

**INFORMATION ON THE PUBLICATION OF THE BOARD OF NOMINEES' REPLIES TO  
FONDUL PROPRIETATEA'S SHAREHOLDERS LETTERS - SUPPLEMENT**

Franklin Templeton International Services S.À R.L, as alternative investment fund manager and sole director (the “**Fund Manager**”) of Fondul Proprietatea SA (“**Fondul**” or “**FP**”), informs shareholders that, on 25 September 2025, it published an Information on the publication of FP’s Board of Nominees’ reply letters to several of the letters sent by shareholders, [here](#).

In addition to the above, the Fund Manager issues this information, to which it attaches the two reply letters of the Board of Nominees to the shareholders’ letters sent on 27 August 2025 and 1 September 2025, as well as the Board of Nominees’ Position paper regarding the revocation of the members of the Board.

The letters attached to this information will remain published on the Fund’s website in the *News* section, with a corresponding link in the *Frequently Asked Questions* section.

**Franklin Templeton International Services S.À R.L, in its capacity of alternative investment fund manager and sole director of FONDUL PROPRIETATEA S.A.**

**Daniel NAFTALI**  
**Permanent Representative**

**Response letter shareholder inquiries dated August 27<sup>th</sup> 2025**

1. The Investors Report states that out of the list of candidates approached, only four international candidates submitted an expression of interest, and two international candidates submitted an actual offer for the BoN to consider (no Romanian AIFM expressed interest in participating in the Selection Process). Out of the candidates who submitted their offers, one candidate proposed an advisory model, whereby an EU registered AIFM would be supported in exercising its mandate by a Romanian advisory firm, whereas the other candidate proposed a delegation model, where the EU registered AIFM would delegate certain functions to an investment manager.

Also, the Investors Report states (page 11) that the RfP was issued only to candidates who expressed interest, preserving the integrity of the process.

According to the current report from 26 November 2025, there were 5 candidates and none of them appears to be IRE AIFM.

- 1.1 Why was IRE AIFM HUB S.à r.l. candidacy accepted given that the company did not participate in the expression of interest, according to the current report published on 26 November 2024? Why did you reject IRE AIFM HUB S.à r.l.'s candidacy?

**Answer:** The BoN received an expression of interest from Impetum Management S.R.L. ("Impetum"), which indicated that should an offer be submitted following an RfP, such offer will be made on behalf of a Luxembourg-based AIFM in partnership with Impetum. Consequently, such expression of interest was accepted on this basis.

- 1.2 Please provide the exact date when IRE AIFM HUB S.à r.l. formally entered the selection process. Was its participation subject to a new/other submission deadline than all other candidates?

**Answer:** IRE AIFM HUB S.à r.l. and Impetum submitted their formal offer in response to the RfP on November 28<sup>th</sup>, 2024. Since BoN's view is that the expression of interest made was valid, no new/other submission deadline applied (either to IRE AIFM HUB S.à r.l. or to any other candidate).

- 1.3 In the interest of transparency, we request the BoN to publish or provide a copy of the submission made by Impetum Management and IRE AIFM HUB S.à r.l., including the names of the entities involved at the time of submission, and any material changes to the proposal between the expression of interest and the final selection.

**Answer:** The submissions contain confidential information provided by the candidate. Please note that all relevant information pertaining to the Selection Process has been included in the Investor Report (with further clarifications being provided via these responses).

2. Bearing in mind that the Board of Nominees was empowered to organize the selection process for a new alternative investment manager, why did the Board of Nominees accept the expression of interest from Impetum Management S.R.L., which is an ordinary limited liability company with no AIFM license? Why didn't the Board of Nominees dismiss the expression of interest of Impetum Management?

**Answer:** Please see answer at 1.1 above. The BoN's view was that by indicating that an offer will be made on behalf of a Luxembourg-based AIFM in partnership with Impetum, the expression of interest was validly made.

3. Bearing in mind that the Board of Nominees was empowered to organize the selection process for a new alternative investment manager, why has the Board of Nominees accepted and preferred the joint offer of a “partnership”? Did you inform all potential candidates that the BoN is accepting partnerships and all sorts of arrangements, including simple advisors?

