

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

Current report according to Article 234 para. (1) letter c) of the Financial Supervisory Authority Regulation no. 5/2018 on issuers of financial instruments and market operations, as well as the provisions of Article 99 letter a) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

Important events to be reported:

Convening notice of the Extraordinary General Meeting of Shareholders of Fondul Proprietatea S.A. to be held on 14 January 2021

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Investment Manager of Fondul Proprietatea SA ("**Fondul Proprietatea**" / the "**Company**"), hereby, publishes the **Convening notice of Fondul Proprietatea S.A.'s Extraordinary General Meeting Of Shareholders ("**EGM**")** to be held on **14 January 2021**, approved by Fondul Proprietatea's Board of Nominees on 19 November 2020, and enclosed in the Annex to this report.

The meeting shall take place at "**ATHÉNÉE PALACE HILTON BUCHAREST**" **Hotel**, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania, commencing **11:00 AM** (Romanian time).

Please note that only the persons registered as shareholders of the Company on **17 December 2020** (considered as the "**Reference Date**") in the Shareholders' Register kept by Depozitarul Central S.A. have the right to participate and vote at the EGM.

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch acting as Investment Manager of FONDUL PROPRIETATEA S.A.

Johan MEYER
Legal Representative

Report date:
20 November 2020

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 3,749,282,292.08

Paid-up share capital:
RON 3,560,099,870.08

Number of shares in issue:
7,210,158,254

Number of paid shares:
6,846,345,904

Regulated market on which the issued securities are traded:
Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

**CONVENING NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF
FONDUL PROPRIETATEA S.A.**

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 (the “**Fund Manager**” / “**Sole Director**”), in its capacity as the alternative investment fund manager and sole director of FONDUL PROPRIETATEA S.A., a joint-stock company incorporated under the laws of Romania, qualifying as an alternative investment fund, addressed to retail investors, with its headquarters in Bucharest, 78-80 Buzești Street, 7th floor, 1st District, Romania, registered with the Trade Registry under no. J40/21901/2005, Sole Registration Code 18253260, with a subscribed registered share capital of RON 3,749,282,292.08, and a paid-up share capital of RON 3,560,099,870.08 (the “**Company**”/„**Fondul Proprietatea**”/„**FP**”),

Considering

- The provisions of Articles 12 - 13 of the Company’s in force Constitutive Act;
- The provisions of Companies’ Law no. 31/1990, republished, with its subsequent amendments and supplementations (**Companies’ Law no. 31/1990**);
- 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;
- 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 Regulation of the Financial Supervisory Authority no. 4/2013 regarding depository receipts (**Regulation no. 4/2013**);
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with its subsequent amendments and supplementations (**Issuers’ Law**);
- The provisions of Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations (**Regulation no. 5/2018**);
- The provisions of Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation (**Law no. 243/2019**);
- The provisions of Regulation of the Financial Supervisory Authority no. 7/2020 on the authorization and operation of alternative investment funds (**Regulation no. 7/2020**);
- The provisions of COMMISSION IMPLEMENTING REGULATION (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights (“**CE Regulation 1212/2018**”).

CONVOKES:

The **Extraordinary General Meeting of Shareholders** of Fondul Proprietatea S.A. on **14 January 2021, 11:00 AM** (Romanian time), at “**ATHÉNÉE PALACE HILTON BUCHAREST**” Hotel, Le Diplomate Salon, 1-3 Episcopiei Street, Sector 1, Bucharest, 010292, Romania (**EGM**).

Only the persons registered as shareholders of the Company on **17 December 2020** (the **Reference Date**) in the register of shareholders kept by Depozitarul Central S.A. have the right to participate and vote at the EGM.

The agenda of the EGM is as follows.

1. The approval of the amendment of Article 4 of the Constitutive Act, as follows:

“(1) The duration of Fondul Proprietatea is until 31 December 2031.

(2) The duration may be extended by the extraordinary general meeting of shareholders, with additional periods of 5 years/each.”

2. The approval of the amendment of Article 9 paragraph (1) and of the introduction of a new paragraph (1[^]1) to Article 9 of the Constitutive Act, as follows:

“(1) The shares of Fondul Proprietatea are nominative, of equal value, issued in dematerialized form, established by registration in the account, and grants equal rights to their holders under the conditions provided by article 11. The existing fully paid up ordinary shares of Fondul Proprietatea are admitted to trading on the regulated market operated by Bursa de Valori Bucuresti S.A. and may be admitted to trading on other markets, with the approval of the extraordinary general meeting of shareholders.

(1[^]1) Fondul Proprietatea’s Global Depositary Receipts (i.e. GDRs), having the shares of Fondul Proprietatea as underlying securities, are listed on the Specialist Fund Market of London Stock Exchange and may be admitted to trading on other markets, with the approval of the extraordinary general meeting of shareholders.”

