

Fund Administrator: Franklin Templeton International Services S.à r.l.  
 Administrator Code: PJM07.1AFIASMDLUX0037  
 Fund: Fondul Proprietatea SA  
 Fund Code: PJR09FIAIR/400018  
 Reporting date: 31.12.2022

**Statement of Assets and Liabilities of Fondul Proprietatea SA and the Net Asset Value calculation according with the FSA Regulations No. 9/2014 and No. 7/2020, as subsequently amended**

	RON
<b>1. Intangible assets</b>	<b>0.00</b>
<b>2. Tangible assets</b>	<b>0.00</b>
<b>3. Real estate investments</b>	<b>0.00</b>
<b>4. Biological assets</b>	<b>0.00</b>
<b>5. Assets representing rights to use the underlying assets in a leasing contract</b>	<b>0.00</b>
<b>6. Financial assets</b>	<b>13,696,591,938.85</b>
6.1. Financial assets at amortised cost	0.00
6.2. Financial assets at fair value through profit or loss, <i>out of which:</i>	13,696,591,938.85
6.2.1. Shares traded or listed on regulated markets in Romania*	167,608,857.01
6.2.2. Shares admitted or traded on a regulated market from a member state	0.00
6.2.3. Shares traded or listed on regulated markets from a non-EU Member State	0.00
6.2.4. Shares issued by Romanian companies not admitted to trading	13,528,983,081.84
6.2.5. Bonds admitted to trading issued or guaranteed by central government authorities	0.00
6.2.6. Municipal bonds	0.00
6.2.7. Corporative bonds	0.00
6.2.8. Treasury bills	0.00
6.2.9. Newly issued securities	0.00
6.2.10. Participation titles of UCITS and/or of OCIU/AIF	0.00
6.2.11. Equity titles	0.00
6.2.12. Derivates	0.00
6.2.13. Other financial assets	0.00
6.3. Financial assets at fair value through other comprehensive income	0.00
<b>7. Cash (cash and cash equivalents)</b>	<b>73,833,144.34</b>
<b>8. Bank deposits</b>	<b>912,616,396.35</b>
<b>9. Other assets</b>	<b>712,870.15</b>
9.1. Dividends and other receivable rights	0.00
9.2. Other assets	712,870.15
<b>10. Prepaid expenses</b>	<b>156,343.88</b>
<b>11. Total Assets</b>	<b>14,683,910,693.57</b>

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

<b>12. Total liabilities</b>	<b>114,372,608.92</b>
12.1. Financial liabilities at amortised cost	110,960,287.44
12.2. Deferred tax liability	0.00
12.3. Other debts	3,412,321.48
<b>13. Provisions for risks and charges</b>	<b>0.00</b>
<b>14. Deferred income</b>	<b>0.00</b>
<b>15. Shareholders' equity, out of which:</b>	<b>14,569,538,084.65</b>
15.1. Share capital	3,233,269,110.76
15.2. Elements similar to share capital	0.00
15.3. Other elements of shareholders' equity	0.00
15.4. Share capital premiums	0.00
15.5. Revaluation differences	-5,457.16
15.6. Reserves	667,020,430.17
15.7. Treasury shares	-1,194,334,987.89
15.8. Retained earnings	9,094,140,117.70
15.9. Period result	2,769,448,871.07
<b>16. Net Asset Value</b>	<b>14,569,538,084.65</b>
17. Number of issued shares**	5,668,806,128
<b>18. Net asset value per share</b>	<b>2.5701</b>
19. Number of portfolio companies out of which:	32
19.1 Companies admitted to trading on an EU market	5
19.2 Companies admitted to trading on a non-EU market	0
19.3 Companies not admitted to trading	27

Legend:

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

\*\* = Represents the number of paid issued shares excluding treasury shares and repurchased own shares related to the global depositary receipts or certificates of interest of own shares, according with FSA Regulation no. 7/2020, as subsequently amended.

**Leverage of the fund**

Method type	Leverage level	Exposure amount
a) Gross method	94.01%	13,696,596,341.44
b) Commitment method	100.00%	14,569,538,084.65

Franklin Templeton International Services S.à r.l., in its capacity of alternative investment fund manager of Fondul Proprietatea SA

Johan Meyer  
Permanent representative

Marius Nechifor  
Compliance Officer

BRD Groupe Societe Generale  
Victor Strâmbei  
Manager Depositary Department

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**Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. (31 December 2022)**

**Listed shares**

	<b>Name</b>	<b>Symbol</b>	<b>Valuation method</b>
1	Alcom SA	ALCQ	Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)
2	Alro Slatina SA	ALR	Closing Price
3	IOR SA	IORB	Reference price (Closing Price)
4	Mecon SA	MECP	Reference price (Closing Price)
5	Romaero SA	RORX	Reference price (Closing Price)

