

Translation from Romanian language

Government of Romania
MINISTRY OF FINANCE
CABINET OF THE MINISTER

TO: FONDUL PROPRIETATEA

Address: Strada Buzești, nr. 76-80, clădirea Premium Point,
etajele 7-8 Sector 1, Cod postal 011843
Bucharest, Romania

No. 769.350/08.03.2024

Dear Sirs,

By virtue of the General Meeting of Shareholders of Fondul Proprietatea S.A. of 26.03.2023, in conjunction with the address of Fondul Proprietatea S.A. no. 125/29.02.2024 requesting a series of clarifications as to the supplementing of the agenda sent by the Ministry of Finance by address no. 768.640/2024, we hereby inform you of the following:

1. With regard to the agenda item introduced by the Ministry of Finance, *alternatively to item 1 of the Notice to convene the OGMS*, with reference to the approval of the terms of the Management Agreement between Fondul Proprietatea and Franklin Templeton International Services S.à r.l. for a period of one (1) year starting from 1 April 2024, we note that the only proposal of the Ministry of Finance regarding the contract subject to approval was "to change the basic fee rate so that the basic fee becomes 1.35%", as there is no justification for increasing the basic fee rate to 200 basis points per year, given that other funds of comparable size have an average fee of 1.35%, as we have indicated in the justification to supplement the agenda.

2. With regard to the agenda item introduced by the Ministry of Finance on "Approval that the Fund's strategy applicable to the mandate period from 1 April 2024 to 31 March 2025 includes the preservation of the current portfolio managed by Franklin Templeton International Services S.à r. l", the Ministry of Finance envisaged that the holdings of Fondul Proprietatea on 31 March 2024 in portfolio companies should be preserved. In this respect, during the selection of the new administrator, there should be no sales of the Fund's holdings in the portfolio companies, so that the new administrator, to be appointed following the selection procedure, can develop and submit to the approval of the General Meeting of Shareholders a new strategy, based on the holdings of Fondul Proprietatea in the portfolio companies existing on 31 March 2024.

Sincerely,

MINISTRY OF FINANCE
Marcel-Ioan BOLOȘ
illegible signature
stamp of the Ministry of Finance