

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

Current report in compliance with Law no. 24/2017 on issuers of financial instruments and market operations and Financial Supervisory Authority Regulation no. 5/2018 on issuers of financial instruments and market operations

Important events to be reported:

Shareholders resolutions (full text) approved by the Extraordinary and Ordinary General Meeting of Shareholders of Fondul Proprietatea S.A. on 28 April 2020

Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch, in its capacity as Investment Manager of Fondul Proprietatea SA ("**Fondul Proprietatea**"), hereby publishes the Shareholders resolutions (full text) approved by the Extraordinary and Ordinary General Meeting of Shareholders of Fondul Proprietatea on 28 April 2020.

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

**Johan MEYER
Legal Representative**

Report date:

28 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

**Resolution no. 1 / 28 April 2020
of the Shareholders' Extraordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 11:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Extraordinary General Meeting ("EGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the EGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A..

Whereas:

- The convening notice of the EGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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 depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 115 paragraphs (1)-(2) of the Companies' Law no. 31/1990 and art. 14 I paragraph (3) letter (a) of the Fund's Constitutive Act).

Thus, it was decided as follows:

I. The approval of the following amendments to the Constitutive Act of Fondul Proprietatea:

(a) The amendment of Article 2, as follows:

“(1) "Fondul Proprietatea" - S.A., hereinafter referred to as Fondul Proprietatea, is a Romanian legal person, set up as a joint-stock company.

(2) Fondul Proprietatea is organized, operates and ceases its activity under the legal provisions in force .

(3) Fondul Proprietatea is set up as an alternative investment fund (F.I.A), addressed to retail investors, constituted as investment company of the closed-end-type”.

(b) The amendment of Article 3, as follows:

“(1) The registered office of Fondul Proprietatea is located in Bucharest, 78-80 Buzesti Street, floor 7th, Sector 1; the headquarters may be changed to any other location in Romania, by decision of the asset management company (Alternative Investment Fund Manager), according to article 21 paragraph (4) xii).

(2) The Company may set up secondary headquarters such as branches, representative offices, working points or other units with no legal personality, under the terms provided by law”.

(c) The amendment of Article 8 paragraph (2), as follows:

“(2) The share capital may be increased, in accordance with the provisions of the law:

a) by issuing new shares in exchange for cash contributions;

b) by incorporating reserves, except for the legal reserves and of the reserves created out of the re-evaluation of the patrimony, as well as of the benefits and issuing premiums”.

(d) The amendment of Article 12, as follows:

“(1) The general meeting of the shareholders may be ordinary and extraordinary.

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

a) to discuss, approve and amend the annual financial statements after reviewing the reports of the Alternative Investment Fund Manager and financial auditor;

b) to establish the distribution of the net profit and to establish the dividends;

c) to appoint the members of the Board of Nominees (“BoN”) and to cancel their appointment;

d) to appoint the Alternative Investment Fund Manager in accordance with the law and to cancel its appointment;

e) to appoint and cancel the appointment of the financial auditor and to set the minimum duration of the financial audit agreement;

f) to set the level of the remuneration of the members of the Board of Nominees, the Alternative Investment Fund Manager and of the financial auditor for financial audit services for the ongoing fiscal year;

g) to rule over the management of the Alternative Investment Fund Manager and to evaluate his/her performances and to discharge him/her from its management,

h) to decide on the action in a court of law against the Alternative Investment Fund Manager or, as the case may be, against the financial audit, for damages caused to Fondul Proprietatea;

- i) to approve the strategies and the development policies of Fondul Proprietatea;*
 - j) to establish the annual income and expenditure budget for the following financial year;*
 - k) to decide upon the pledge, lease or the creation of the movable securities or mortgages on the assets of Fondul Proprietatea;*
 - l) to approve significant related parties' transactions, if their value is greater than 5% of the net asset value, at the proposal of the AIFM;*
 - m) to decide on any other aspects regarding Fondul Proprietatea, according to the legal duties.*
- (3) The extraordinary general meeting of the shareholders is entitled to decide on the following:*
- a) set-up or closing of some secondary units: branches, agencies, representative offices or other such units with no legal personality;*
 - b) share capital increase;*
 - c) share capital decrease or re-completion thereof by issuing new shares;*
 - d) conversion of shares from one category to another;*
 - e) conversion of a category of bonds to another category or to shares;*
 - f) issue new bonds;*
 - g) approves the admission for trading and nominates the regulated market on which the shares of Fondul Proprietatea will be traded;*
 - h) 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;*
 - i) change of the management system of Fondul Proprietatea;*
 - j) limitation or cancellation of the preference right of the shareholders;*
 - k) approves the Investment Policy Statement;*
 - l) any other amendment of the constitutive act or any other resolution requiring the approval of the extraordinary general meeting of the shareholders, according to applicable law or to this Constitutive Act”.*

(e) The amendment of Article 14 paragraphs (1), (2) and (7), as follows:

“(1) Upon the first calling, for the validity of the deliberations of the ordinary general meeting of the shareholders it is required that the shareholders representing at least a fourth of the total shares with right to vote to attend. The decisions of the ordinary general meeting of the shareholders are taken with majority of votes held by the shareholders attending or being represented.

(2) In case the ordinary general meeting of the shareholders cannot operate due to lack of quorum under paragraph (1), the meeting that will meet upon a second convocation may deliberate on the items included in the agenda of the first meeting, irrespective of the met quorum, taking decision by majority of votes held by the shareholders attending or being represented.

.....

(7) On the day and hour established in the convocation, the general meeting of the shareholders shall be opened by the permanent representative of the Alternative Investment Fund Manager or, in its absence, by the one holding its place. A permanent representative of the Alternative Investment Fund Manager or a person appointed by it shall be the chairman of the meeting. The members of the Board of Nominees shall participate at the meetings, as well”.

(f) The amendment of Article 15 paragraph (2), 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 needing the approval of the Board of Nominees are made to the advantage of the shareholders”.

(g) The amendment of Article 17 paragraphs (11) and (21), as follows:

“(11) Monitors the following, based on information and reports received from the Alternative Investment Fund Manager:

- the list of all portfolio investments and percentage breakdown by each investment type;*
- a list of major transactions occurring in the Fondul Proprietatea portfolio for the period under review;*
- the total profit of the portfolio companies and comparison with the appropriate market benchmark;*
- comparison of the obtained profit with the initial objective;*
- the extent of compliance with the investment policy, including, specifically, the degree to which any performance objectives set out therein are achieved, as well as any variations and actions taken to achieve such objectives and improve investment results;*
- the performance evaluation report.*

The Board of Nominees shall draft and present to the general meeting of the shareholders an annual report regarding the monitoring activity performed or a monitoring report for another period agreed by the general meeting of shareholders.

