

Memo on reclassification of additional amounts to 2025 selection budget

Overview

According to OGM Resolution no. 9/ 25 September 2023, the Board of Nominees (“BoN”) of Fondul Proprietatea S.A. (“Fondul”) was empowered to initiate and organise a transparent and competitive selection procedure for a new alternative investment fund manager (“AIFM”), establish new objectives, performance criteria and remuneration conditions realigned with these objectives and present these for approval by the GSM. Taking into consideration the mandate granted, the BoN concluded that it needs the support of suitably experienced independent advisers to assist it throughout this process.

Considering the above, at the proposal of the Board of Nominees, during 27 September 2024 GSM the shareholders approved the following:

- the appointment, following selection by the BoN, of Numis Securities Limited, member of Deutsche Bank Group, with its head-office at 45 Gresham Street, London, United Kingdom (“Deutsche Numis”), as selection advisor assisting Fondul Proprietatea through the members of the BoN. Deutsche Numis shall provide services related to the selection of the potential AIFM, assisting the members of the BoN in drafting the request for proposals to be sent to potential candidates, selection and analysis of the offers received, project management of the selection process and assistance during negotiation of the new terms of the management agreement to be negotiated with the selected candidate(s) - OGM Resolution no. 14/ 27 September 2024;
- the maximum advisory budget of RON 3.8 million, including all applicable taxes and out-of-pocket expenses, to be used by the members of the BoN for the payment of the services to be provided by Deutsche Numis, 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 - OGM Resolution no. 15/ 27 September 2024.

Also, during 2 December 2024 GSM the shareholders approved the 2025 Budget of Fondul through OGM Resolution no. 19/ 2 December 2024.

The table below presents the allocation of the total selection budget of RON 3.8 million per 2024 Budget and 2025 Budget (approved as described above), as well as the actual amounts incurred in 2024:

<i>All amounts in RON</i>	Selection budget as per 27 Sep 2024 GSM	Budget 2024 allocation	Budget 2025 allocation	Actual 2024
	RON	RON	RON	RON
Fund Manager Selection related expenses	3,788,655	1,891,467	1,897,188	1,889,251

Reclassification of additional amounts to 2025 selection budget

Based on the existing contracts with the advisers involved in the selection process and the estimated effort required to complete the project, the Board of Nominees estimates that 2025 selection budget of RON 1.9 million would not be enough to finalise the selection process.

As a result of the above, the Board of Nominees proposes for shareholders’ **approval the reclassification in the 2025 Budget of the amount of RON 1,776,611** (approximately EUR 300,000 plus VAT) from the position “*Expenses related to listing of portfolio holdings*” to the position “*Fund Manager Selection related*”

expenses”, together with the **approval of the corresponding change of the 2025 Budget** of Fondul Proprietatea.

For avoidance of any doubt, the above request would not result in additional expenses for Fondul compared to the total 2025 budgeted expenses as approved during 2 December 2024 GSM.

The Board of Nominees requires the reclassification above to be approved and the amounts are estimated to be mainly used for the payment of the services related to the selection of the AIFM, including negotiations of the management agreement with the AIFM, financial advisory services and legal services required for this purpose.

Board of Nominees of FONDUL PROPRIETATEA S.A.

Chairperson of Board of Nominees – Mrs. Ilinca von Derenthall