3. The approval of the amendment of Article 12 paragraph (2) letters f) and k) of the Constitutive Act, as follows:

“(2) The ordinary general meeting of the shareholders has the following competencies, duties and functions:

f) to approve the remuneration policy applicable to the members of the Board of Nominees and to the Alternative Investment Fund Manager, that includes the level of remuneration of the members of the Board of Nominees and of the Alternative Investment Fund Manager, and to set the level of the remuneration of the financial auditor for financial audit services;

(...)

k) to decide upon the pledge, lease or the creation of the movable securities or mortgages on the assets of Fondul Proprietatea, according to the legislation in force;”

4. The approval of the introduction of a new letter k[^]1) to paragraph (3) of Article 12 of the Constitutive Act, as follows:

“(3) The extraordinary general meeting of the shareholders is entitled to decide on the following:

k[^]1) approval of: (i) the dissolution and liquidation of the Company; or (ii) the extension of the duration of the Company, in all cases according to the legislation in force;”

5. The approval of the amendment of Article 13 paragraph (1) of the Constitutive Act, as follows:

“(1) The general meeting of the shareholders is called by the Alternative Investment Fund Manager whenever required. Prior to the convocation of the general meeting of the shareholders, the Alternative Investment Fund Manager shall communicate to the Board of Nominees the intention to call the general meeting and may introduce on the list of matters for the meeting the matters proposed by the Board of Nominees.”

6. The approval of the amendment of Article 13 paragraph (6) of the Constitutive Act, as follows:

“(6) The calling notice, any other matter added to the agenda at the request of the shareholders or proposed by the Board of Nominees, the annual financial statements, the annual report of the Alternative Investment Fund Manager, the reports of the Board of Nominees as well as the proposal to distribute dividends are made available to the shareholders, at the headquarters of Fondul Proprietatea at the date of convocation of the general meeting, and are also published on the internet page, for free access to information by the shareholders. Upon request, copies of these documents shall be issued to the shareholders.”

7. The approval of the amendment of Article 13 paragraph (7) of the Constitutive Act, as follows:

“(7) The calling notice includes all elements required according to legislation and regulations in force.”

8. The approval of the amendment of Article 13 paragraph (11) of the Constitutive Act, as follows:

“(11) The Board of Nominees may propose to the Alternative Investment Fund Manager the calling of the general meeting, and if the Fund Manager does not give a response to the written request of the Board of Nominees within 5 working days from receiving it, the Board of Nominees may inform the shareholders, by means of a current report, that it considers necessary the convening of the general meeting of shareholders, while also indicating the topics that should be discussed.”

9. The approval of the amendment of Article 13 paragraph (12) of the Constitutive Act, as follows:

“(12) The chairperson of Board of Nominees may propose to the Alternative Investment Fund Manager the calling of the general meeting according to article 16 paragraph (4).”

10. The approval of the amendment of Article 13 paragraph (15) of the Constitutive Act, as follows:

“(15) In the situation provided by paragraphs (13) and (14), in case the Alternative Investment Fund Manager does not call the general meeting of shareholders, the court of law from the headquarters of Fondul Proprietatea may authorize the calling of the general meeting by the shareholders which formulated the request, according to the legislation in force.”

11. The approval of the amendment of Article 14 paragraphs (5), (13), (14), (17), (18), (21) and (23) and deletion of paragraphs (15) and (19) of the Constitutive Act, as follows:

“(5) For the validity of the deliberation of the extraordinary general meeting of shareholders regarding a share capital decrease, the attendance of the shareholders representing:

(i) at least 1/4 of the total number of voting rights upon the first convocation; and

(ii) at least 1/5 of the total number of the voting rights, upon the second convocation is required.

(...)

(13) Considering the extremely large number of shareholders of Fondul Proprietatea, circumstance which, practically, makes it impossible for all of them to meet at the general meeting of shareholders, the shareholders may participate in person, by proxy or may express their voting right by correspondence or by electronic voting according to legislation and regulations in force. The procedures and forms for the proxy, correspondence and electronic voting shall be set by the Alternative Investment Fund Manager, in accordance with the applicable legislation and are made available to the shareholders at least by the date of publishing of convening notice for general meeting of shareholders.

(14) The statutory quorum that needs to be met for the valid holding of any type of general meeting of the shareholders is calculated by including the votes deemed validly sent by correspondence, according to legislation in force.

(...)

(17) In order to ensure the effective and real possibility of all shareholders to acknowledge the contents of the documents and the proposals of the ones requiring the organization of the general meeting of the shareholders, by care of the Alternative Investment Fund Manager, such will be available, at the headquarters of Fondul Proprietatea, as well as on the internet page of Fondul Proprietatea, at least 30 days prior to the date provided for holding the meeting.

(18) In the ads informing on the convocation of the general meeting of shareholders of Fondul Proprietatea it will be indicated, by the Alternative Investment Fund Manager the reference date in relation to which the shareholders will be entitled to participate and vote. Also, the date by when the shareholders may send their votes, as well as the procedure for voting by correspondence, regarding any of the issues subject to approval shall also be set. The deadline by when votes by correspondence may be registered at least 5 working days subsequent to the date of publication of the informative material and is prior to the convocation date of the general meeting of the shareholder by at least 48 hours.

(...)

(21) The shareholders may be represented in each general meeting by other shareholders or by third parties, according to the legislation in force.

(...)

(23) Only the shareholders registered in the company shareholders' register at the reference date established by the Alternative Investment Fund Manager when calling the general meeting of the shareholders shall be entitled to participate to the meeting and vote after proving their identity."