.....
(21) Is responsible for monitoring the Alternative Investment Fund Manager performance of the Management Agreement”.

(h) The amendment of Article 19, as follows:

“(1) Shareholders of Fondul Proprietatea designate the Alternative Investment Fund Manager (AIFM) for the purpose of managing it. The AIFM has also the sole director role.

(2) The Alternative Investment Fund Manager is elected by the general meeting of the shareholders, with the observance of the legal provisions and of this constitutive act.

(3) The mandate of the AIFM is for 2 years. The AIFM will call an Ordinary General Meeting of Shareholders to be held at least 6 months before the expiry of its mandate and will ensure that the agenda for such meeting will include the renewal of the AIFM’s mandate. If such point is rejected, the AIFM or the Board of Nominees will immediately convene an Ordinary General Meeting of Shareholders for the appointment of a new AIFM in accordance with the legal provisions in force, with the shareholders being granted the opportunity to propose candidates for such position; the agenda will also include provisions for the authorization of the negotiation and execution of the relevant management agreement and fulfilment of all relevant formalities for the authorization and legal completion of such appointment.

(4) The AIFM must expressly accept such position, by executing the management agreement and must have in place professional liability insurance.

(5) The Management Agreement can be modified or replaced in accordance with articles 12 and 14, with the approval of the shareholders. Any replacement document or addendum of the Management

Agreement will be signed on behalf of Fondul Proprietatea by the chairman of the Board of Nominees or by a member of the Board of Nominees empowered by the chairman”.

(i) The amendment of Article 21 paragraph (4), as follows:

“(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 obtaining the prior approval of the Board of Nominees and after it added to the agenda the matters requested by the Board of Nominees;

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

iii) ensure that, if requested by any of the shareholders, a copy of or extract of the minutes of the general meeting shall be given to them and also, after the announcement of the ordinary annual general meeting of the shareholders is published, make available to the shareholders the financial statements of the company and the reports of the AIFM and of the company’s financial auditors;

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 obtaining the prior approval of the Board of Nominees;

v) manages the relationship with the Depozitarul Central SA with regard to its shareholders register functions;

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

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

viii) approves the outsourcing of certain activities, within the limits of the approved budget, respectively the delegation of the performance of certain activities, subject to the observance of the applicable legislation;

ix) based on the proposal of the Board of Nominees to 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;

x) execute contracts for acquiring, selling, exchanging or for creating pledges, having as subject non-current assets of Fondul Proprietatea, whose value does not exceed, individually or cumulatively during a financial year, 20% of the total value of the non-current assets of Fondul Proprietatea, less receivables, without the approval of the ordinary or extraordinary general shareholders’ meeting;

xi) propose to the ordinary general meeting of the shareholders the conclusion of the financial audit agreement according to the legal provisions in force, upon obtaining the prior approval of the Board of Nominees, as well as approve the procedure of internal audit and the audit plan;

xii) decide the relocation of the registered office, provided that the registered office shall at all times be registered in Romania;

xiii) make available to the Board of Nominees the reports, as well as other necessary documents for exercising the monitoring duties, in accordance with art. 17 paragraph (11);

xiv) inform at once the Board of Nominees of any litigation or infringement of legislation regarding Alternative Investment Fund Manager, any operation which might be an infringement to the investment policy and about the plans/ correction measures for approaching these matters;

xv) ask for the calling of the general meeting which shall decide properly whenever an issue appears on which the Board of Nominees has a disagreement with the Alternative Investment Fund Manager, which cannot be resolved amiably;

xvi) proposes to Board of Nominees the recommendation for the Extraordinary General Meeting of the Shareholders for 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;

xvii) approve any related parties transactions, and, if the related parties transactions' value is greater than 0.25% of the net asset value, to ask for the Board of Nominees' approval, and, if the related parties transactions' value is greater than 5% of the net asset value, to convene the GSM".

(j) The amendment of Article 24 paragraphs (1) and (10), as follows:

“(1) The financial statements of Fondul Proprietatea are subject to financial audit in accordance with the applicable laws and regulations. Also, Fondul Proprietatea shall organise its internal audit in accordance with the legal provisions in force.

.....

(10) The internal audit shall present periodical reports to the Board of Nominees of Fondul Proprietatea and the Alternative Investment Fund Manager regarding the purpose of the internal audit activity, authority, responsibility and performance according to its internal audit plan. The reports shall include also the significant risks and aspects of the control and management, as well as other necessary problems or as requested by the Board of Nominees and the Alternative Investment Fund Manager”.

(k) The amendment of Article 27, as follows:

“(1) The accounting is kept in Romanian language and in national currency.

(2) Fondul Proprietatea must draft the annual financial statements according to legal provisions in force and to the applicable accounting and financial reporting standards”.

(l) The amendment of Article 28, as follows:

“(1) The result of the financial year is determined at the end of the year and represents the final balance of the profit and loss account.

(2) The accounting profit of Fondul Proprietatea as reflected in the audited financial statements shall be distributed by applying the Annual Cash Distribution Policy and according to the decision of the general meeting of the shareholders and to the legal provisions in force.

(3) Fondul Proprietatea must record the legal reserves and any other reserves, pursuant to the law.

(4) The payment of dividends owed to the shareholders is made by Fondul Proprietatea, according to the law.

(5) The dividends are distributed between the shareholders proportional with the number of paid shares held at the relevant registration date.

(6) In case of loss of the net asset, the general meeting of the shareholders shall analyse the causes and decide properly, according to the law”.

(m) The amendment of Article 29, as follows:

“Fondul Proprietatea shall maintain, by care of the Alternative Investment Fund Manager, all registries provided by the law. The shareholders registry is kept by Depozitarul Central SA”.

(n) The amendment of Article 31 paragraph (1), 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 paragraphs (4) and (5);*
- d) as consequence of losses, if the net asset value, determined as difference between the total asset and company’s debts as reflected in the audited financial statements, 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;*
- g) other causes provided by the law or by this constitutive act”.*

(o) The amendment of Article 32, as follows:

“(1) The dissolution of Fondul Proprietatea has as consequence the opening of the liquidation procedure.

