	***Reported amounts (RON)***	***Distributable amount (RON)***	***Non-Distributable amount (RON)***
Gross dividend income	*740,360,617*	*740,360,617*	
Realised gain from disposal of non-current assets held for sale	*330,594,143*		*330,594,143*
Net gain from equity investments at fair value through profit or loss	*221,324,058*		*221,324,058*
Gain on disposal of equity investments classified as available for sale, net	*38,527,851*		*38,527,851*
Reversal of impairment losses on receivables, net	*36,378,838*		*36,378,838*
Interest income	*11,919,865*	*11,919,865*	
Net foreign exchange gain	*570,507*	*570,507*	
Impairment losses on equity investments classified as available for sale	*(8,000,000)*		*(8,000,000)*
Other income, net	*376,178*	*376,178*	
Net operating income	***1,372,052,057***	***753,227,167***	***618,824,890***
Operating expenses	*(97,492,044)*	*(97,492,044)*	
Finance costs	*(152,997)*	*(152,997)*	
Profit before income tax	***1,274,407,016***	***655,582,126***	***618,824,890***
Income tax	*15,489,023*		*15,489,023*
Profit for 2017	***1,289,896,039***	***655,582,126***	***634,313,913***

The distributable amounts computed in accordance with the Fund's Annual Cash Distribution Policy were also realised in cash during the financial year ended 31 December 2017.

*In accordance with the requirements of the Companies' Law no. 31/1990 (**"Law 31/1990"**), the Fund is obliged to transfer at least 5% of the profit to the legal reserves until those reserves reach a value equivalent to 20% of the share capital of the Fund. As at 31 December 2017, an amount of RON 64,494,802, representing 5% of the 2017 profit (profit before current profit tax of RON 1,289,896,039), was transferred to the legal reserve. Following the transfer of RON 64,494,802 from the 2017 profit, the legal reserve amounts RON 330,578,802, being 6.81% of the subscribed share capital of the Fund as at 31 December 2017.*

Considering the above, the Fund's Sole Director proposes to shareholders the following dividend per share distribution:

Distributable profit (RON)	*655,582,126*
Less mandatory transfer to legal reserves (RON)	*(64,494,802)*
Proposed dividend (RON)	***591,087,324***
Number of shares in issue	*9,334,682,278*
Less unpaid shares	*(363,812,350)*
Less treasury shares in balance at 31 Dec 2017	*(251,878,340)*
***Number of shares entitled to receive dividends**[1]*	***8,718,991,588***
Proposed gross dividend per share (RON)	***0.0678***

The total dividend amount payable to shareholders (respectively the approved gross dividend per share multiplied by the number of shares entitled to receive dividends) if the dividend proposal is approved by the GSM may be different compared to the amount stated above due to the fact that between 31 December 2017 and the record date of the distribution, additional treasury shares will be acquired by the Fund under the current buy-back programme[2]. These treasury shares are not entitled to cash distribution and consequently will be deducted from the number of shares included in the distribution calculation above (i.e. the balance as at 31 December 2017). Any difference arising in the total distribution amount will remain available to the Fund under the retained earnings caption.

In light of the above, the Sole Director's proposal for the allocation of the 2017 audited profit is the following:

	RON
Audited net profit	*1,289,896,039*
Less mandatory transfer to legal reserves	*(64,494,802)*
Less proposed dividend	*(591,087,324)*
Remaining unallocated profit	*634,313,913*

The unallocated profit of RON 634,313,913 remains available to the Fund's shareholders under retained earnings. The destination of this amount can be decided by the shareholders in subsequent assemblies, including for the coverage of negative reserves that may arise from the cancellation of the treasury shares acquired during the Fund's buy-back programmes.

[1] Computed as at 31 December 2017 as the number of the fully paid shares less treasury ones; unpaid shares along with treasury ones do not constitute dividend entitlement as per Article 67 (2) and Article 105 (1) of Law 31/1990.

[2] For exemplification purposes, please note that on 10 January 2018, the FSA approved the Fund's application for a tender offer for the acceleration of the ninth buy-back programme, with the subscription period 18 January 2018 - 23 February 2018 and under which, the Fund intends to repurchase up to 1,200,000,000 shares from its shareholders. The actual number of the shares (either in the form of shares and/or GDRs) to be acquired in the said tender will be deducted from the number of shares entitled to dividends, together with any shares which may be acquired afterwards during the current buy-back programme until the registration date of the dividend distribution.