**Answer:** Both candidates which have submitted their offers following an RfP proposed some type of partnership/joint arrangement (with the other candidate proposing a delegation model, similar to the arrangement applied by Franklin Templeton prior to Brexit taking effect). At the RfP stage, we let each candidate choose how they wished to structure their proposed management arrangements (as long as such arrangements are in line with the applicable regulations).

4. In light of the previous questions, one may conclude that the BoN accepted the expression of interest and provided the RfP to an entity that could not act as an AIFM and sole director (i.e Impetum Management) and, afterwards, accepted the joint offer of this entity that could not act as an AIFM and sole director and of IRE AIFM, who did not participate in the expression of interest stage and that did not receive the RfP.

From this sequence of events, we may conclude that the BoN favoured the partnership Impetum – IRE instead of dismissing both companies, as it should have clearly done. How do you explain this situation?

**Answer:** Please see answer at 1.1 above. The BoN's view was that by indicating that an offer will be made on behalf of a Luxembourg-based AIFM in partnership with Impetum, the expression of interest was validly made. As stated in our previous communication, the BoN rejects the view that any candidate was favoured in the Selection Process - all conflicts of interest checks were performed in relation to each candidate and no conflict of interest was identified. If such conflict of interest would have been identified, the conflict of interest would have been reported to Franklin Templeton International Services S.à.r.l., as fund manager of FP and made public, in accordance with FP existing procedures. The BoN's commitment throughout the selection process was to conduct it with full integrity, transparency, and in the best interest of shareholders

5. The Investors Report states that out of the candidates who submitted their offers, one candidate proposed an advisory model, whereby an EU registered AIFM would be supported in exercising its mandate by a Romanian advisory firm, whereas the other candidate proposed a delegation model, where the EU registered AIFM would delegate certain functions to an investment manager. According to the current report published on 2 December 2024, the proposal was European-based AIFM in partnership with a Romanian asset management advisory firm.

- 5.1 Could you clarify when and on what basis the framing of the relationship between IRE AIFM and Impetum Management shifted from a ‘partnership’ to an ‘advisory model’? Was this change communicated to shareholders, and how does it affect the legal nature of the proposed arrangement?

**Answer:** The references to “partnership” in the earlier communication has been intended in a commercial sense, rather than as a formal legal partnership or joint governance structure. The advisory model, as outlined in the Investor Report, refers the same collaborative arrangement within the boundaries of the applicable regulatory framework. It does not affect the legal nature of the proposed arrangement.

- 5.2 Did IRE AIFM and Impetum Management initially propose a delegation, partnership, or advisory structure? Please provide the original detailed description of their relationship and explain if any formal restructuring or recharacterization of the model occurred after submission.

**Answer:** The structure initially proposed (and maintained) referred to an advisory model. As indicated above, the references to “partnership” in the earlier communication has been intended in a commercial sense, rather than as a formal legal partnership or joint governance structure.

- 5.3 Considering the initial communications that IRE AIFM is in partnership with Impetum Management and later that IRE AIFM is the sole director and Impetum is an advisor, how did the BoN apply the qualification criteria? Did the BoN apply the qualification criteria by reference to the credentials of the initial partnership or by reference to the credentials of IRE AIFM (as sole director)?

**Answer:** The BoN applied the criteria by analysing the offer submitted in its entirety, taking into account the proposed advisory model arrangement.

- 5.4 Please clearly state whether IRE AIFM, as candidate to the sole director position, fulfils all selection criteria.

**Answer:** The BoN applied the criteria by analysing the offer submitted in its entirety, taking into account the proposed advisory model arrangement.

6. What is the reason/explanation for the shift from: (a) a standalone Romanian asset manager that expressed interest, Impetum Management, (current report from 26 November 2025); to (b) a Luxembourg AIFM acting in partnership with a Romanian advisory firm only several days later (current report 2 December 2025); to (c) IRE AIFM HUB S.a R.L., as sole director, performing its mandate under an advisory model, with Impetum Management S.R.L., a Romanian advisory firm, as the advisor (Convening Notice for the 29 September 2025 GMS)?