(2) Without being set a certain date for liquidation of Fondul Proprietatea, the liquidation of Fondul Proprietatea and distribution of the patrimony are made in accordance with the law”.

(p) The amendment of Article 34, 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 and of this Constitutive Act.

(2) Fondul Proprietatea shall be subject to the investment restrictions provided under Law no. 243/2019 on alternative investment funds and for the amendment and completion of other legislation as well as any other applicable law or regulation.

(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”.

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies’ Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 0 votes „against”;
- 18,666,750 abstentions;
- 0 votes „not given”.

II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of **9 June 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018, and **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers’ Law.

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

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 1,000,000 votes „against”;
- 17,666,750 abstentions;
- 0 votes „not given”.

III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions and the amended and restated form of the Constitutive Act, 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.

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 0 votes „against”;
- 18,666,750 abstentions;
- 0 votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER
Chairman

Valeria NISTOR
Technical secretary

**Resolution no. 2 / 28 April 2020
of the Shareholders' Extraordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 11:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Extraordinary General Meeting ("EGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the EGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A..

Whereas:

- The convening notice of the EGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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 depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 115 paragraphs (1)-(2) of the Companies' Law no. 31/1990 and art. 14 I paragraph (3) letter (a) of the Fund's Constitutive Act).

Thus, it was decided as follows:

I. The approval of the decrease of the subscribed share capital of Fondul Proprietatea, as follows.

The approval of the decrease of the subscribed share capital of Fondul Proprietatea from RON 3,959,264,762.44 to RON 3,749,282,292.08 pursuant to the cancellation of 403,812,443 own shares acquired by Fondul Proprietatea during the tenth buy-back programme.

After the share capital decrease, the subscribed share capital of Fondul Proprietatea shall have a value of RON 3,749,282,292.08 being divided in 7,210,158,254 shares, each having a nominal value of RON 0.52 per share.

The first paragraph of Article 7 of the Constitutive Act of Fondul Proprietatea after the share capital decrease will be changed as follows.

“(1) The subscribed share capital of Fondul Proprietatea is in the amount of RON 3,749,282,292.08, divided in 7,210,158,254 ordinary, nominative shares, having a nominal value of RON 0.52 each”.

The subscribed share capital decrease will take place on the basis of Article 207 paragraph (1) letter c) of Companies' Law no. 31/1990 and will be effective after all the following conditions are met:

- (i) this resolution is published in the Official Gazette of Romania, Part IV for at least two months;
- (ii) Financial Supervisory Authority endorses the amendment of Article 7 paragraph (1) of the Constitutive Act of Fondul Proprietatea as approved by shareholders during this meeting, where required by applicable law or regulation;
- (iii) the shareholders' resolution for approving this share capital decrease is registered with the Trade Registry.

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 1,000,000 votes „against”;
- 17,666,750 abstentions;
- 0 votes „not given”.

II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of **9 June 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018, and **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law.

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

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 1,000,000 votes „against”;
- 17,666,750 abstentions;
- 0 votes „not given”.

III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions and the amended and restated form of the Constitutive Act, 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.

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 0 votes „against”;
- 18,666,750 abstentions;
- 0 votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER
Chairman

Valeria NISTOR
Technical secretary

**Resolution no. 3 / 28 April 2020
of the Shareholders' Extraordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 11:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Extraordinary General Meeting ("EGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the EGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A..

Whereas:

- The convening notice of the EGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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 depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 115 paragraphs (1)-(2) of the Companies' Law no. 31/1990 and art. 14 I paragraph (3) letter (a) of the Fund's Constitutive Act).

Thus, it was decided as follows:

- I. The approval of the amended Investment Policy Statement, which shall be in force starting with 23 July 2020, as described in the supporting documentation and annexed to this resolution.

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 1,000,000 votes „against”;
- 17,666,750 abstentions;
- 0 votes „not given”.

- II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of **9 June 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018, and **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law.

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

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 1,000,000 votes „against”;
- 17,666,750 abstentions;
- 0 votes „not given”.

- III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions and the amended and restated form of the Constitutive Act, 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.

This item is adopted with 3,159,571,210 votes, representing 99.4127% of the total votes held by the present or represented shareholders, in accordance with Article 14 (3) letter (a), second paragraph of the Constitutive Act corroborated with Article 115 (2), first paragraph of Companies' Law no. 31/1990.

The votes were recorded as follows:

- 3,159,571,210 votes „for”;
- 0 votes „against”;
- 18,666,750 abstentions;
- 0 votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER

Chairman

Valeria NISTOR

Technical secretary

Annex – The amended Investment Policy Statement, which shall be in force starting with 23 July 2020, as described in the supporting materials and approved in the Shareholders’ Extraordinary General Meeting of the Fund of 28 April 2020

INVESTMENT POLICY STATEMENT OF FONDUL PROPRIETATEA SA

- in force as of July 23, 2020 -

I. PURPOSE OF THE INVESTMENT POLICY STATEMENT

This investment policy statement (hereinafter referred to as the “**Investment Policy Statement**” or “**IPS**”) sets the prudential rules concerning the investment policy of Fondul Proprietatea S.A. (hereinafter referred to as “**Fondul Proprietatea**” or “**FP**”) and presents the investment goals, objectives and the decision-making process for selecting investments in accordance with the investment objectives.

The IPS provides criteria against which investment results will be measured and serves as a review document to monitor, evaluate and compare the performance of the Alternative Investment Fund Manager (“**Fund Manager**”) on a regular basis.

The IPS shall be reviewed when needed by the Fund Manager together with the Board of Nominees, in accordance with the provisions of FP’s Constitutive Act and the applicable legal provisions.

The IPS is set forth within the legal framework established by Law no. 243/2019 regulating the alternative investment funds and amending and supplementing certain normative acts, and, in accordance with FP’s Constitutive Act, the Extraordinary General Shareholders’ Meeting is responsible for approval of the IPS.

II. ROLES, RESPONSIBILITIES AND PROCEDURES

A. Fund Manager. The Fund Manager is appointed by the General Shareholders Meeting and performs its activity based on a Management Agreement entered into between Fondul Proprietatea and the Fund Manager (hereinafter referred to as the “**MA**”).

