

**To: Bucharest Stock Exchange
Financial Supervisory Authority
London Stock Exchange**

Current report according to the provisions of Article 99 letter s) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

Important events to be reported:

The letter received from the Financial Supervisory Authority with regards to the voting results during the Ordinary General Shareholders' Meeting of Fondul Proprietatea SA held on 4 September 2019

Franklin Templeton International Services S.À R.L., in its capacity as alternative investment fund manager and sole director (the "**Fund Manager**") of Fondul Proprietatea SA ("**Fondul Proprietatea**" / the "**Fund**"), hereby publishes the English translation of the letter received on 11 September 2019 from the Financial Supervisory Authority ("**FSA**") with regards to the shareholders' votes expressed under point 1(a) of the agenda of the Fund's Ordinary General Shareholders Meeting ("**OGM**") held on 4 September 2019, i.e. "*The appointment of a member of the Board of Nominees following the expiration of the mandate of Mr. Sorin Mihai Mîndruțescu on 29 September 2019; the mandate of the new member is valid for a period of three (3) years and shall produce its effects starting with the said date onwards, subject to the acceptance of the mandate by the newly appointed member.*", as enclosed in the Annex hereto.

The Fund Manager will proceed with the necessary steps to implement as soon as possible the shareholders' will, as recommended by the FSA, for the appointment of Mrs. Vivian Nicoli as member of the Fund's Board of Nominees.

Franklin Templeton International Services S.À R.L. acting as Fund Manager of FONDUL PROPRIETATEA S.A.

**Johan MEYER
Permanent Representative**

Report date:

12 September 2019

Name of the issuing entity:

Fondul Proprietatea S.A.

Registered office:

78-80 Buzesti Street
7th floor, district 1,
Bucharest, 011017

Phone/fax number:

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

Email:

office@fondulproprietatea.ro

Internet:

www.fondulproprietatea.ro

Sole Registration Code

with the Trade Register

Office:

18253260

Order number in the Trade

Register:

J40/21901/2005

Subscribed share capital:

RON 4,733,020,898.32

Paid-up share capital:

RON 4,543,838,476.32

Number of shares in

issue:

9,101,963,266

Number of paid shares:

8,738,150,916

Regulated market on

which the issued

securities are traded:

Shares on Bucharest Stock
Exchange

GDRs on London Stock

Exchange

Annex



Cabinet of Vice-president FIIS

S.C. FONDUL PROPRIETATEA S.A., Entry/Exit no. 875, day 11 month 09 year 2019

To: Franklin Templeton Investment Services S.À R.L. - Sole Director of Fondul Proprietatea SA

Attn.: Mr. Johan Meyer - legal representative

office@fondulproprietatea.ro

Fax: 4021-2009631

[Financial Supervisory Authority, Entry/Exit no. VPI / 5971,
Day 11, Month 09, Year 2019]

Dear Sir,

With reference to the information published on BSE's website on 04 and 05 September 2019 by FONDUL PROPRIETATEA SA with respect to the company's OGMS which was held on 04.09.2019, and as a follow-up to letter DETA no. 7597/06.09.2019, we inform you that:

As concerns item (1a) on the OGMS agenda, the shareholders were called to vote on a single resolution regarding the appointment of a member of the Board of Nominees following the expiry of the term of office of Mr. Sorin Mihai Mindrutescu as at 29 September 2019.

As concerns the shareholders' voting, we note that the distribution of options for one candidate or the other was the result of the manifestation of will by the shareholders which were present or represented within the OGMS of 04.09.2019 and which, based on the information included in the current report dated 05.09.2019 regarding the voting results, held 3,885,601,535 voting rights (i.e. 42.69% of the issuer's share capital).

For the candidate Vivian Nicoli, 3,130,036,135 votes were cast in favor, and for the candidate Florian Munteanu, 749,614,606 votes were cast in favor.

Therefore, in the case of the shareholders that abstained from voting for the candidate Florian Munteanu, however understood to vote for the candidate Vivian Nicoli, one cannot consider that they "abstained" from voting on the resolution under item 1(a), seen in its singularity and integrality, a conflicting interpretation resulting in the invalidation/violation of the explicit option of such shareholders.

In this light, in our opinion, with regard to the resolution under item 1(a), the candidate elected by the company's shareholders is the candidate who obtained the majority of votes required by law, i.e. the candidate who obtained the most votes "in favor", that is Mrs. Vivian Nicoli.

In consideration of the foregoing matters, we require you to adopt the necessary actions as soon as possible so as to adequately reflect the shareholders' will expressed by vote with respect to item 1(a) on the agenda of the OGMS of 04.09.2019 and to inform the investors with respect to this letters.

Best regards,

Vice-president

Gabriel Gradinescu [Illegible signature]

[Stamp applied: The Financial Supervisory Authority, Romania, Vice-president FIIS]