**Answer:** Please see answer at 1.1 above. Impetum indicated in the expression of interest that an offer will be made on behalf of a Luxembourg-based AIFM in partnership with Impetum. As indicated above, the references to “partnership” in the earlier communication has been intended in a commercial sense, rather than as a formal legal partnership or joint governance structure. In the Investor Report and the convening notice, the arrangement proposed was also clarified from a governance/legal perspective.

7. Why do the current reports published (e.g. 28 March 2025) refer to Impetum Management as an asset management advisory firm? What does it mean asset management advisory firm? We find this denomination misleading.

**Answer:** The term was meant to describe the role of the advisor in the proposed structure.

8. The manager and beneficial owner of Impetum Management, Mr. Andrei Cionca, will be appointed as the AIFM's permanent representative (Investors' Report page 8) which represents a clear conflict of interest. How does the Board of Nominees justify this dual role, given that the advisor is expected to offer independent input, while the permanent representative of the AIFM is entrusted with decision-making and executive responsibility? Considering that the owner of the advisory firm also serves as the sole official representative of the proposed AIFM, on what basis does the Board believe that IRE AIFM will exercise genuine operational control over the Fund, rather than functioning as a de facto “letter-box” AIFM - contrary to AIFMD substance and delegation requirements?

**Answer:** IRE AIFM has clear conflict of interest policies, with the advisory agreement further providing conflict of interest rules. The proposed structure would allow IRE AIFM to retain independence in risk and portfolio management oversight, thus ensuring compliance with the AIFMD.

9. Have you obtained clear confirmation from the Luxemburg securities commission that this arrangement is legal and accepted?

**Answer:** Legal advice received by Impetum Management from a reputable Luxembourg legal advisor (following a request made by the BoN) has been shared with the BoN, showing that this arrangement is legal and generally accepted. In addition, our understanding is that IRE AIFM already operates similar arrangements.

10. What is the specific legal basis - under both Luxembourg and European Union regulations that supports the advisory model proposed by IRE AIFM in collaboration with Impetum Management S.R.L., and how does this structure comply with the requirements applicable to alternative investment fund managers (AIFMs)?

**Answer:** The advisory model operates pursuant to contractual arrangements between an AIFM and an advisor. There are no regulatory requirements applicable to such arrangements, since the AIFM retains portfolio and risk management functions.

11. In the event that this model does not constitute a formal delegation under the terms of the AIFMD Directive, please clarify under which legal provisions it has been structured and what safeguards are in place to ensure that the advisory relationship does not result in a de facto delegation of portfolio management functions.

**Answer:** The AIFM retains portfolio and risk management functions. As detailed in the Investor Report, Impetum will not be involved in performing any of the AIFM functions, therefore no delegation arrangements are required.

12. The Investor Report states that IRE AIFM HUB S.a R.L. has maintained a strong presence in Central Europe for over 20 years, serving a diverse client base. However, according to IRE AIFM HUB S.a R.L. financial statements, the company was incorporated on 13 July 2020. How do you explain this discrepancy?

**Answer:** The information refers to the core team's expertise.

13. The Investor Report states that IRE AIFM HUB S.a R.L. currently manages €2 billion in assets under management (AUM) globally, with approximately 70% of its AuM exposed to the EU. According to IRE AIFM HUB S.a R.L. financial statements, in 2023 the company had 1,14 million EUR revenues and 17.646 EUR profit (1,5% profit margin), 419,208 EUR total equity (share capital) and 844,604 EUR debt to creditors. The company also has a shareholder loan of ~ €295,000 maturing in December 2025 which presents a great risk to the company.

- 13.1 What specific assets compose the €2 billion in AuM figure? What portion of this AuM is actively managed (portfolio management) vs. passive compartments or third-party delegations?

**Answer:** Please refer to public information available on IRE AIFM's website regarding funds managed. The information was also verified as part of the due diligence performed by Refinitiv Limited, part of the London Stock Exchange Group. IRE AIFM arrangements are generally structured as either delegation or advisory structures.

- 13.2 What types of funds or mandates make up this AuM (e.g. private equity, real estate, liquid securities, etc.)?

**Answer:** Please refer to the Investor Report (as indicated therein, IRE AIFM is focused on Private Equity, Real Estate, Venture Capital, and Fund of Funds alternative investment funds).