The Fund Manager has the power to make all decisions concerning the investments to be made by Fondul Proprietatea, in accordance with the restrictions provided in this IPS, the Constitutive Act of Fondul Proprietatea, the MA and applicable laws and regulations.

B. Board of Nominees. The Board of Nominees monitors the activity of the Fund Manager and represents the shareholders in relation to the Fund Manager. The exact roles and responsibilities of the Board of Nominees are detailed in the Constitutive Act of Fondul Proprietatea.

C. General Shareholders Meeting. The General Shareholders Meeting is the supreme corporate body of Fondul Proprietatea. Certain transactions performed by Fondul Proprietatea require the prior approval of the General Shareholders Meeting, in accordance with the Constitutive Act and the applicable legislation.

III. INVESTMENT OBJECTIVES AND PERFORMANCE OBJECTIVES

A. Investment objective

FP's investment objective is the maximization of returns to shareholders and the increase of the net asset value per share via investments mainly in Romanian equities and equity-linked securities.

B. Performance Objectives

a. Discount Objective

The discount between the closing price for each Trading Day on the Bucharest Stock Exchange (the “**Trading Day**”) of the shares issued by FP and the latest reported NAV per Share should be equal to or lower than 15% in at least two thirds of the Trading Days during the Reporting Period (as defined in the MA) (the “**Discount Objective**”).

b. NAV Objective

The Fund Manager should achieve a level of Adjusted NAV per Share (as defined below) higher than the reported NAV as at the end of the previous Reporting Period (term used herein as defined in the MA) (the “**NAV Objective**”). For the avoidance of doubt, the term “*previous Reporting Period*”, when applied to a first Reporting Period under the MA, is to be understood as being the last Reporting Period derived from either the current or the previous MA.

The adjusted NAV (the “**Adjusted NAV**”) for a given date will be calculated as the sum of:

- (i) the reported NAV as at the end of the Reporting Period;
- (ii) any distributions to shareholders, being either dividend or non-dividend ones (i.e. in this last case following reductions of the par value of the shares and distribution to the shareholders of the decreasing amount), implemented after the end of the previous Reporting Period; and
- (iii) any Distribution Fee (as defined in the MA) and any transaction and/or distribution costs relating to either dividend or non-dividend distributions including buy-backs of shares and/or Global Depository Receipts (“**GDRs**”) and/or depository interests executed, through daily acquisitions or public tenders, after the end of the previous Reporting Period.

The Adjusted NAV per Share will be equal to the Adjusted NAV divided by the total number of the Fund's paid shares, less treasury shares (FP ordinary shares bought back) and less equivalent in FP ordinary shares of FP GDRs acquired and not yet converted into FP ordinary shares, on the last day of the Reporting Period (the “**Adjusted NAV per Share**”).

C. General principles for achieving the objectives

The Board of Nominees and the General Shareholders Meeting will review the performance of the Fund Manager, on an annual basis, for the period of time established as the Reporting Period (as defined and further detailed in the MA).

A Discount Control Mechanism (“**DCM**”) will be applied by the Fund Manager, as set out below, in order to seek to meet the Discount Objective.

In the absence of investment opportunities offering better returns for shareholders, or if the discount to NAV per share is wider than 15% for more than 50% of the Trading Days in any 3 month financial quarter, the Fund Manager will use all or a significant part of the proceeds from annual dividends, additional special cash distributions performed by portfolio companies and the cash inflows from the disposal of portfolio companies to implement measures aimed at maximizing cash returns to shareholders and fulfilling the Performance Objectives. Discount management techniques to meet the Performance Objectives and apply the DCM may include (but are not limited to) the following:

- recommendation of buy-back programs of FP's shares and GDRs and/or depositary interests corresponding to shares of the Fund to shareholders for approval, subject to compliance with the Constitutive Act and all applicable legislation;
- dividend distributions, subject to the Annual Cash Distribution Policy of the Fund;
- reduction of the nominal value of shares, accompanied by cash distribution to shareholders, subject to the compliance with all applicable corporate and regulatory approvals;
- execution of buy-back programs via (i) trading on the regular market on which FP's shares or GDRs and/or depositary interests corresponding to shares of the Fund are listed; and/or (ii) public tender offers, in each case subject to available liquidity, compliance with the Constitutive Act and all applicable legislation, and receipt of all necessary regulatory approvals;
- increasing investor demand for the shares and GDRs, with the aim of increasing the market price, by:
 - maintaining a Annual Cash Distribution Policy of the Fund;
 - increasing the share of listed companies in the portfolio and their transparency;
 - building good communication through active investor relations work; and
 - supporting initiatives to make the Romanian capital market more attractive for investors.

In order to achieve the objectives in the IPS, the Fund Manager should pay attention to:

- clarity of the Fund Manager's investment strategy and how it contributes to achieving the main investment objectives;
- active engagement with the portfolio companies in order to increase their value, and
- constructive communication and interaction with the Board of Nominees.

D. Risk management

The Fund Manager is responsible for proper balancing of risk and expected returns.

The Fund Manager should implement appropriate tools and processes in order to monitor operational and investment risks and to respond to unforeseen situations in a timely fashion.

IV. INVESTMENT LIMITS AND RESTRICTIONS

The investment policy will observe the prudential limits of investments provided for by the applicable laws and regulations in force and the Constitutive Act of FP.

Under normal market conditions, the Fund should have at least 80% of its net assets invested in Romanian equity and equity-linked securities.

Investments limits of FP are the following:

- up to 10% of its assets invested in listed shares or money market instruments issued by one single issuer, except of the government securities;
- up to 20% of its assets invested in unlisted securities or money market instruments except of the government securities and bonds and other cases permitted by law*;
- up to 10% of assets invested in bank deposits with one single bank;
- up to 10% of assets invested in financial instruments issued by entities belonging to the same group of companies;
- up to 10% of assets invested in UCITS units or other collective investment scheme units;
- exposure to the counterparty risk in a transaction with derivatives traded out of the regulated markets may not exceed 10% of assets, irrespective of the counterparty of the transaction, while the global exposure of derivatives may not exceed 15% of the total allocation of net assets.