12. The approval of the amendment of Article 15 paragraph (2) of the Constitutive Act, as follows:

"(2) Any shareholder will have the right to make proposals on the members of the Board of Nominees. The nomination will be accompanied by the questionnaire regarding the independence of the candidate, completed and signed by the candidate, whose template shall be available in the informative materials, following that, this questionnaire will be brought to the attention of the shareholders. The members of the Board of Nominees may be shareholders of Fondul Proprietatea or other persons designated by the shareholders and they must have the proper experience and knowledge in order to be able to receive the Alternative Investment Fund Manager reports and of the consultants and, based on the information received, judge the merits of the management of Fondul Proprietatea within the limits of the objectives and principles set by the investment policy as well as by the applicable laws and regulations. Also, the members of the Board of Nominees have to be qualified properly in order to decide (if there is need with the support of an independent consultant) if the transactions proposed by the Alternative Investment Fund Manager to be analysed by the Board of Nominees are made to the advantage of the shareholders."

13. The approval of the amendment of Article 16 paragraph (4) of the Constitutive Act, as follows:

"(4) If the absolute majority condition cannot be fulfilled to have the quorum for taking a decision, the chairperson of the Board of Nominees shall give notice for a second meeting of Board of Nominees, having the same agenda as the first, in order to discuss this agenda. If the absolute majority condition cannot be fulfilled to have the quorum for taking a decision for three consecutive meetings, the chairperson of the Board of Nominees shall ask the Alternative Investment Fund Manager to convoke the general meeting of the shareholders in order to properly decide on the existing situation."

14. The approval of the amendment of Article 17 paragraphs (1), (7), (14), (16) and (20) of the Constitutive Act, as follows:

"The Board of Nominees has the followings duties and functions:

(1) Following the information received from the Alternative Investment Fund Manager with regard to the summoning of the ordinary and/or extraordinary general meeting of the shareholders proposes, if it deems necessary, the insertion of supplementary matters in the text of the calling notice of the general meeting of shareholders, in accordance with the legislation in force;

(...)

(7) Receives from the Alternative Investment Fund Manager and reviews the framework for carrying out Fondul Proprietatea's operations, as well as any other regulations issued by Alternative Investment Fund Manager applicable to Fondul Proprietatea according to legal provisions in force, capital market rules and regulations;

(...)

(14) Under the conditions of article 13 paragraphs (11) and (14), informs the shareholders about the necessity to call the general meeting of shareholders, mentioning also the topics to be discussed;

(...)

(16) Further to the proposal of the Alternative Investment Fund Manager, issues an opinion to be presented to the general meeting of shareholders regarding the execution of contracts for acquiring, selling, exchanging or for creating pledges, having as subject non-current assets of Fondul Proprietatea, whose value exceeds, individually or cumulatively during a financial year, 20% of the total value of the non-current assets of Fondul Proprietatea, less receivables;

(...)

(20) Receives and reviews the delegation by the Alternative Investment Fund Manager of certain activities;"

15. The approval of the introduction of a new paragraph (6) to Article 19 of the Constitutive Act, as follows:

"(6) The rules for remuneration of the Alternative Investment Fund Manager and the size of administration fees are included in the remuneration policy and the remuneration policy is approved by ordinary general meeting of shareholders, at least once at four years. The annual size of the administration fees is included in annual budget and approved by the ordinary general meeting of shareholders according to the legislation in force."

16. The approval of the amendment of Article 20 of the Constitutive Act, as follows:

"The Alternative Investment Fund Manager shall appoint a natural person as its permanent representative. The Alternative Investment Fund Manager can change the permanent representative in accordance with the applicable law. All changes will be registered with the Trade Registry."

17. The approval of the amendment of Article 21 paragraphs (3) and (4) letters (i), (ii), (iv), (vi), (vii),(viii), (ix), (xi), and (xvi), as well as renumbering of a new letter (xi¹) of the Constitutive Act, as follows:

"(3) In addition to the duties provided by the applicable law, the Alternative Investment Fund Manager shall propose for the analysis of the Board of Nominees and further, of the approval of the general meeting of the shareholders of Fondul Proprietatea, the general strategy in accordance with the investment policy of Fondul Proprietatea and it is responsible for the implementation of the investment policy and for achieving a proper balance between the profits and the risks related to the Fondul Proprietatea portfolio. The Alternative Investment Fund Manager undertakes to inform the Board of Nominees regularly, and as and when required by the Board of Nominees, about any significant changes in the activities of Fondul Proprietatea and within the structure of its portfolio.

(4) In excess of the duties provided by the applicable law, the Alternative Investment Fund Manager shall be liable to:

(i) establish a reference date for shareholders entitled to vote within the general meeting, under the law, and draft the text of the announcement on the convocation of the general meeting, after notifying the Board of Nominees and after analysing the matters proposed by the Board of Nominees to be added on the agenda;

(ii) upon the written request of any shareholder submitted before the date of the general meeting of the shareholders, to give responses considering the opinion of the Board of Nominees, regarding the aspects concerning the business of Fondul Proprietatea;

(...)

