

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

Current report according to the provisions of Article 1 paragraphs (2) point (ii) and (4) of the Regulation of the Financial Supervisory Authority no. 5/2020 for taking certain measures referring to the carry out of general meetings of issuers during the state of emergency caused by COVID-19 and according to Article 99 letter (s) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

Important events to be reported:

Information on the conduct of the General Shareholders Meeting to be held on 28 April 2020 in the context of the COVID-19 pandemic

Franklin Templeton International Services S.Ă R.L., in its capacity as alternative investment fund manager and sole director (the "**Fund Manager**") of Fondul Proprietatea S.A. (the "**Fund**"), would like to update shareholders on the conduct of Fund's Extraordinary ("**EGM**") and Ordinary ("**OGM**") General Shareholders' Meetings convened for 28 April 2020, in the context of the Romanian National State of Emergency and the special measures regarding movement and carrying out of certain activities imposed by the State authorities due to the COVID-19 pandemic.

After evaluating the possibility to hold the EGM and OGM at the Fund's headquarters¹, the Fund Manager decided to organize these meetings only under the following conditions:

1. the Fund Manager warns shareholders that **participation in public events/meetings held in closed spaces**, is subject to restrictions imposed by the authorities at that time, and **exposes the participants to a possible contamination with coronavirus SARS-CoV-2**, and that **the Fund and the Fund Manager cannot be held responsible** if this risk materializes;
2. **shareholders's participation at the EGM and OGM in violation of the legal provisions** in force at the time of the event **is exclusively their responsibility**;
3. if, **despite the authorities and Fund Manager's recommendations to avoid travel in order to participate at the EGM and OGM**, there are shareholders who want to attend in person the EGM and OGM, the Fund Manager emphasizes that **the number of shareholders to whom access will be granted is limited**, and is subject to the available space within the Fund's headquarters and the existing social distancing measures;
4. **shareholders who wish to attend in person the EGM and the OGM must express their intention by e-mail** to the address office@fondulproprietatea.ro, sent **no later than 27 April 2020, 17:00 o'clock (Romanian time)**, providing at the same time a copy of an identity document and a contact telephone number, so that their identity can be

Report date:

24 April 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 3,959,264,762.44

Paid-up share capital:

RON 3,770,082,340.44

Number of shares in issue:

7,613,970,697

Number of paid shares:

7,250,158,347

Regulated market on which the issued securities are traded:

Shares on Bucharest Stock Exchange

GDRs on London Stock

Exchange

¹ 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania

verified in the Shareholders' Register received from the Central Depository for the reference date (31 March 2020) and for contact purposes in order to communicate the organizational measures (time and access procedures);

5. in the event that shareholders in excess of the limited capacity will indicate their desire to attend, **priority will be granted** according to the moment of receipt of their intention and the required documents;
6. considering the legal provisions, **shareholders who present themselves without communicating their intention to attend the meetings in the prescriber manner and also subsequently receiving confirmation that they are allowed to attend, will not be granted access to the premises;**
7. **shareholders' access** to the Fund's premises will be allowed only wearing **protective equipment** (mask and protective gloves) and only after completing a **personal responsibility statement** stating that:
 - (i) they have not travelled in any of the red quarantine zones in the last 14 days prior to 28 April 2020;
 - (ii) they have not manifested any symptoms of infection in the last 14 days prior to 28 April 2020; and
 - (iii) they have not had direct contact with any infected person;
8. when entering the premises, the body temperature of the participating shareholders will be assessed (without being recorded in any public document) and, if this does not fall within normal parameters, access to the premises will not be allowed;
9. considering the existing restrictions, the shareholders' access will be allowed exclusively for voting, **time being limited to maximum 14 minutes**, respecting the distance of 2 meters from any person they interact with, and any question that the shareholders intend to address to the Fund Manager will be noted, and the answers will be addressed in the online transmission of the EGM and OGM (as will be described below);
10. considering the existing restrictions and the limited timeframe, at this EGM and OGM **no food or beverages will be served.**

On a separate note, given the restrictions of having physical participation of shareholders similar to previous years, the Fund Manager **will transmit online the presentation of the EGM and OGM (both in Romanian and in English), the annual results of the Fund and will respond to any questions that may be raised. In addition, the voting results for each point on the agenda will be communicated**

The Fund Manager clearly states that participating in the online broadcast of

the EGM and OGM does not give the possibility to vote, as the vote should have been exercised exclusively by the methods already announced in the convening notice published on 2 March 2020.

Thus, shareholders interested in registering for the online broadcast, must express their intention by e-mail to the address office@fondulproprietea.ro , sent **by no later than 27 April 2020, 17:00 o'clock (Romanian time)**, providing at the same time a copy of an identity document and contact telephone number, so that their identity can be verified in the Shareholders' Register received from the Central Depository for the reference date (31 March 2020) and for contact purposes in order to communicate the organizational procedures to gain access to the online conference system.

The Fund Manager mentions that based on the correspondence votes, the quorum legal requirements for validating the meetings are fulfilled.

The current decision of the Fund Manager was taken considering the following:

- (a) the competent authorities of the Romanian State have not explicitly prohibited holding the general shareholders meetings with physical presence until the date of this report; and
- (b) art. 1 paragraph (4) of Regulation of the Financial Supervisory Authority no. 5/2020 for taking certain measures referring to the carry out of general meetings of issuers.

However, if until 28 April 2020, the competent authorities of the Romanian State will explicitly prohibit holding the general shareholders meetings with physical presence, the Fund Manager will disseminate this through the capital market institutions and will publish on the Fund's website a current report in this regard.

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

Johan MEYER
Legal Representative