** Shares received from Romanian State on the basis of the legislation in force at that time are exempted from the general rules on allocation. Where the Fund acquires further securities in the same issuer as securities received from Romanian State, the general rules on allocation shall apply to the newly acquired securities only.*

For the calculation of the ownership limit for securities not admitted to trade, shall be excluded from the value of assets not admitted to trade the value of securities not admitted to trade owed from the Romanian State on the basis of the legislation in force at that time. Therefore, any part of the current Fondul Proprietatea Portfolio (as it has been set up, on securities not admitted to trade owed from the Romanian State on the basis of the legislation in force at that time) shall be exempted from the general rules on allocation. However, any new acquisition made by the Fund shall observe the general rules on allocation. Until decrease of its participation in the relevant listed issuers, the Fund is prohibited to acquire further securities in the same issuer as securities received from Romanian State, except for the exercise of the subscription rights related to the Fund's preference rights where the excess of the relevant investment limit should not last for more than 120 calendar days. All investment restrictions are available on Fondul Proprietatea website, Investment Policy Statement Section.

All investment restrictions are available on Fondul Proprietatea website, Investment Policy Statement Section.

V. ADDITIONAL GUIDELINES

Subject to applicable legal provisions in force and the FP Constitutive Act, all decisions regarding sector and security selection, portfolio construction, timing of buy or sell transactions and choice of venue and structure of transaction are delegated to the Fund Manager.

Subject to the applicable legal provisions and FP's Constitutive Act, the Fund Manager on behalf of the Fund, may buy, sell, exchange, exercise all rights, has a good and valid title to sell and transfer any rights and to enter into conditional contractual liabilities. This includes, without limitation, the power to enter into derivatives and to negotiate and execute loan agreements, repurchase agreements and/ or securities lending agreements, to purchase GDRs or depositary interests corresponding to shares of the Fund in accordance with the legal applicable provisions in force and FP's Constitutive Act, also taking into account the cases when a prior approval of the Extraordinary General Shareholders Meeting is needed.

Transactions which involve a broker acting as a "principal", where the broker is also the investment manager (or an affiliate of such investment manager) who makes the transaction (or an affiliate of such investment manager) are not permitted. Transactions should be executed at the lowest possible cost (including commissions, efficiency of execution and the impact of the market) and best execution should be provided at all times.

Cash allocation

Cash allocation is made by the Fund Manager, based on market conditions. It should be aimed at reducing risks to the Portfolio.

Valuation

Valuation of assets shall be made in accordance with the legislation and regulations in force and in accordance with the internal regulations of Fondul Proprietatea.

VI. LIMITATIONS OF MANAGEMENT

The Fund Manager assumes the management over the Customer and its entire Portfolio, subject to the terms of the IPS and the MA.

The Fund Manager is subject to the limitations set out by this IPS, the Constitutive Act of Fondul Proprietatea and the existing applicable legal provisions in force.

The Fund Manager can delegate the management of the portfolio and the administrative activities according to legislation and regulations in force and the limitations included MA and the Constitutive Act.

VII. LIQUIDITY

The Fund Manager shall maintain adequate liquidity in order to at least meet the following requirements:

- cover the operating and tax expenses of FP;
- cover the capital expenditure requirements for the on-going activities of FP;

- ensure appropriate funds for dividend or return of capital payments and share and/or GDR buybacks (where such actions have been approved by shareholders).

VIII. TIME HORIZON

The duration of Fondul Proprietatea is not limited in time.

IX. TAX CONSIDERATIONS

FP is established as a commercial undertaking and is subject to corporate tax in accordance with the Romanian Fiscal Code. In managing the investment portfolio and seeking to achieve the objectives, the Fund Manager shall have due regard to the potential impact of tax legislation and regulations.

X. CONSTRAINTS

FP shall not invest in any other type of asset class, except those specifically mentioned in the applicable legislation and the Constitutive Act. The use of derivatives is permitted subject to the limitations contained in applicable legislation in force. Short selling of securities is prohibited.

Borrowing is allowed only in accordance with the applicable legislation and regulations and FP's Constitutive Act.

XI. POLICY REVIEW

The IPS shall be reviewed on regular basis by the Fund Manager and Board of Nominees in order to ensure that it remains consistent with overall objectives of FP.

Any changes to the investment policy proposed by the Fund Manager and/or the Board of Nominees shall be approved by the General Shareholders Meeting, with observance of investment limits provided in the applicable legislation in force.

**Resolution no. 1 / 28 April 2020
of the Shareholders' Ordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 12:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Ordinary General Meeting ("OGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the OGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. ("Sole Director").

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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 depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Thus, it was decided as follows:

- I. The approval of the Annual Activity Report of the Sole Director of Fondul Proprietatea for the financial year 2019, including the financial statements for the year ended on 31 December 2019 prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and applying the Financial Supervisory Authority Norm no. 39/ 28 December 2015, the approval of the auditor's report (all as presented in the supporting documentation), the ratification of all legal acts concluded, adopted or issued on behalf of Fondul Proprietatea, as well as of any management / administration measures adopted, implemented, approved or concluded during 2019 financial year, along with the discharge of the Sole Director's for any liability for its administration during 2019 financial year.

This item is adopted with 3,179,523,790 votes, representing 99.8611% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,179,523,790 votes "for" and 4,421,025 votes "against". There were not registered any abstains, annulled votes nor votes „not given”.

- II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of:
 - (a) **9 June 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018;
 - (b) **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law;
 - (c) **1 July 2020** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, 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.

This item is adopted with 3,182,944,815 votes, representing 99.9686% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and 1,000,000 votes "against". There were not registered any abstains, annulled votes nor votes „not given”.

- III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, 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' resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 3,182,944,815 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and no votes "against". There were also registered: 1,000,000 abstains and no annuled votes nor votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER
Chairman

Valeria NISTOR
Technical secretary

**Resolution no. 2 / 28 April 2020
of the Shareholders' Ordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 12:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Ordinary General Meeting ("OGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the OGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. ("Sole Director").

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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 depositary receipts;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Thus, it was decided as follows:

- I. The approval to cover the negative reserves incurred in 2019 financial year derived from the cancelation of treasury shares, in accordance with the supporting materials, and as described in the annex herein.

This item is adopted with 3,182,944,815 votes, representing 99.9686% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and 1,000,000 votes "against". There were not registered any abstains, annuled votes nor votes „not given”.

- II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of:

(d) **9 June 2020** as the *Ex – Date*, computed in accordance with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018;

(e) **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law;

(f) **1 July 2020** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, 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.

This item is adopted with 3,182,944,815 votes, representing 99.9686% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and 1,000,000 votes "against". There were not registered any abstains, annuled votes nor votes „not given”.