(iv) prepare the annual financial statements, draft the annual activity report, examine the financial auditors' report, present them to the Board of Nominees before submitting such documents to the general meeting of the shareholders and make proposals on the distribution of the profit to the general meeting of the shareholders, after considering the opinion of the Board of Nominees;

(...)

(vi) prepare an annual report on the management and the business policy of Fondul Proprietatea, to be presented to the Board of Nominees for analysis prior to its submission to the general meeting of the shareholders;

(vii) proposes for analysis of the Board of Nominees and further, for the approval of the general meeting of the shareholders, of the yearly income and expenditure budget and business plan;

(viii) outsource certain activities related to the management of the company, within the limits of the approved budget, subject to the observance of the applicable legislation;

(ix) submit to the approval of the extraordinary general meeting of shareholders the execution of contracts for acquiring, selling, exchanging or for creating pledges, having as subject non-current assets of Fondul Proprietatea, whose value exceeds, individually or cumulatively during a financial year, 20% of the total value of the non-current assets of Fondul Proprietatea, less receivables, presenting to the shareholders the opinion of the Board of Nominees;

(...)

(xi) propose to the ordinary general meeting of the shareholders the conclusion of the financial audit agreement according to the legal provisions in force, presenting to the shareholders the opinion of the Board of Nominees;

(xi¹) approve the procedure of internal audit and the audit plan;

(...)

(xvi) proposes to Extraordinary General Meeting of the Shareholders the appointment of the investment firm/investment bank who shall manage a public offer, as well as on its remuneration, when it will become necessary that such a company be appointed related to the admission to trading of Fondul Proprietatea, presenting to the shareholders the opinion of the Board of Nominees;"

18. The approval of the amendment of Article 24 paragraph (2) of the Constitutive Act, as follows:

"(2) The internal audit activity organised for Fondul Proprietatea, will be rendered by a third party on a contractual basis, in accordance with the applicable legal provisions."

19. The approval of the amendment of Article 31 paragraph (1) of the Constitutive Act, as follows:

"(1) The dissolution of Fondul Proprietatea shall take place in the following cases:

a) impossibility of performing the company's business object;

b) declaring the company's nullity;

c) by decision of the extraordinary general meeting of the shareholders, in accordance with article 14;

d) as consequence of losses, if the net asset value, determined as difference between the total asset and company's debts, represents less than half of the value of the subscribed share capital and if, not later than the termination of the financial year subsequent to the one during which the losses have been ascertained, the general meeting of the shareholders fails to decrease the share capital with an amount at least equal with the one of losses which could not be covered from reserves or to reconstitute the company's net asset up to the value at least equal with half of the subscribed share capital;

- e) opening of the bankruptcy procedure;
- f) the number of shareholders reduces under the legal minimum;
- f¹) expiration of the duration of Fondul Proprietatea, if the extraordinary general meeting of shareholders of Fondul Proprietatea does not decide the extension of the duration, in accordance with Article 4;
- g) other causes provided by the law or by this constitutive act.”

20. The approval of the amendment of Article 32 of the Constitutive Act, as follows:

- “(1) The dissolution of Fondul Proprietatea has as consequence the opening of the liquidation procedure and, irrespective of the reasons for dissolution of the Company, Fondul Proprietatea will be wound up only after finalising the related procedures, in accordance with the law.
- (2) The shareholders cannot, directly or indirectly, redeem their shares from Fondul Proprietatea’s assets prior to the start of the liquidation procedure.
- (3) The liquidation of Fondul Proprietatea and distribution of the patrimony are made in accordance with the law.”

21. The approval of the amendment of Article 34 of the Constitutive Act, as follows:

- “(1) The investment policy is established by the Alternative Investment Fund Manager, with the observance of the investment limitation provided by the legal provisions in force for a diversified closed-ended alternative investment fund set up as a joint stock investment company addressed to retail investors and of this Constitutive Act.
- (2) Fondul Proprietatea shall be subject to the investment restrictions and can invest only in the categories of assets according to the provisions applicable to a diversified closed-ended alternative investment fund set up as a joint stock investment company addressed to retail investors according to legislation in force.
- (3) Subject to the terms of this Constitutive Act, of the Management Agreement and the applicable law, all decisions in relation to the acquisition of, disposal of, and exercise of all rights and obligations in relation to the assets of Fondul Proprietatea shall be at the sole discretion of the Alternative Investment Fund Manager.
- (4) Prudential rules concerning the investment policy will be approved by the shareholders through Investment Policy Statement.
- (5) The detailed presentation of the investment policy and the rules for pricing the assets of the Company, drafted in line with Romanian and European legislation in force, are included in rules of the Fund and are published by the AIFM on the website of the Company.”

22. The approval of:

- (a) The date of 1 February 2021** as the **Ex – Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of

The date of 2 February 2021 as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 86 paragraph (1) of Issuers’ Law.

As they are not applicable to this EGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation and the payment date.

- (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions and the amended, renumbered and restated form of the Constitutive Act, if the case may be, 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' resolutions, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

GENERAL INFORMATION WITH RESPECT TO THE EGM

The right to include new items on the agenda. The right to present drafts of resolutions for the items included on the agenda or for the items proposed for inclusion on the agenda.

