

Fund Administrator: Franklin Templeton International Services S.à r.l.  
 Administrator Code: PJM07.1AFIASMDLUX0037  
 Fund: Fondul Proprietatea SA  
 Fund Code: PJR09SIIR/400006  
 Reporting date: 31.12.2019

**Fondul Proprietatea SA 's Assets and Liabilities based on NAV calculation according with the CNVM Regulation No. 4 / 2010, as subsequently amended**

Lei

<b>1. Non-current Assets</b>	<b>8,375,844,861.17</b>
1.1. Intangible assets	161,372.47
1.2. Tangible assets	0.00
1.3. Financial assets	8,375,683,488.70
1.3.1 Listed shares**	11,493,896.77
1.3.2 Unlisted shares	8,364,189,591.93
1.3.3 Government securities	0.00
1.3.4 Certificates of deposits	0.00
1.3.5 Bank deposits	0.00
1.3.6 Municipal bonds	0.00
1.3.7 Corporate bonds	0.00
1.3.8 Newly issued securities	0.00
1.3.9 Participation titles of UCITS and/or of OCIU	0.00
1.3.10 Other financial assets	0.00
<b>2. Current assets</b>	<b>3,545,385,722.17</b>
2.1 Inventory	0.00
2.2 Receivables out of which:	423,717.46
- commercial papers	0.00
2.3 Cash	31,883,167.06
2.4 Short term financial investments	3,037,393,345.00
2.4.1 Listed shares**	3,037,393,345.00
2.4.2 Unlisted shares	0.00
2.4.3 Municipal bonds	0.00
2.4.4 Corporate bonds	0.00
2.4.5 Participation titles of UCITS and/or of OCIU	0.00
2.5 Newly issued securities	0.00
2.6 Government securities	137,303,497.60
2.7 Bank deposits	338,381,995.05
2.8 Certificates of deposits	0.00
2.9 Other current assets	0.00
<b>3. Derivatives</b>	<b>0.00</b>
<b>4. Prepaid expenses</b>	<b>89,711.73</b>
<b>5. Total assets</b>	<b>11,921,320,295.07</b>
<b>6. Total liabilities</b>	<b>49,018,608.26</b>
6.1 Borrowings from bond issues	0.00
6.2 Amounts due to credit institutions	0.00
6.3 Advance payments to customer accounts	0.00
6.4 Payables	14,982,553.81
6.5 Commercial papers due	0.00
6.6 Amounts due to group companies	0.00
6.7 Amounts due to related parties	0.00

*[English translation of the original report in Romanian - for information purposes only]*

6.8 Other debts	34,036,054.45
<b>7. Provisions</b>	<b>856,247.22</b>
<b>8. Deferred income out of which:</b>	<b>0.00</b>
8.1 Subsidies for investments	0.00
8.2 Deferred income	0.00
<b>9. Shareholders' equity out of which:</b>	<b>11,871,445,439.59</b>
9.1 Share capital	3,959,264,762.44
9.2 Share capital premiums	0.00
9.3 Revaluation differences	-6,548.26
9.4 Reserves	90,536,633.82
9.5 Retained earnings	4,848,273,225.01
9.6 Period result	3,129,870,912.19
9.7 Profit appropriation	-156,493,545.61
<b>10. Total liabilities and Shareholders' equity</b>	<b>11,921,320,295.07</b>
<b>11. Net Asset Value</b>	<b>11,871,445,439.59</b>
<b>12. No of shares issued*</b>	<b>6,846,345,904</b>
<b>13. Net asset value per share</b>	<b>1.7339</b>
14. Number of portfolio companies out of which:	33
14.1 Companies admitted to trading on a regulated market	3
14.1 Companies admitted to trading on an alternative regulated market***	4
14.3 Companies not admitted to trading	26

Legend:

\* = Represents the number of shares related to the paid-up subscribed share capital (according to provisions of Law 247/2005, Title VII, Art. 9<sup>2</sup>, alin. 5 "Subscribed unpaid shares are not taken into account for the computation of net asset value per share for Fondul Proprietatea") excluding (a) the Fund's own shares bought back (Treasury shares), according to provisions of CNVM Regulation no. 4/2010, as subsequently amended, and (b) the equivalent number of shares corresponding to the GDRs bought back

\*\* = Include also the value of holdings admitted to trading on AeRo market (alternative regulated market)

\*\*\* = Include the number of companies admitted to trading on AeRo market (alternative trading system)

Franklin Templeton International Services S.à r.l acting in the capacity of Sole Director of Fondul Proprietatea SA

Călin Meleş  
Permanent representative

Marius Nechifor  
Compliance Officer

BRD Groupe Societe Generale

Victor Strâmbei  
Manager Depository Department

Claudia Ionescu  
Director

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## **Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. as at 31 December 2019**

The valuation methods used for the computation of the NAV as at 31 December 2019, for the securities and the monetary market instruments held by Fondul Proprietatea S.A. are the following:

1. Listed companies on BVB traded within last 30 trading days: Closing Price
2. Listed companies on AeRo market (alternative trading system) traded within last 30 trading days: Reference price – Average Price
3. Listed companies with no trades within last 30 trading days: Fair value / share;
4. Unlisted companies: Fair value / share;
5. Companies in insolvency, judicial reorganization, liquidation, dissolution or bankruptcy: Valued at zero;
6. Unlisted companies for which the annual financial statements for the previous year are not available within 90 days after the legal submission deadline: Valued at zero;
7. Listed government bonds: Fair value (reference composite price, including the cumulated interest);
8. Bank deposits: Bank deposit amount cumulated with the accrued interest receivable calculated for the period elapsed since its creation date.