- III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, 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' resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 3,182,944,815 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and no votes "against". There were also registered: 1,000,000 abstains and no annuled votes nor votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER
Chairman

Valeria NISTOR
Technical secretary

Annex – The proposal to cover the negative reserves incurred in 2019 financial year derived from the cancelation of treasury shares, as presented in the supporting materials and in the Shareholders’ Ordinary General Meeting of Fondul Proprietatea S.A. of 28 April 2020

Sole Director’s Proposal for the Coverage of the Negative Reserve incurred during the financial year ended 31 December 2019

Overview and accounting treatment

Fondul Proprietatea SA (“the Fund”) recognises the treasury shares (i.e. repurchases of own shares and/ or GDRs) at trade date as a deduction to shareholders’ equity (in an equity reserve account). Treasury shares are recorded at acquisition cost, including brokerage fees and other transaction costs directly related to their acquisition. The GDRs bought back by the Fund are accounted for exactly as the own ordinary shares repurchased, as a deduction to shareholders’ equity. This is the result of the application of substance over form principle, due to the fact that buy-back via GDRs is only a technical/ legal form of the transaction, the substance of the transaction being that the Fund buys back its own shares (in view of reducing the share capital by cancelling all treasury shares in the form of shares or GDRs equivalent), giving the same rights to both the holders of the Fund’s ordinary shares and to the holders of the Fund’s GDRs, to take part in the buy-back programmes carried out by the Fund.

Upon completion of all the legal and regulatory requirements (i.e. registration of the share capital decrease with the Trade Registry being the last one, marking also the moment when the cancelation becomes effective), the treasury shares are cancelled and netted off against the share capital and other reserves.

At the cancellation date, only a reallocation between the equity accounts is booked, without any impact on profit or loss or an additional total shareholders’ equity decrease (as compared to the acquisition impact). A negative reserve (equity element) arises upon cancelation of the shares acquired in a buy-back programme, if the acquisition value (trade price and related costs) is higher than the nominal value. However, as mentioned before, this does not generate an additional shareholder’s equity decrease.

The accounting treatment applicable for the recording and cancellation of treasury shares is based on the provisions of the Financial Supervisory Authority Norm 39/ 2015, article 75.

Negative reserve incurred during 2019

The table below shows the changes in the negative reserves recorded during the year ended 31 December 2019:

	<i>Amounts in RON</i>
1 January 2019 (audited)	80,910,369
Coverage of the negative balance existing as at 31 December 2018 from 2016 unallocated profit remained under retained earnings, according to Resolution no. 2 of 4 April 2019 ordinary shareholders’ meeting	(80,910,369)
Negative equity reserve arising on the cancellation of shares acquired during the 9 th buy-back programme (recorded on 15 October 2019) according to share capital decrease resolution no. 2 of 4 April 2019 extraordinary shareholders’ meeting	640,744,712
31 December 2019 (audited)	640,744,712

The table below shows additional details on the calculation of the negative reserves booked during 2019:

<i>All amounts in RON</i>		9th buy-back programme
Period (trade dates)		14 Nov 2017 – 31 Dec 2018
Number of shares cancelled during 2019	(1)	1,487,992,569
Total acquisition cost at trade price (excluding transaction costs)	(2)	1,386,721,945
Total costs directly related to transactions, out of which:	(3)	27,778,902
• <i>Brokerage fees</i>		616,156
• <i>Financial Supervisory Authority fees</i>		11,340,453
• <i>Stock Exchanges' fees (Bucharest Stock Exchange and London Stock Exchange)</i>		1,401,641
• <i>Central Depository fees</i>		68,947
• <i>Other professional fees</i>		596,258
• <i>Distribution fees paid to the Sole Director in relation with the buy-backs performed</i>		13,755,446
Total buy-back cost impacting the equity of the Fund (trade price plus directly related transaction cost)	(4)=(2)+(3)	1,414,500,848
Correspondent Nominal Value ("NV") at the cancellation date (NV = RON 0.52 per share)	(5)=(1)*N V	773,756,136
Negative equity reserve arising on the cancellation of shares	(6)=(5)-(4)	640,744,712

Article 75 from the Financial Supervisory Authority Norm 39/ 2015 mentions that the negative balance arising out of the cancellation of equity instruments may be covered from the retained earnings and other equity elements, in accordance with the resolution of the General Shareholders Meeting.

Sole's Director Proposal for covering the negative reserve

Although there is not an explicit legal or regulatory requirement to cover the negative balance arising out of the cancellation of equity instruments, it is to be noted that the Financial Supervisory Authority Norm 39/ 2015 specifically details how to present it in the financial statements and, further on, the sources that may be used for covering it, in accordance with the resolution of the general meeting of shareholders. From this perspective, and by applying a prudentially regulatory approach, the Sole Director believes there are reasonable arguments supporting the idea that these reserves should be covered and thus proposes to shareholders the coverage of the negative equity reserves balance as at 31 December 2019 of RON 640,744,712 (as stated in the notes to the annual audited statutory IFRS financial statements and detailed in the table above) from the amounts allocated to other reserves specially for this purpose according to the decision of 4 April 2019 General Shareholders' Meeting.

**Resolution no. 3 / 28 April 2020
of the Shareholders' Ordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 12:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Ordinary General Meeting ("OGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the OGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.A 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. ("Sole Director").

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Thus, it was decided as follows:

- I. The approval of the net profit allocation, and the approval of the value of the gross dividend of RON 0.0642 per share corresponding to the 2019 financial year profit, all in accordance with the supporting documentation, and as described in the annex herein. If net profit and dividend allocation proposal above-mentioned are approved, the shareholders further approve that the payment of the dividends to start on the Payment Date of this OGM (as defined at point 7 of this OGM) to the persons registered as shareholders of Fondul Proprietatea on the Registration Date (as defined at point 7 of this OGM). Unpaid shares and treasury shares do not constitute dividend entitlement.

This item is adopted with 3,182,792,286 votes, representing 99.9638% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,792,286 votes "for" and 1,152,529 votes "against". There were not registered any abstains, annuled votes nor votes „not given”.

- II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of:

(g) **9 June 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018;

(h) **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law;

(i) **1 July 2020** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, 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.

This item is adopted with 3,182,944,815 votes, representing 99.9686% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and 1,000,000 votes "against". There were not registered any abstains, annuled votes nor votes „not given”.