In accordance with the provisions of Article 117¹, paragraph (1) of Companies' Law no. 31/1990, Article 92 paragraph (3) of Issuers' Law, Article 189 of Regulation no. 5/2018 and the provisions of Article 13, paragraph (5) of the Company's Constitutive Act, one or several shareholders representing individually or jointly at least 5% of the Company's share capital may request the Sole Administrator of the Company the introduction of additional items on the agenda of the EGM and/or the presentation of draft resolutions for the items included or proposed to be included on the agenda of the EGM.

These requests must comply, cumulatively, with the following requirements:

- a) **in the case of natural person shareholders**, they must be accompanied by copies of the shareholders' identity documents (the identity documents presented by the shareholders must allow their identification in Company's registry of shareholders kept by Depozitarul Central SA), and **in the case of legal entity shareholders**, they must be accompanied by:
- the original or a true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date of the EGM convening notice publication, allowing for the identification thereof in the Company's registry of shareholders kept by Depozitarul Central SA;
 - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative of the shareholder;
 - the documents attesting the legal representative capacity drafted in a foreign language other than English shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be notarised or apostilled. The same identification requirements mentioned above shall also be applicable to the legal representative of the shareholders addressing questions regarding the items on the agenda of EGM.
- b) they must be accompanied by a justification and/or a draft resolution proposed for passing, and
- c) they must be sent to and registered at the Company's headquarters in Bucharest, 78-80 Buzzești Street, 7th floor, 1st district, postal code 011017, Romania by any type of courier service with proof of delivery (bearing the signature of the shareholders or, as the case may be, their legal representatives) or by e-mail at office@fondulproprietatea.ro by **11 December 2020, 5:00 PM** (Romanian time).

In order to identify and prove the shareholder capacity of a person making proposals to supplement the agenda (or addressing questions according to Article 117² paragraph (3) of Companies' Law and with Article 198 of Regulation no. 5/2018), the Company may request such person to provide a statement indicating the shareholder capacity and the number of shares held.

Information materials and questions related to the agenda

Each shareholder, irrespective of how many shares he/she/it owns from the Company's share capital, has the right to ask questions regarding the issues on the agenda of the general meeting. The questions shall be sent to the Company's headquarters in Bucharest, 78-80 Buzești Street, 7th floor, 1st District, postal code 011017 or to office@fondulproprietatea.ro, so that they are received by the Company by **12 January 2021, 11:00 AM** (Romanian time), for the purpose of good process and preparation of the general meeting. Shareholders which did not submit the questions until **12 January 2021, 11:00 AM** (Romanian time), can address the questions during the general meeting. The Company shall answer the questions asked by the shareholders during the meetings; the questions may be answered as well on the Q&A section of the website of the Company: www.fondulproprietatea.ro.

The identification requirements mentioned above in the section on supplementing the agenda are also applicable to a natural person shareholder and/or the legal representative of a legal entity addressing questions regarding the items on the agenda of the EGM.

Commencing with **25 November 2020**, the general procedure for organizing general meetings (including the procedure for voting through a representative with a special/general power of attorney, the procedure which allows voting by correspondence, the procedure regarding secret vote), the templates of special and general power of attorney to be used for voting by representative by special/general power of attorney, and the templates to be used for voting by correspondence shall be available on working days at the Company's headquarters in Bucharest, 78-80 Buzești St., 7th floor, 1st District, postal code 011017, Romania, from 9:00 AM to 5:00 PM (Romanian time), as well as on the official website of the Company: www.fondulproprietatea.ro.

Commencing with **15 December 2020**, all the other information materials regarding the items included on the agenda of the EGM, including the draft resolutions proposed to be passed within the meeting, shall be available at the same coordinates above-mentioned. The shareholders of the Company may receive, upon request, copies of the documents related to the issues on the agenda of the EGM.

The attendance and voting to the General Meeting

Global Depositary Receipts Holders

In accordance with Regulation no. 4/2013, the persons holding Global Depositary Receipts (**GDRs**) (issued based on the shares issued by FP) at the Reference Date can vote within EGM through the means of the Issuer of the GDRs (i.e. The Bank of New York Mellon – **Issuer of the GDRs**) which will have the quality of shareholder within the meaning and for the application of the provisions of Regulation no. 5/2018 and Issuers' Law.

The Issuer of the GDRs is fully responsible for the correct, complete and on time information of the GDR holders, with the observance of the provisions comprised in the GDR issuance documents, with respect to the documents and supporting materials correspondent to the EGM made available by FP.

The Issuer of the GDRs will vote in the EGM in accordance and within the limits of the instructions of the GDR holders (having this quality at the Reference Date), as well as with the observance of the provisions comprised in the GDR issuance documents.

For computing the quorum of EGM, it will be taken into account only those supporting shares for which the Issuer of the GDRs cast a vote (including "abstention" votes) in accordance with the instructions of the GDR holders above-mentioned. The Issuer of the GDRs will inform FP about the percentage of the voting rights corresponding to the supporting shares for which it will cast votes until **12 January 2021, 11:00 AM** (Romanian time).

The GDR holder will send to the entity where he/she/it has opened with the GDR account his/her/its voting instructions with respect to the agenda points of EGM, so that this information may be send to the Issuer of

the GDRs. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro.