- 13.3 Can the BoN confirm whether any of the claimed AuM is managed by IRE AIFM under its own investment strategies and risk models, or whether the company primarily provides compliance/risk oversight for third-party compartments?

**Answer:** Please refer to public information available on IRE AIFM's website regarding funds managed. IRE AIFM arrangements are generally structured as either delegation or advisory structures. In the advisory structures, the decisions regarding investment strategies and risk models are retained entirely by IRE AIFM.

- 13.4 What assessment was carried out regarding IRE AIFM HUB S.à r.l.'s solvency financial capacity to perform the role of sole director and AIFM of Fondul Proprietatea over the proposed four-year mandate? Was any solvency or financial stability analysis conducted on IRE AIFM HUB S.à r.l. as part of the selection process and what were the findings?

**Answer:** Standard regulatory checks regarding authorisation status were performed. In addition, according to the terms of the IMA, IRE AIFM has the obligation to hold a professional indemnity insurance to cover professional liability risks.

- 13.5 Given that the company reported total revenues of €1.14 million and liabilities of €844,604 in 2023, what was the Board's view on its ability to absorb financial stress or meet ongoing operational obligations? What consideration was given to the fact that IRE AIFM's total equity (€419,208) is significantly outweighed by its debt, and that its shareholder loan of ~€295,000 matures during its proposed mandate period (December 2025)?

**Answer:** Please see answer above - IRE AIFM complies with the capital requirements under AIFMD, with professional liability risks being covered through professional indemnity insurance.

14. Considering that, in similar structures, the host AIFM (such as IRE AIFM HUB S.à r.l.) typically performs only compliance and regulatory functions - without directly managing investment funds in the capacity proposed for Fondul Proprietatea - has the BoN obtained any confirmation from the FSA that the proposed model is legally admissible under Romanian and EU law?

**Answer:** The BoN received legal advice that the proposed structure is legally admissible under Romanian and EU law.

15. The Investors Report states that IRE's legal and compliance team, with support from Impetum (where the case, within the limits of the advisory arrangements and in compliance with the applicable legal provisions), will ensure support on all Romanian and Luxembourg regulatory matters, including periodic reporting, investment approvals, and regulatory filings, ensuring full compliance with Romanian, Luxembourg and EU regulations. Taking into account that IRE AIFM has only 11 employees (according to its financial statements from 2023), what internal or external legal, regulatory, or operational benchmarks did the BoN rely upon to conclude that a Luxembourg AIFM with 11 employees can effectively fulfil all the required duties for a public AIF with the size and complexity of Fondul Proprietatea and which are BoN arguments in this regard?

**Answer:** The BoN deemed appropriate the assurances provided by the candidate (who also intends to rely on the Advisor's local infrastructure and resources, including staff, in connection with certain matters), also considering the candidate's track record, as well as having regard to FP's current needs in terms of staffing.

16. The Investors Report states that ROCA FP new strategy proposal focuses on investments in listed companies in Romania and the broader CEE region, with indirect exposure to promising unlisted firms



via listed vehicles to stay compliant with Romanian regulations. However, Fondul Proprietatea is restricted from investing more than 40% of its assets in unlisted companies.

- 16.1 Do you consider this to be a legally compliant strategy or a method of circumventing the applicable legal restrictions?

**Answer:** The BoN has received advice that this is not prohibited by the existing regulations. In addition, both the candidate's and the BoN's position is that the Romanian FSA views and position will be obtained and complied with in connection with this matter.

- 16.2 Has the BoN obtained formal confirmation from the FSA that the proposed investment strategy complies with the investment restrictions applicable to Fondul Proprietatea?

**Answer:** Both the candidate's and the BoN's position is that the Romanian FSA views and position will be obtained and complied with in connection with this matter, should the candidate be appointed. This is also stated in the Investor Report (which clearly states that the new strategy will be subject to shareholder and regulatory approvals).

17. The Investors' Report states that (page 15) absent necessary Romanian regulatory and/or shareholder approvals for the above, FP's current strategy would be continued with ongoing share buybacks based on any exit values and a full dividend distribution policy (net of expenses) and portfolio value increase through developments supported via public grants.