**Unlisted shares**

	<b>Name</b>	<b>Symbol</b>	<b>Valuation method</b>
1	Aeroportul International Mihail Kogalniceanu - Constanta SA		Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)
2	Aeroportul International Timisoara - Traian Vuia SA		Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)
3	CN Administratia Canalelor Navigabile SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
4	CN Administratia Porturilor Dunarii Fluviale SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
5	CN Administratia Porturilor Dunarii Maritime SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
6	CN Administratia Porturilor Maritime SA		Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)
7	CN Aeroporturi Bucuresti SA		Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)
8	Complexul Energetic Oltenia SA		Value based on the valuation report as at 31 October 2022 (valued at zero mainly due to high net debt position)
9	E-Distributie Banat SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
10	E-Distributie Dobrogea SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
11	E-Distributie Muntenia SA		Value based on the valuation report as at 31

	Name	Symbol	Valuation method
			October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
12	Enel Energie Muntenia SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
13	Enel Energie SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
14	Engie Romania SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
15	Hidroelectrica SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for EBITDA)
16	Plafar SA		Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)
17	Posta Romana SA		Value based on the valuation report as at 31 October 2022 (applying the market comparison technique using comparable trading multiples for Price/Earnings)
18	Societatea Nationala a Sarii SA		Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)
19	Societatea Electrocentrale Craiova SA		Priced at zero (lack of financial statements required for yearend valuation)
20	World Trade Hotel SA		Priced at zero (lack of annual financial statements for the last 9 financial years including the financial statements for the year-ended 31 December 2021; last available financial statements are those for the year-ended 31 December 2012)
21	Zirom SA		Value based on the valuation report as at 31 October 2022 (applying the income approach using the discounted cash flow method)

**Shares of companies in insolvency/ judicial reorganization/liquidation/dissolution/ bankruptcy**

	Name	Symbol	Valuation method
1	Comsig SA		Valued at zero (administrative liquidation)
2	Gerovital Cosmetics SA		Valued at zero (bankruptcy)
3	Romplumb SA		Valued at zero (bankruptcy)
4	Salubriserv SA		Valued at zero (bankruptcy)
5	Simtex SA		Valued at zero (judicial reorganisation)
6	World Trade Center Bucuresti SA		Valued at zero (insolvency)

**Bank deposits**

Name	Symbol	Valuation method
Bank deposits		Bank deposit amount cumulated with the accrued interest receivable calculated for the period elapsed from its starting date

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**Annex – Changes in the valuation methods used for the computation of the NAV of Fondul Proprietatea as of 31 December 2022**

**Valuation of unlisted portfolio holdings and Alcom SA holding**

For the computation of the NAV of Fondul Proprietatea SA as at 31 December 2022, the valuation method used for the valuation of unlisted holdings and for Alcom SA holding, remained the same, respectively Fair value / share (Value based on valuation report), but the valuation report was updated with the assistance of independent valuers.

The total impact of the valuation update on the Fund’s NAV resulted in a net increase of **RON 95,335,723** and the most significant holdings are detailed in the table below:

<b>Company</b>	<b>Previous value per share (RON/share)</b>	<b>Previous value of the holding (RON)</b>	<b>Current value per share (RON/share)</b>	<b>Current value of the holding (RON)</b>	<b>Impact of the valuation update on NAV (RON)</b>	<b>Impact of the valuation change on NAV %</b>
Hydroelectrica SA	125.8906	11,259,700,000	124.6507	11,148,800,000	(110,900,000)	-0.76%
CN Administratia Porturilor Maritime SA	46.2247	298,900,000	43.7658	283,000,000	(15,900,000)	-0.11%
CN Aeroporturi Bucuresti SA	241.9105	695,600,000	247.9617	713,000,000	17,400,000	0.12%
Societatea Nationala a Sarii SA	125.9783	253,400,000	136.0705	273,700,000	20,300,000	0.14%
Engie Romania SA	167.1185	399,530,000	184.3394	440,700,000	41,170,000	0.28%
<i>Other portfolio companies</i>		<i>536,930,249</i>		<i>680,195,972</i>	<i>143,265,723</i>	<i>0.98%</i>
<b>TOTAL</b>		<b>13,444,060,249</b>		<b>13,539,395,972</b>	<b>95,335,723</b>	<b>0.65%</b>

**Mecon SA**

For this holding, the valuation method has been changed from Fair value (Last available trading price) (respectively RON 13.3000/share) to Reference price - Closing price (respectively RON 9.8000/share) because the shares of this company were traded during the last 30 trading days. The total impact of the valuation update on the Fund’s NAV was a decrease of RON (210,189).

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