- III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, 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' resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 3,182,944,815 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and no votes "against". There were also registered: 1,000,000 abstains and no annuled votes nor votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER

Chairman

Valeria NISTOR

Technical secretary

Annex – The proposal for the net profit allocation and value of the gross dividend corresponding to the 2019 financial year profit, as presented in the supporting materials and in the Shareholders’ Ordinary General Meeting of Fondul Proprietatea S.A. of 28 April 2020

Sole Director’s Proposal for Profit Allocation

Overview

Fondul Proprietatea S.A. (“**Fondul Proprietatea**” or the “**Fund**”) reported an audited net profit of RON 3,129,870,912 in the financial statements for the year ended 31 December 2019, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (“**IFRS**”) and applying the Financial Supervisory Authority’s (“**FSA**”) Norm no. 39/28 December 2015, regarding the approval of the accounting regulations in accordance with IFRS, applicable to the entities authorised, regulated and supervised by the FSA – Financial Investments and Instruments Sector (“**Norm 39/2015**”).

According to Article 29 of the Romanian Accounting Law (“**Law 82/1991**”) and to Article 23 (1) from Norm 39/2015, the annual financial statements must be published together with the proposal to allocate the profit or cover the losses.

Accounting profit and distributable amount

Based on the Fund’s Annual Cash Distribution Policy (published on the Fund’s website), the distributable amounts are intended to be set at the level of 100% of the sum of (i) the Fund’s annual dividend income from portfolio companies, except special cash distributions, (ii) plus interest on cash balances, (iii) less expenses and taxation and (iv) less compulsory allocations to reserves according to the regulations in force, in each case for that year.

By applying the principles above-mentioned to the net profit for 2019, the calculation of the distributable amount would be as follows:

Audited Statement of Comprehensive Income for the Year ended 31 Dec 2019	Reported amounts (RON)	Distributable amount (RON)	Non-Distributable amount (RON)
Gross dividend income, <i>out of which:</i>	942,894,907	683,553,662	259,341,245
- <i>annual dividend distributions from portfolio companies</i>	683,553,662	683,553,662	
- <i>special dividends received from portfolio companies</i>	259,341,245		259,341,245
Net gain from equity investments at fair value through profit or loss	2,270,241,487		2,270,241,487
Interest income	9,867,055	9,867,055	
Other income	4,025,356		4,025,356
Net loss from other financial instruments at fair value through profit or loss	(86,949)		(86,949)
Impairment losses on receivables, net	(10,345,916)	(10,345,916)	
Net foreign exchange loss	(510,220)	(510,220)	
Net operating income	3,216,085,720	682,564,581	2,533,521,139
Operating expenses	(75,879,626)	(75,879,626)	
Finance costs	(437,667)	(437,667)	
Profit before income tax	3,139,768,427	606,247,288	2,533,521,139
Income tax	(9,897,515)	(9,897,515)	
Profit for 2019	3,129,870,912	596,349,773	2,533,521,139

In accordance with the requirements of the Companies' Law no. 31/1990 ("Law 31/1990"), the Fund is obliged to transfer at least 5% of the profit to the legal reserves until those reserves reach a value equivalent to 20% of the share capital of the Fund. As at 31 December 2019, an amount of RON 156,493,546, representing 5% of the 2019 profit (profit before current profit tax of RON 3,129,870,912), was transferred to the legal reserve.

Following the transfer of RON 156,493,546 from the 2019 profit, the legal reserve amounts RON 533,826,946, being 13.48% of the subscribed share capital of the Fund as at 31 December 2019 and 14.16% of the paid share capital of the Fund as at 31 December 2019.

Considering the above, the Fund's Sole Director proposes to shareholders the following dividend per share distribution:

Distributable profit (RON)		596,349,773
Less mandatory transfer to legal reserves (RON)		(156,493,546)
Proposed dividend (RON)	(1)	439,856,227
Number of shares in issue		7,613,970,697
Less unpaid shares		(363,812,350)
Less treasury shares in balance as at 31 Dec 2019		(403,812,443)
Number of shares entitled to receive dividends¹	(2)	6,846,345,904
Proposed gross dividend per share (RON)	(3)=(1)÷(2)	0.0642

The total dividend amount payable to shareholders (respectively the approved gross dividend per share multiplied by the number of shares entitled to receive dividends) if the dividend proposal is approved by the general shareholders meeting may be different compared to the amount stated above due to the fact that between 31 December 2019 and the record date of the distribution, additional treasury shares will be acquired by the Fund under the current buy-back programme. These treasury shares are not entitled to cash distribution and consequently will be deducted from the number of shares included in the distribution calculation above (i.e. the balance as at 31 December 2019). Any difference arising in the total distribution amount will remain available to the Fund under the retained earnings caption.

Under point 2 of the agenda of 28 April 2020 Extraordinary General Shareholders' Meeting, the Fund's Sole Director proposes the cancellation of the 403,812,443 treasury shares repurchased through the tenth buy-back programme. The estimated negative reserve that would arise when the cancellation of these shares would be recorded amounts to RON 236,026,121². For prudential reasons, the Fund's Sole Director recommends that RON 236,026,121 from the non-distributable amount of 2019 audited profit (see the calculation in the table above) to be allocated to other reserves in order to be available for covering the negative reserves.

The actual coverage of this negative reserve using the said amount of RON 236,026,121 transferred to other reserves will be subject to shareholders' approval during the annual shareholders' meeting subsequent to the completion of all cancellation steps.

Sole's Director Proposal for profit allocation - summary

Considering all the above, the Sole Director's proposal for the allocation of the 2019 audited profit in amount of RON 3,129,870,912 is the following:

- RON 156,493,546 to legal reserves (mandatory transfer);
- RON 439,856,227 to dividends;

¹ Computed as at 31 December 2019 as the number of the fully paid shares less treasury shares; unpaid shares along with treasury shares do not constitute dividend entitlement as per Article 67 (2) and Article 105 (1) of Law 31/1990.

² For further details see the memo regarding the share capital decrease published on the Fund's website as supporting documentation for the annual General Shareholders Meeting held on 28 April 2020: www.fondulproprietaea.ro/Investor-Relations/GSM-information/GSM-documentation.

- RON 236,026,121 to other reserves (to be used to cover the negative reserves estimated to arise from cancellation of shares acquired during the 10th buy-back programme);
- RON 2,297,495,018 unallocated profit that remains available to the Fund's shareholders.