- 17.1 What is meant by Romanian regulatory approvals? Does this refer to approvals under the current legal framework, or does it imply that legislative or regulatory amendments would be required to implement the proposed investment strategy?

**Answer:** References to Romanian regulatory approvals are to any approvals, authorisation, endorsements or similar which are required to be obtained from the FSA in the context of any change in FP's fund documents triggered by a change in strategy. It does not imply regulatory amendments (although the BoN always strives to promote any regulatory amendments which it deems favourable to FP and shareholders).

- 17.2 If regulatory amendments are envisaged, has the BoN initiated discussions with the FSA regarding any proposed changes to the applicable legal framework? If so, please disclose the nature, status, and outcome of such discussions.

**Answer:** No specific regulatory amendments are envisaged at this time.

- 17.3 What types of public grants are being referred to? What entities would be eligible to receive them, and how is this grant-based development model intended to function under the proposed AIFM structure?

**Answer:** The candidate proposes to benefit from existing and future EU and Romania-level funding programmes and co-investment opportunities. This grant-based development model does not interfere with the proposed AIFM structure.

18. The Investors Report states that (page 17) one of the selection criteria, which is also a legal requirement, is regarding the candidate's firm's operational capacity in Romania, or if the candidate does operate within this jurisdiction, set out a credible proposal for either: (i) establishing a Romanian office; or (ii) establishing resources within Romania which may involve an outsourcing model.

- 18.1 What is the precise operating model proposed by IRE AIFM HUB S.à r.l. for fulfilling the legal requirement of establishing an operational capacity in Romania, as set out in the selection criteria?

**Answer:** Given the advisory arrangement, the BoN deemed appropriate the arrangement proposed by the candidate, whereas it will have the use of Impetum's local infrastructure, as and when needed, without establishing a Romanian office, in accordance with the freedom of services allowed under the AIFMD.

- 18.2 Does IRE AIFM HUB S.à r.l. intend to open a Romanian branch, establish a permanent presence, or rely exclusively on the support of an advisor? Please provide a clear and complete explanation.

**Answer:** Given the proposed advisory model, the BoN deemed appropriate the arrangement proposed by the candidate, whereas it will have the use of Impetum's local infrastructure, as and when needed, without establishing a Romanian office, in accordance with the freedom of services allowed under the AIFMD.

- 18.3 On what legal basis does the BoN consider that an advisory arrangement, without delegation and without a local branch, meets the regulatory threshold for an AIFM operating in Romania?

**Answer:** Please see the above answer. In addition, the BoN has received Romanian law advice, as well as has been made aware of Luxembourg law advice received by Impetum, regarding the compliance of the proposed arrangement with the applicable regulatory requirements.

- 18.4 Has any confirmation or clearance been obtained from the FSA that this proposed operating model satisfies the Fund's legal obligations and complies with Romanian AIFM regulatory requirements?

**Answer:** The BoN has received Romanian law advice, as well as has been made aware of Luxembourg law advice received by Impetum, regarding the compliance of the proposed arrangement with the applicable regulatory requirements. Given the anticipated passporting procedure, the FSA's view was not sought at this stage.

- 18.5 Given that Impetum Management S.R.L. is presented as the operational interface in Romania and has a larger team than IRE AIFM according to the ROCA FP website, what safeguards exist to ensure that the actual decision-making remains with the licensed AIFM and is not exercised de facto by the advisory firm?

**Answer:** IRE AIFM has clear policies, with the advisory agreement further providing the necessary safeguard. The proposed structure would allow IRE AIFM to retain independence in risk and portfolio management oversight, thus ensuring compliance with the AIFMD.

- 18.6 Please provide a detailed justification as to why the proposed structure, which relies heavily on an unlicensed Romanian entity, is consistent with both the letter and spirit of the applicable EU and Romanian AIFM framework.

**Answer:** Please see the answers provided above.

19. What oversight mechanisms are in place to ensure that advisory input does not result in undue delegation of AIFM responsibilities?



**Answer:** IRE AIFM has clear policies, with the investment management agreement further providing the necessary safeguard. The proposed structure would allow IRE AIFM to retain independence in risk and portfolio management oversight, thus ensuring compliance with the AIFMD. In addition, the BoN will be overseeing how the AIFM operates, if shareholders approve the appointment.