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Călin Meteș  
Permanent Representative

Marius Nechifor  
Compliance Officer

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**Annex – Changes in the valuation methods used for the computation of the NAV of Fondul Proprietatea as at 31 December 2019**

For the computation of the NAV as at 31 December 2019 for Fondul Proprietatea SA, the valuation methods used for the investments in the companies presented below changed and/or have been updated:

**Hidroelectrica SA, CN Aeroporturi Bucuresti SA, E-Distributie Banat SA, Engie Romania SA, E-Distributie Muntenia SA, E-Distributie Dobrogea SA, CN Administratia Porturilor Maritime SA, Societatea Nationala a Sarii SA, Enel Energie SA, Enel Energie Muntenia SA, Posta Romana SA, Zirom SA, Aeroportul International Timisoara - Traian Vuia SA, Plafar SA, Aeroportul International Mihail Kogalniceanu - Constanta SA, Complexul Energetic Oltenia SA, CN Administratia Canalelor Navigabile SA, CN Administratia Porturilor Dunarii Fluviale SA and CN Administratia Porturilor Dunarii Maritime SA**

For these companies, the valuation method remained the same, respectively Fair value / share (Value based on valuation report), but the valuation was updated with the assistance of the independent valuer. The total impact of this change on the Fund's NAV was an increase of RON 853,192,115.19, detailed in the below table:

Company	Previous value per share (RON/share)	Previous value of the holding (RON)	Current value per share (RON/share)	Current value of the holding (RON)	Impact of the valuation update on NAV (RON)	Impact of the valuation update on NAV %
Hidroelectrica SA	46.3553	4,143,997,172.70	54.6610	4,886,496,893.71	+742,499,721.01	+6.89%
CN Aeroporturi Bucuresti SA	317.1685	911,999,943.15	355.7364	1,022,899,741.23	+110,899,798.08	+1.03%
E-Distributie Banat SA	55.8963	515,399,883.22	56.3192	519,299,293.56	+3,899,410.35	+0.04%
Engie Romania SA	204.5427	488,999,823.80	214.3307	512,399,975.83	+23,400,152.02	+0.22%
E-Distributie Muntenia SA	130.4816	424,899,760.31	131.5871	428,499,706.09	3,599,945.78	+0.03%
E-Distributie Dobrogea SA	48.3183	326,299,616.32	47.6075	321,499,493.65	-4,800,122.67	-0.04%
Societatea Nationala a Sarii SA	135.9998	272,799,822.82	137.2960	275,399,849.66	+2,600,026.84	+0.02%
CN Administratia Porturilor Maritime SA	91.7939	243,999,935.82	93.5620	248,699,771.94	+4,699,836.12	+0.04%
ENEL Energie SA	26.1904	43,999,872.00	15.6547	26,299,896.00	-17,699,976.00	-0.16%
ENEL Energie Muntenia SA	130.6147	57,999,979.99	93.9074	41,699,956.60	-16,300,023.39	-0.15%
Posta Romana SA	0.4505	6,699,812.12	0.7732	11,498,989.42	+4,799,177.30	+0.04%

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Company	Previous value per share (RON/share)	Previous value of the holding (RON)	Current value per share (RON/share)	Current value of the holding (RON)	Impact of the valuation update on NAV (RON)	Impact of the valuation update on NAV %
Zirom SA	4.8092	29,153,769.56	5.2301	31,705,300.30	+2,551,530.73	+0.02%
Aeroportul International Timisoara - Traian Vuia SA	624.6876	19,999,998.20	434.1579	13,899,999.33	-6,099,998.88	-0.06%
Plafar SA	21.9604	2,915,989.75	12.6129	1,674,791.31	-1,241,198.44	-0.01%
Aeroportul International Mihail Kogalniceanu - Constanta SA	63.3447	1,466,999.91	60.1839	1,393,798.94	-73,200.97	0.00%
Complexul Energetic Oltenia SA	0.0000	0.00	0.0000	0.00	0.00	0.00%
CN Administratia Canalelor Navigabile SA	71.8800	14,603,140.80	73.3404	14,899,835.66	+296,694.86	0.00%
CN Administratia Porturilor Dunarii Fluviale SA	63.3599	1,745,818.68	60.8884	1,677,718.97	-68,099.71	0.00%
CN Administratia Porturilor Dunarii Maritime SA	189.1104	4,016,137.56	199.8672	4,244,579.73	+228,442.16	0.00%
<b>Total</b>		<b>7,510,997,476.74</b>		<b>8,364,189,591.93</b>	<b>+853,192,115.19</b>	<b>+7.92%</b>

### Mecon SA

For this holding, the valuation method has been changed from Fair value (Last available trading price) (respectively RON 19.00/share) to Reference price - Average price (respectively RON 17.00/share) according to CNVM Regulation 4/2010, as subsequently amended, because the shares of this company were traded during the last 30 trading days. The total impact of this change on the Fund's NAV was a decrease of RON 120,108.00.

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Călin Meteș

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