The Issuer of the GDRs is fully responsible for taking all necessary measures so that the entity keeping record of the GDR holders, intermediaries involved in custodian services for the GDR holders and/or any entities involved in the evidence of the GDR holders, to report the voting instructions of the GDR holders with respect to the points of the EGM.

Shareholders

The shareholders registered in the register of shareholders on the Reference Date may attend the EGM and vote as follows.

- a) in person, within EGM – direct vote;
- b) through a representative with a special or general power of attorney; or
- c) by correspondence.

Direct vote

Shareholders may exercise the direct (personal) vote after proving their identity:

- a) in the case of **natural persons who are sole shareholders** - by presenting the identity card; identity cards submitted by shareholders must allow for their identification on the list of Company's shareholders as at the Reference Date issued by Depozitarul Central SA;
- b) in the case of **natural persons who are collective shareholders** – by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 November 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- c) in the case of **legal entity shareholders**, by presenting:
 - an original or a true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by the competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published, allowing for identification thereof on the list of Company's shareholders on the Reference Date issued by Depozitarul Central SA;
 - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;
 - for the Ministry of Public Finance the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania ;
 - the identity card or passport of the legal representative (identity document or identity card for Romanian citizens or passport for foreign citizens).

For all above-mentioned cases, documents presented in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for documents attesting the legal representative's capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be notarised or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro.

However, if legal restrictions are imposed by public authorities regarding the attendance of public meetings, according to the legislation issued between the publication of this convening notice and when the EGM is held, the Fund Manager may impose additional conditions for attending the EGM in order to follow the legal provisions in force at that time. Such additional conditions are not considered as a prohibitions to attend the EGM, considering that in such exceptional circumstances, the Fund Manager will take all measures to ensure the shareholders' right to add new points on the agenda and to vote.

The Fund Manager kindly asks shareholders to follow the Company's website and the Bucharest Stock Exchange website as it will announce any updates on this matter by means of current reports.

Power of attorney

Shareholders may delegate other persons, except for the Fund Manager, the Investment Manager or their employees, Board of Nominees members, to represent them and vote in EGM based on a special or a general power of attorney described below as follows. For more details, please refer to the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 November 2020 on the Company's website.

In case a shareholder is represented by a credit institution rendering custodian services, the latter may vote in the general shareholders' meeting based on and within the limits of the voting instructions received by electronic means, without being necessary that a special or general power of attorney to be drafted, provided that the said custodian credit institution submits to the Company a self-liability statement, signed by the bank's legal representative(s), stating (i) the name of the shareholder, written clearly, for which the credit institution votes in the EGM, and (ii) the fact that the credit institution renders custodian services for that respective shareholder. The said declaration will have to be submitted in original with the Company, signed, and, if the case, stamped, or by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro until **12 January 2021, 11:00 AM** (Romanian time).

Vote by representative holding a special power of attorney

A special power of attorney may be given for a single shareholders' meeting, as this EGM and shall contain specific voting instructions for this particular meeting with a clear indication of the voting option for each item on the agenda of the general meeting. The representation of shareholders in the EGM may be conducted by representatives by duly filling in and signing the template for the special power of attorney. The representation may be conducted both by other shareholders and by third parties. Shareholders lacking exercise capacity or with limited exercise capacity may provide other persons with a special power of attorney.

The special power of attorney shall be sent either (i) in original, to the Company's headquarters in Bucharest, 78-80 Buzești Street, 7th floor, 1st District, postal code 011017, Romania, or (ii) by e-mail with extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at: office@fondulproprietatea.ro, so that it is received by the Company by **12 January 2021, 11:00 AM** (Romanian time).

Documents accompanying the special power of attorney:

- a) for **natural person shareholders** – copy of the shareholder's identity card, allowing for identification thereof on the list of the Company's shareholders on the Reference Date issued by Depozitarul Central SA and a copy of the identity card of the representative (identity document or identity card for Romanian citizens or passport for foreign citizens);
- b) in case of **collective natural person shareholders**, by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available

starting with 25 November 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);

c) for **legal entity shareholders**:

- original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published and allowing identification thereof on the Company's shareholders list on the Reference Date issued by Depozitarul Central SA;
- the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders' registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;
- for the Ministry of Public Finance, the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania; and
- copy of the identity card of the representative (the person especially delegated) (identity document or identity card for Romanian citizens or passport for foreign citizens).

Documents drafted in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. The Company shall not request that the documents attesting the shareholder's legal representative capacity be legalized or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro.

A special power of attorney template:

- a) shall be made available to the shareholders by the Company starting with **25 November 2020** at the same coordinates and under the same conditions as the information materials;
- b) shall be updated by the Company if new items are added to the EGM agenda and shall be published on the Company's website in its updated form;
- c) shall be filled in by the shareholder in three counterparts: one for the shareholder, one for the representative, and one for the Company.

If during the general meeting of shareholders certain items which were not included on the published convening notice are being discussed, in accordance with the legal provisions, the representative may vote on these items according to the interest of the represented shareholder.