20. Who is the ultimate beneficial owner of IRE AIFM HUB S.à r.l.?

**Answer:** The UBO was checked as part of the due diligence analysis performed by Refinitiv Limited, part of the London Stock Exchange Group. This information cannot be disclosed publicly, taking into account the Court of Justice of the European Union decision of 22 November 2022.

21. The Investors' Report states that (a) (page 5) the decision of the BoN to select the ROCA FP consortium was based on an assessment of IRE 's operational readiness in the context of its advisory structure, the relevance to FP of its proposed investment strategy, the consistency of its structure to the applicable regulatory framework, and its commercial alignment with shareholders through the proposed remuneration terms; and (b) (page 22) the BoN recommendation is based on remuneration structure, demonstrating strong alignment with shareholders' interests.

As a top shareholder of Fondul Proprietatea, we do not identify such alignment and request a transparent explanation of the methodology and reasoning behind this conclusion.

Could the BoN clearly define what it considers to constitute "alignment with shareholders' interests" in this context, and explain how the selected proposal demonstrably meets this criterion?

**Answer:** Please see the reasoning provided in the Investor Report and the answers above regarding the basis of BoN's proposal. In addition, in BoN's view, the requirement which would apply to the candidate to reinvest 50% of its performance fee in FP's shares ensures that both the AIFM and the shareholders benefit from long-term value creation and sustainable share price performance.

22. The Investors' Report states that (page 14) the BoN reviewed the findings of Refinitiv Limited presented in the RFDD report and found no material concerns. A follow-up in- depth Q&A session was held with IRE and Impetum, to discuss items identified by the due diligence report with their responses being formally documented.

However, solely based on public information, one can identify at least the following material concerns: (a) RDF SA: ROCA Investments' sudden exit from RDF SA in March 2025 was followed immediately by the company's insolvency filing, with prior intra- group debt transfers (~RON 90 million) raising questions of timing, risk exposure, and transparency; (b) Prebet SA: in 2021, Prebet SA was sanctioned by the FSA for governance lapses in acquiring a stake in ROCA Investments. In 2025, Prebet increased its ROCA stake to nearly 13%, reinforcing a structure where a portfolio company holds equity in its asset manager.

22.1 Given that these issues are publicly available, on what basis did the BoN conclude that there were no material concerns in the Refinitiv due diligence report? Please provide a clear justification for this conclusion.

**Answer:** This was explicitly stated in the report provided by Refinitiv Limited and further explored in the Q&A session.

22.2 Were the situations involving RDF SA and Prebet SA explicitly raised and discussed during the in-depth Q&A session with IRE AIFM and Impetum? If so, please provide the candidates' documented responses.

**Answer:** The BoN specifically raised the two instances in its Q&A session.

Impetum indicated that ROCA Investments complied with legal and statutory requirements at the level of RDF, as well as with good governance criteria/practices. Roca Investments' position is that RDF's insolvency was caused misalignment between shareholders and a difficult macroeconomic context (the war in Ukraine which has redefined, disrupted, and made volatile the grain trade, a steep rise in interest rates, inflation, and relatively recent legislative changes which applied to the sector).

Regarding Prebet Aiud S.A., it is not a portfolio company of ROCA Investments (although the latter did hold for a brief period of time a participation in Prebet Aiud S.A.). ROCA Investments does not have any management or control over Prebet Aiud S.A., which is one of the shareholders of Roca Investments. Therefore, any sanctions which were applied to Prebet Aiud S.A. were not due to any action or inaction of Roca Investments.

- 22.3 Was any independent legal or financial opinion obtained by the BoN in relation to these two incidents, particularly the risk of reputational or regulatory exposure for Fondul Proprietatea?

**Answer:** In BoN's view and given the above, no additional legal or financial opinions were necessary.

- 22.4 Are there any internal BoN memoranda, minutes, or notes documenting a risk assessment of these matters? If so, we request that these be made available to shareholders prior to the GMS.

**Answer:** The BoN has provided all relevant information in the Investor Report and in these answers.

23. The Investors' Report states that (page 15) IRE AIFM, through its partnership with Impetum, leverages an established operating office in Bucharest to concentrate internal resources on the management of FP and implement its private equity-focused strategy aimed at Romanian SMEs and strategic enterprises.

