

Memo regarding the consolidation of the nominal value of the shares of Fondul Proprietatea

Considering:

- (a) The request dated 30 December 2025, submitted by certain shareholders holding more than 5% of the share capital of Fondul Proprietatea, regarding the convening of the Ordinary General Meeting of Shareholders of Fondul Proprietatea, in accordance with the provisions of Article 119 paragraph (1) of Law no. 31/1990 on companies, Article 105 paragraph (23) of the Law no. 24/2017 Issuers' Law, and Article 13 paragraph (13) of the Company's Constitutive Act;
- (b) Item 2 of the shareholders' request stating that: *“In order to eliminate the ‘price stigma’ currently depressing the stock, shareholders propose to execute a 1:100 Reverse Stock Split to reposition the share price for institutional investors” (“Nominal Value Consolidation”)*;
- (c) The fact that implementing the Nominal Value Consolidation is a complex process,

We propose to the shareholders the **in principle** approval of the operation of Consolidating the Nominal Value of a share of Fondul Proprietatea, as follows:

“The in principle approval of the consolidation of the nominal value of a share of Fondul Proprietatea, by increasing the nominal value of the shares simultaneously with the reduction of the total number of shares (100 shares with a nominal value of 0.52 RON/share = 1 share with a nominal value of 52 RON/share), in accordance with the legal provisions (“Nominal Value Consolidation”).

The Fund Manager is hereby empowered to submit for shareholders' approval within the 2026 annual Extraordinary General Meeting of Shareholders the necessary resolutions for the implementation of the Nominal Value Consolidation.

The Nominal Value Consolidation shall enter into force and is conditional upon a subsequent resolution of the Extraordinary General Meeting of Shareholders approving the specific terms of such operation, including the price, the terms and conditions of payment, and the related registration and implementation steps, as well as the corresponding amendments to the Fund's Constitutive Act in accordance with Article 91 paragraphs (5), (6) and (10) of Issuers' Law.

(Item added on the agenda at the request of a shareholders' group holding more than 5% of the share capital)”.

In light of the above and subject to shareholders' approval, we inform the shareholders that the Nominal Value Consolidation operation will be carried out using an exchange ratio of 100 shares to one (1) share, which means that for every 100 existing shares of the Fund, one (1) share with a nominal value of RON 52 will be allocated.

Subject to shareholders' approval, within the 2026 annual Extraordinary General Meeting of Shareholders, the Fund Manager will submit for shareholders' approval the necessary resolutions for the approval and implementation of the Nominal Value Consolidation. The process involves going through essential steps such as managing any fractional shares, determining the relevant financial dates, appropriately updating the shareholders' register, obtaining the necessary regulatory approvals, analysing the interactions with the ongoing transactions affecting the share capital of the Fund (e.g. share capital

decrease for the cancellation of 16th buy-back programme shares, implementation of 17th buy-back programme for 2026, etc.), all of which will be carried out in accordance with the applicable legal provisions.

Franklin Templeton International Services S.à r.l. acting in the capacity of Sole Director and Alternative Investment Fund Manager of Fondul Proprietatea SA

Daniel NAFTALI
Permanent Representative