Generally speaking, a shareholder may mandate only one proxy to represent him/her/it at the EGM. However, the special power of attorney may nominate other person(s) as substitutes empowered to represent the shareholder in case the said main proxy would be in impossibility to exercise his/her mandate. The special power of attorney must provide the order under which the said substitutes vote in case the proxy does not attend the EGM.

Vote by representative holding a general power of attorney

In opposition with the special one, the general power of attorney allows the proxy to vote on behalf of the shareholder in any aspect on the agenda of one or more companies identified in the power of attorney, individually or by general reference to a certain category of issuers, including disposal acts. The shareholder may grant a valid proxy for a period which shall not exceed 3 years, unless the parties have expressly provided for a longer periods.

For the mandate's validity, the proxy must be either an intermediary (in accordance with Article 2 para. (1) point (20) of Issuer's Law) or an attorney at law for whom the shareholder is a client. Also, the proxy should not be in a conflict of interest situation, such as:

- a) It is a majority shareholder of FP, or of another entity, controlled by that respective shareholder;
- b) It is a member of an administration, management or supervisory body of FP, of a majority shareholder or of another entity, controlled by that respective shareholder;
- c) Is an employee or auditor of FP or of a majority shareholder or of another entity, controlled by that respective shareholder;
- d) Is a spouse or relative (up to, and including, fourth degree filiation) of one of the individuals mentioned above.

The proxy cannot be replaced by another person unless this right was expressly conferred to him/her by the shareholder in a power of attorney. If the proxy is a legal entity, then the latter may carry out the general mandate through any of member of its administration/management body or of one of its employees. These provisions do not affect the right of the shareholder to designated by a power of attorney one or more alternate proxies, according to the regulations described above regarding special proxies

In view of the EGM, and before their first use, the general power of attorneys are to be sent to the Company's headquarters in Bucharest, 78-80 Buzești Street, 7th floor, 1st District, postal code 011017 so that it is received by the Company by **12 January 2021, 11:00 AM** (Romanian time), in copy, certified as being the same with the original by the proxy or by e-mail with incorporated extended electronic signature as per Law no. 455/2001 on the electronic signature to office@fondulproprietatea.ro. The said copies are retained by FP, and a mention of this is inserted in the minutes of the general shareholders' meeting.

Documents accompanying the general power of attorney:

- a) proof that the proxy is an intermediary in accordance with Article 2 para. (1) point (20) of Issuer's Law or an attorney at law, and that the shareholder is the proxy's client;
- b) for **natural person shareholders** – copy of the shareholder's identity card, allowing for identification thereof on the list of FP shareholders issued by Depozitarul Central SA and a copy of the identity card of the representative (identity document or identity card for Romanian citizens or passport for foreign citizens);
- c) in case of **collective natural person shareholders**, by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 November 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);
- d) for **legal entity shareholders**:
 - original or true copy of the findings certificate issued by the Trade Registry (in Romanian "certificat constatator") or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date when the general meeting convening notice was published and allowing identification thereof on the FP shareholders list issued by Depozitarul Central SA;
 - the capacity of shareholder's legal representative shall be taken from the Shareholders' Registry issued by Depozitarul Central SA; however, if the shareholder did not inform timely Depozitarul Central SA of its legal representative (so that the shareholders' registry at the reference date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;
 - for the Ministry of Public Finances the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania; and

- copy of the identity card of the representative (the proxy) (identity document or identity card for Romanian citizens or passport for foreign citizens).

Documents drafted in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative capacity drafted in a foreign language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. FP shall not request that the documents attesting the shareholder's legal representative capacity be legalized or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro.

The Company accepts a general power of attorney given by a shareholder, as a client, to an intermediary or to a lawyer, without requiring additional documents relating to that shareholder, if the general power of attorney is signed by that shareholder and is accompanied by an own responsibility statement given by the legal representative of the intermediary or by the lawyer who has received the general power of attorney, indicating that:

- a) the shareholder is a client of the proxy;
- b) the general power of attorney is signed by that respective shareholder (ink signed or through an extended electronic signature, as the case may be).

The said declaration must be submitted in original at FP or by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro (in the same time with the general power of attorney and at the same coordinates as indicated in this convening notice) signed by the intermediary/attorney at law (without other criteria being necessary as pertaining with its form).

A template of the general power of attorney for EGM shall be made available to the shareholders by the Company starting from **25 November 2020** at the same coordinates and under the same conditions as the information materials. The Company does not impose the use of the said forms.

Vote by correspondence using the forms for voting by correspondence

The vote of the shareholders at the EGM can also be expressed by correspondence, by duly filling in and signing the forms for the vote by correspondence.

The ballots by correspondence will be sent either (i) in original, personally, by representative or by any form of courier service with proof of delivery, to the Company's headquarters in Bucharest, 78-80 Buzești St., 7th floor, 1st District, postal code 011017, Romania or (ii) by e-mail with the extended electronic signature incorporated in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro, so that they are received by the Company by **12 January 2021, 11:00 AM** (Romanian time).

