

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

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

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**Important events to be reported:**

## **Approval and publication of the prospectus regarding the initial public offering and listing of S.P.E.E.H. Hidroelectrica S.A. shares**

Franklin Templeton International Services S.À R.L. (“**FTIS**”), in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (the “**Fund**”/ “**Fondul Proprietatea**”) informs the market and the Fund’s investors of the approval by the Romanian Financial Supervisory Authority (the “**FSA**”) and the publication of the prospectus (the “**Prospectus**”) for the initial public offering (the “**IPO**”, “**Offering**” or “**Offer**”) by the Fund of Hidroelectrica’s existing ordinary shares (the “**Offer Shares**”) and start of the Offer period (the “**Offer Period**”). Hidroelectrica has applied for admission (the “**Admission**”) to listing and trading of its shares on the regulated market of the Bucharest Stock Exchange (the “**BSE**”).

The Prospectus is available on Hidroelectrica’s, the Fund’s and BSE’s websites: [www.hidroelectrica.ro](http://www.hidroelectrica.ro), [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro), and [www.bvb.ro](http://www.bvb.ro). Copies of the Prospectus will be provided upon request during normal business hours at the offices of Hidroelectrica, 10th -15th floor, 15-17 Ion Mihalache Avenue, Bucharest, Romania.

The IPO will consist of a public offering to retail and institutional investors in Romania and an offering to eligible international institutional investors.

The indicative price range for the Offer has been set at between RON 94 and RON 112 per Offer Share (the “**Offer Price Range**”), implying a market capitalisation of RON 42,281,441,298 to 50,377,887,504 (€8,524,484,133 to 10,156,832,158). Retail investors are entitled to a discount of 3% from the Offer Price (as defined below) for applications submitted on the first five business days of the Offer Period. Offer Shares subscribed for in the retail tranche starting on the sixth business day of the Offer Period will be sold to retail investors at the Offer Price (as defined below).

**Report date:**  
22 June 2023

**Name of the issuing entity:**  
Fondul Proprietatea S.A.

**Registered office:**  
76-80 Buzesti Street  
7<sup>th</sup> floor, district 1,  
Bucharest, 011017

**Phone/fax number:**  
Tel.: + 40 21 200 96 00  
Fax: + 40 31 630 00 48

**Email:**  
[office@fondulproprietatea.ro](mailto:office@fondulproprietatea.ro)

**Internet:**  
[www.fondulproprietatea.ro](http://www.fondulproprietatea.ro)

**Sole Registration Code with the Trade Register Office:**  
**18253260**

**Order number in the Trade Register:**  
**J40/21901/2005**

**Subscribed and paid-up share capital: RON**  
**3,233,269,110.76**

**Number of shares in issue and paid-up:**  
**6,217,825,213**

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

**GDRs on London Stock Exchange**

The expected size of the Offer, including any Over-Allotment Option (as defined below), is for up to 89,708,177 Offer Shares to be sold by the Fund, representing up to its entire holding of 19.94% of Hidroelectrica's total issued share capital. Hidroelectrica will not raise new capital in connection with the Offering and will not receive any proceeds. The Fund has granted the Joint Global Coordinators an option (the "**Over-Allotment Option**"), representing up to 15% of the Offer Shares, exercisable within 30 calendar days following the Admission.

The Offer Period is expected to commence on 23 June 2023 and is expected to end on 4 July 2023 (namely at 12:00 EET), subject to acceleration or extension of the Offer Period. The Offer price (the "**Offer Price**") and the exact number of Offer Shares to be sold will be determined following the book building process during the Offer Period and are expected to be announced on or around 5 July 2023. Settlement is expected to take place on or around 10 July 2023. The Admission and start of trading on the BSE are expected to take place on or around 12 July 2023.

Retail investors can subscribe through Banca Comerciala Romana S.A., BRD – Groupe Societe Generale S.A., BT Capital Partners S.A. and at Banca Transilvania S.A. units, Swiss Capital S.A. and eligible participants from the list published on the website of the BSE. Further information is available on the websites of the respective banks mentioned.

Three Romanian institutional investor groups (the "**Cornerstone Investors**") have agreed to be cornerstone investors in the Offering and entered into cornerstone investor agreements with Hidroelectrica and the Fund. The Cornerstone Investors have undertaken to purchase in aggregate RON 2.24 billion in shares at the Offer Price, subject to certain customary conditions.

Immediately following the Admission, Hidroelectrica's shares would be included in the BET index of the BSE.

Hidroelectrica and the Fund will be subject to a lock-up arrangement during a period from 22 June 2023 until the date falling 180 days after the date of Admission, and the majority shareholder will be subject to a lock-up arrangement during a period from 22 June 2023 until 12 months after the date of Admission, subject to certain exceptions disclosed in the Prospectus.

Detailed information about the Offering is disclosed in the Prospectus.

Citigroup Global Markets Europe AG, Erste Group Bank AG, Jefferies GmbH, and Morgan Stanley Europe SE are acting as Joint Global Coordinators in connection with the Offering. Banca Comerciala Romana S.A., Barclays Bank Ireland PLC, BofA Securities Europe SA, UBS Europe SE, UniCredit Bank AG and Wood & Company Financial Services, a.s. are acting as Joint Bookrunners. Auerbach Grayson, BRD - Groupe Société Générale, S.S.I.F. BT Capital Partners S.A. and S.S.I.F. Swiss Capital S.A. are acting as Co-Lead Managers (the Joint Global Coordinators, the Joint Bookrunners and the Co-lead Managers are collectively referred to as the “**Banks**”).

Rothschild & Co Equity Market Solutions Limited is acting as Financial Adviser to the Fund, and STJ Advisors is acting as Financial Adviser to Hidroelectrica in connection with the IPO.

Further current reports with additional information will be released as and when there will be relevant information.

## Important Notice

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

**Johan MEYER  
Permanent Representative**

