

Fund Administrator: Franklin Templeton International Services S.à r.l.  
 Administrator Code: PJM07.1AFIASMDLUX0037  
 Fund: Fondul Proprietatea SA  
 Fund Code: PJR09SIIR/400006  
 Reporting date: 30.04.2020

**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>7,099,911,815.25</b>
1.1. Intangible assets	102,691.57
1.2. Tangible assets	0.00
1.3. Financial assets	7,099,809,123.68
1.3.1 Listed shares**	8,868,065.91
1.3.2 Unlisted shares	7,090,885,568.63
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	55,489.14
<b>2. Current assets</b>	<b>2,881,341,188.16</b>
2.1 Inventory	0.00
2.2 Receivables out of which:	24,604,732.59
- commercial papers	0.00
2.3 Cash	25,794,928.26
2.4 Short term financial investments	2,287,403,176.85
2.4.1 Listed shares**	2,287,403,176.85
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	100,853,420.77
2.7 Bank deposits	442,684,929.69
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>485,707.12</b>
<b>5. Total assets</b>	<b>9,981,738,710.53</b>
<b>6. Total liabilities</b>	<b>460,920,548.35</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	10,271,285.70
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

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6.8 Other debts	450,649,262.65
<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>9,519,961,914.96</b>
9.1 Share capital	3,959,264,762.44
9.2 Share capital premiums	0.00
9.3 Revaluation differences	-10,571.58
9.4 Reserves	-79,733,174.86
9.5 Retained earnings	7,165,892,563.03
9.6 Period result	-1,525,451,664.07
9.7 Profit appropriation	0.00
<b>10. Total liabilities and Shareholders' equity</b>	<b>9,981,738,710.53</b>
<b>11. Net Asset Value</b>	<b>9,519,961,914.96</b>
<b>12. No of shares issued*</b>	<b>6,537,880,180</b>
<b>13. Net asset value per share</b>	<b>1.4561</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

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

## **Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. as at 30 April 2020**

The valuation methods used for the computation of the NAV as at 30 April 2020, 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 of the valuation methods used for the computation of the NAV of Fondul Proprietatea as at 30 April 2020**

For the computation of the NAV of Fondul Proprietatea SA as at 30 April 2020, the valuation method used for the investments in the companies presented below have been changed or 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, ENEL Energie SA, ENEL Energie Muntenia SA, Posta Romana SA, Aeroportul International Timisoara - Traian Vuia SA, Societatea Nationala a Sarii SA**

Considering that in April the global markets slightly started to recover (after the COVID-19 pandemic adversely affected the business environment in March), the values for the unlisted holdings mentioned below (representing over 99% of the total Fund's unlisted portfolio) were updated using (i) the multiples values as at 30 April 2020 of publicly traded peers companies, and (ii) the same methodology and computation algorithm as in the latest available valuation report prepared with the assistance of an independent valuer. All other variables were kept at the same level as in the latest valuation report.

Moreover, for these companies, the valuation method remained the same, respectively Fair value / share (Value based on valuation report as at 30 September 2019 updated using the multiples values derived from the analysis of publicly traded peers companies), but the multiples values were updated as at 30 April 2020. The total impact of the valuation update on the Fund's NAV resulted in an increase of RON 208,595,722.42 as detailed in the table below:

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 method update on NAV (RON)	Impact of the valuation change on NAV %
Hidroelectrica SA	50.7492	4,536,796,036.63	51.5568	4,608,992,573.30	72,196,536.68	0.75%
CN Aeroporturi Bucuresti SA	247.5096	711,699,746.75	259.7165	746,799,991.91	35,100,245.16	0.37%
E-Distributie Banat SA	28.9242	266,699,751.18	31.4837	290,299,989.50	23,600,238.32	0.25%
Engie Romania SA	184.5067	441,099,798.68	191.0320	456,699,820.34	15,600,021.66	0.16%
E-Distributie Muntenia SA	67.0680	218,399,966.93	72.1963	235,099,742.53	16,699,775.61	0.17%
E-Distributie Dobrogea SA	23.9296	161,599,627.86	26.7431	180,599,550.67	18,999,922.81	0.20%
CN Administratia Porturilor Maritime SA	82.1254	218,299,825.25	90.5524	240,699,869.91	22,400,044.66	0.23%
ENEL Energie SA	15.1190	25,399,920.00	15.2976	25,699,968.00	300,048.00	0.00%
ENEL Energie Muntenia SA	91.8807	40,799,992.36	92.5563	41,099,995.24	300,002.88	0.00%
Posta Romana SA	0.7060	10,499,594.58	0.7261	10,798,520.72	298,926.13	0.00%
Aeroportul International Timisoara - Traian Vuia SA	274.8625	8,799,997.80	306.0969	9,799,998.35	1,000,000.55	0.01%
Societatea Nationala a Sarii SA	93.0263	186,599,966.75	94.0732	188,699,926.71	2,099,959.96	0.02%
<b>Total</b>		<b>6,826,694,224.77</b>		<b>7,035,289,947.18</b>	<b>208,595,722.42</b>	<b>2.18%</b>

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### Alcom SA

For this holding, the valuation method has been changed from Fair value / share (Shareholders' equity as of 31 December 2018 adjusted with dividends declared) to Fair value / share (Value based on valuation report as at 31 December 2019), as it was considered that this method reflects better the fair value of this Fund's investment. The total impact of this change on the Fund's NAV was a decrease of RON 3,286,424.86 as detailed in the table below:

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 method update on NAV (RON)	Impact of the valuation change on NAV %
Alcom SA	128.7846	11,493,896.77	91.9615	8,207,471.91	-3,286,424.86	-0.03%

### Mecon SA

For this holding, the valuation method has been changed from Reference price - Average price (respectively RON 11.00 /share) to Fair value (Last available trading price) (respectively RON 11.00 /share) because the shares of this company were not traded during the last 30 trading days and the valuation based on the last available trading price is considered to reflect better the fair value of this holding than its shareholders' equity per share (respectively Lei 46.5190 /share). This change of valuation method did not have any impact on the Fund's NAV.

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