Documents accompanying ballot papers:

- a) for **natural person shareholders** – copy of identity card, allowing for identification thereof in the list of Company's shareholders on the Reference Date issued by Depozitarul Central SA and, if such be the case, a copy of the identity card of the legal representative (in the case of natural persons lacking exercise capacity or with limited exercise capacity) (identity document or identity card for Romanian citizens or passport for foreign citizens) along with the proof of legal representative capacity;
- b) in case of **collective natural person shareholders** by observing the provisions described by the *Procedure regarding the organization and holding of General Meetings of Shareholders*, available starting with 25 November 2020 on the Company's website (*Special conditions regarding collective natural person shareholders*);

c) for **legal entity shareholders**:

- original or true copy of the findings certificate issued by the Trade Registry (in Romanian “certificat constatator”) or any other document, in original or true copy, issued by a competent authority of the state where the shareholder is duly incorporated, all being no older than 12 months as from the date of the general meeting convening notice, allowing for the identification thereof in the Company’s list of shareholders on the Reference Date issued by Depozitarul Central SA;
- the capacity of shareholder’s legal representative shall be taken from the Shareholders’ Registry issued by Depozitarul Central SA at the Reference Date; however, if the shareholder did not inform in a timely manner Depozitarul Central SA of its legal representative (so that the shareholders’ registry at the Reference Date reflect that), then the findings certificate/similar documents mentioned above must comprise the capacity of legal representative;
- for the Ministry of Public Finance the capacity of legal representative shall be proven by the appointment decree issued by the President of Romania.

Documents in a foreign language (except for identity cards valid on the territory of Romania, in Latin characters) will be accompanied by their translation into Romanian or English, save for the documents attesting the legal representative drafted in a language other than English which shall be accompanied by their translation into Romanian or English performed by a certified translator. FP shall not request that the documents attesting the shareholder’s legal representative capacity be legalized or apostilled. The above-mentioned documents may be sent by e-mail with incorporated extended electronic signature in accordance with Law no. 455/2001 on the electronic signature at office@fondulproprietatea.ro.

A ballot template for voting by correspondence:

- a) shall be made available to the shareholders by the Company starting with **25 November 2020** at the same coordinates and under the same conditions as the information materials and the forms for the special powers of attorney;
- b) shall be updated by the Company if new items are added to the EGM agenda and shall be published on the Company’s website in its updated form.

If a shareholder voted by sending a ballot paper by correspondence, but then attends the EGM either personally or through a proxy (provided a special/general power of attorney has been submitted under the conditions above-mentioned), the correspondence vote shall be annulled and only the direct or the vote expressed through the proxy shall be taken into consideration.

If the person representing the shareholder at the general shareholders’ meeting is other than the person who expressed the correspondence vote, then for its validity, the proxy must present at the general meeting a written revocation of the correspondence vote, signed by the shareholder or by the representative who expressed the correspondence vote. This will not be applicable if the shareholder or its legal representative is present at the general meeting.

Voting by correspondence may be expressed by a representative only if he/she:

- a) has received from the shareholder that he/she represents a special/general power of attorney; or
- b) the representative is a credit institution providing custody services.

The general procedure for the organisation of general meetings (which shall be available at the same coordinates and in the same conditions as the information materials) details the procedure allowing both the vote by representative with special/general power of attorney, vote through a custodian bank and the vote by correspondence, and the shareholders must comply with the said procedure. Special/General powers of attorney and ballots for voting by correspondence must be signed by all the natural person collective shareholders or their legal representatives (in the case of natural persons lacking exercise capacity or with limited exercise capacity), who shall assume both their capacity (proven by means of evidentiary documents attached to the special/general power of attorney/ballot) and the signature authenticity.

The checking and validation of the special/general powers of attorney submitted, as well as the centralization, checking, validation, and records of the votes by correspondence shall be performed by a commission established within the Company, whose members shall safely keep these documents, as well as the confidentiality of the votes thus expressed. Powers of attorney and voting ballots shall also be checked by the EGM secretary. In the event that the agenda is supplemented, and the shareholders fail to send the updated special powers of attorney and/or ballots for voting by correspondence, the special powers of attorney and ballots sent prior to the supplementation of the agenda shall be considered only with reference to the items therein which are also found on the supplemented agenda. All discussions held during the EGM are audio recorded. If participants want to obtain a copy of the recordings, they will be available at the FP registered office, in exchange for a fee (the cost will not exceed the value of expenses incurred by FP in relation to transferring the audio recording to material support), within 15 days after the EGM date. Additional information may be obtained from the Department for Shareholders' Relations at the telephone number + 40 21 200 96 28 (or through reception at + 40 21 200 9600; fax: +40 21 200 9631; e-mail: office@fondulproprietatea.ro) and on the Company's website: www.fondulproprietatea.ro.

After the EGM, the shareholder or a third party appointed by the shareholder may obtain from the Company, at least upon request, a confirmation of recording and counting of votes by the Company. The request of such a confirmation may be asked for within one month as of the voting date. In this case, the Company will send the shareholder an electronic confirmation of recording and counting of votes, according to the provisions of article 91⁵ para. (3) of Issuers' Law and of article 7 para. (2) of CE Regulation 1212/2018, in the format set out in Table 7 of Annex to the CE Regulation 1212/2018.

SOLE DIRECTOR

Franklin Templeton International Services S.À R.L.

By: _____
Johan Meyer,
Permanent Representative