If the Fund's Sole Director proposals for the profit allocation included on the agenda of 28 April 2020 General Shareholders' Meeting are approved by the shareholders, the remaining Fund's unallocated retained earnings will amount RON 7,145,768,243. More details are presented in the table below and the most significant amount of unallocated retained earnings is represented by the net unrealised fair value changes from portfolio holdings.

Retained earnings components	Audited balance as at 31 Dec 2019	Amounts proposed for allocation, subject for April 2020 GSM approval	Remaining unallocated balances
2016 unallocated profit	269,399,398	-	269,399,398
2017 unallocated profit	318,162,571	-	318,162,571
Retained earnings resulted from transition to IFRS 9 starting with 1 January 2018	4,248,175,069 ²	-	4,248,175,069
2018 unallocated profit	12,536,187	-	12,536,187
Profit for the year ended 31 December 2019	3,129,870,912	832,375,894 ¹	2,297,495,018
Total retained earnings	7,978,144,137	832,375,894	7,145,768,243

¹ See above the summary of the Sole Director's proposal for the profit allocation

² As result of the adoption of IFRS 9, as at 1 January 2018, the fair value reserve on available for sale financial assets net of the related deferred tax in total amount of RON 4,248,175,069 was transferred to retained earnings. For further details on this accounting policy change see the Fund's statutory financial statements for the year ended 31 December 2018.

**Resolution no. 4 / 28 April 2020
of the Shareholders' Ordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 12:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Ordinary General Meeting ("OGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the OGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.A 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. ("Sole Director").

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Thus, it was decided as follows:

- I. The approval of the continuation of the current mandate of Franklin Templeton International Services S.à r.l. as the alternative investment fund manager and sole director of Fondul Proprietatea, in accordance with Article 9.7 of the Management Agreement signed on 14 February 2018 between Fondul Proprietatea and Franklin Templeton International Services S.À R.L. ("Management Agreement").

This item is adopted with 3,182,944,815 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and no votes "against". There were also registered: 1,000,000 abstains and no annuled votes nor votes „not given”.

- II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of:

(j) **9 June 2020** as the **Ex – Date**, computed in accordance with the provisions of Article 2 paragraph (2) letter (1) of Regulation no. 5/2018;

(k) **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law;

(l) **1 July 2020** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, 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.

This item is adopted with 3,182,944,815 votes, representing 99.9686% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and 1,000,000 votes "against". There were not registered any abstains, annuled votes nor votes „not given”.

- III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, 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' resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 3,182,944,815 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and no votes "against". There were also registered: 1,000,000 abstains and no annuled votes nor votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER
Chairman

Valeria NISTOR
Technical secretary

**Resolution no. 5 / 28 April 2020
of the Shareholders' Ordinary General Meeting of
FONDUL PROPRIETATEA S.A.**

Headquarters: 78-80 Buzești Street, 7th floor, sector 1, Bucharest, Romania,
Registered with the Trade Registry under number J40/21901/2005, fiscal registration code 18253260

Today, 28 April 2020, 12:00 o'clock (Romanian time), was adopted the current resolution of the Shareholders' Ordinary General Meeting ("OGM") of Fondul Proprietatea S.A. (the "Fund" or "Fondul Proprietatea"), at its first summoning, held at Fondul Proprietatea headquarters 78-80 Buzesti Street, 7th floor, Bucharest 1st district, postal code 011017, Romania, the OGM being opened by its Chairman, namely Mr. Johan Meyer, in his capacity of permanent representative of Franklin Templeton International Services S.A 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, in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. ("Sole Director").

Whereas:

- The convening notice of the OGM was published on the Fund's website (www.fondulproprietatea.ro) on 2 March 2020, in the Official Gazette of Romania, Part IV, number 814 of 2 March 2020 and in "Adevărul" newspaper number 8291 of 2 March 2020;
- 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;
- The provisions of Law no. 24/2017 on issuers of financial instruments and market operations (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. 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,

there are met the quorum for holding this meeting and the majority required to decide legally, under the legally required majority (according to art. 112 paragraph (1) of the Companies' Law no. 31/1990 and art. 14 I paragraph (1) of the Fund's Constitutive Act).

Thus, it was decided as follows:

- I. The appointment of Deloitte Audit S.R.L. with its headquarters in Bucharest, 1st District, 84-98 and 100-102 Calea Griviței, The Mark Building, 8th and 9th floors, registered with the Trade Registry under no. J40/6775/1995, Sole Registration Number RO7756924, as the financial auditor of Fondul Proprietatea S.A., setting the duration of the financial audit agreement for the period starting with 31 August 2021 and 30 June 2022; setting the scope of work of the financial audit agreement: audit of the financial statements of Fondul Proprietatea SA for 2021 financial year, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, including the revision of the financial statements by Deloitte UK and setting the level of its remuneration for the financial audit services described above at a maximum level (without VAT) of EUR 80,000 + GBP 9,800 for auditing the said 2021 financial statements.

This item is adopted, by secret vote, with 3,182,916,001 votes, representing 99.9686% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,916,001 votes "for" and 1,000,000 votes "against". There were also registered: 28,814 abstains and no annuled votes nor votes „not given”.

- II. In accordance with Article 176 paragraph (1) of Regulation no. 5/2018, the approval of:

(m) **9 June 2020** as the *Ex – Date*, computed in accordance with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018;

(n) **10 June 2020** as the **Registration Date**, computed in accordance with the provisions of Article 86 paragraph (1) of Issuers' Law;

(o) **1 July 2020** as the **Payment Date**, computed in accordance with the provisions of Article 178 paragraph (2) of Regulation no. 5/2018.

As they are not applicable to this OGM, 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.

This item is adopted with 3,182,944,815 votes, representing 99.9686% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and 1,000,000 votes "against". There were not registered any abstains, annuled votes nor votes „not given”.

- III. The approval of the empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, 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' resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

This item is adopted with 3,182,944,815 votes, representing 100% of the validly casted votes, in accordance with Article 14 (1), second paragraph of the Constitutive Act corroborated with Article 112 (1), second paragraph of Companies' Law no. 31/1990. The casted votes were recorded as follows: 3,182,944,815 votes "for" and no votes "against". There were also registered: 1,000,000 abstains and no annuled votes nor votes „not given”.

This decision is drafted on behalf of the shareholders today, 28 April 2020, by:

Johan MEYER
Chairman

Valeria NISTOR
Technical secretary