- 23.1 What does 'an established operating office in Bucharest' mean in this context?

**Answer:** Impetum holds an existing office infrastructure in Bucharest, which will be made available, as needed, to IRE AIFM.

- 23.2 Who exercises direct operational control and oversight over this office?

**Answer:** The Investor Report refers to Impetum's available physical office infrastructure when referring to the operating office in Bucharest. Operational control and oversight over the AIFM's operations and functions will remain at all times with IRE AIFM.

- 23.3 Given that IRE AIFM is the proposed sole director and licensed AIFM, can the Board of Nominees confirm whether IRE AIFM has the legal authority and actual capacity to issue binding instructions and supervise this Romanian office? If not, who does?

**Answer:** Given the proposed advisory model, the BoN deemed appropriate the arrangement proposed by the candidate, whereas it will have the use of Impetum's local infrastructure, as and when needed, without establishing a Romanian office, in accordance with the freedom of services allowed under the AIFMD.

- 23.4 What governance mechanisms are in place to ensure that portfolio management decisions are effectively taken and supervised by IRE AIFM, rather than by Impetum Management or its personnel?

**Answer:** IRE AIFM has clear policies, with the investment management agreement further providing the necessary safeguards. The proposed structure would allow IRE AIFM to retain independence in risk and portfolio management oversight, thus ensuring compliance with the AIFMD.

24. In the conclusions of the Investors Report it is stated that in providing its advice, Deutsche Numis has relied upon the BoN's commercial assessments of the candidates' proposals. The BoN therefore recommends that FP shareholders' vote in favour of IRE's appointment.

24.1 On what basis did the BoN assume responsibility for such commercial analysis, given its lack of proven expertise in fund structuring, cross-border operating models, and AIFM advisory structures?

**Answer:** The meaning of the Investor Report conclusion referred in your question is that ultimately the decision lied with the BoN, as the corporate body empowered by FP's shareholders in connection with the selection process. In reaching its conclusion, the BoN has relied on the advice and information provided by Deutsche Numis and legal advice provided to it in the context of the selection process.

24.2 What was the exact scope of Deutsche Numis's mandate and analysis, and why was a EUR 1 million fee paid if the key commercial assessments were ultimately performed by the BoN?

**Answer:** Substantial information regarding the appointment and scope of work of the advisor has already been made publicly available:

- Deutsche Numis' appointment was approved by the Ordinary General Meeting of Shareholders ("OGMS") held on September 27th 2024 (the full text of the resolution is published on FP's website).
- The scope of services was detailed in that resolution, pursuant to which Deutsche Numis acted as selection advisor to FP, assisting the BoN in: drafting the request for proposal to be sent to potential candidates, selection and analysis of the offers received, management of the selection process, assistance during the negotiation of the new terms and conditions of the new management agreement to be concluded with the selected candidate.
- The same OGMS approved the selection budget, within which Deutsche Numis' fee is included;
- Details related to payments made towards Deutsche Numis in 2024 under the approved selection budget have been publicly disclosed by FP, as per its annual report (available in FP's published documents). According to the agreement entered into with Deutsche Numis, the total fees payable are capped at EUR 500,000, plus any applicable value added/sales tax. The assertion that Deutsche Numis' fee amount to EUR 1 million is incorrect.

24.3 Why wasn't the reliance by Deutsche Numis on the BoN's commercial judgment disclosed to shareholders prior to the publication of the final recommendation?

**Answer:** The meaning of the Investor Report conclusion referred in your question is that ultimately the decision lied with the BoN, as the corporate body empowered by FP's shareholders in connection with the selection process. In reaching its conclusion, the BoN has relied on the advice and information provided by Deutsche Numis and legal advice provided to it in the context of the selection process.

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We trust that the above clarifications have addressed your concerns. Please be assured that the BoN commitment throughout the selection process was to conduct it with full integrity, transparency, and in the best interest of shareholders. Should you have further questions, we remain at your disposal.

With best regards,

Ilinca von Derenthall

Chairperson of the Board of Nominees

**Response letter shareholder inquiries dated September 1<sup>st</sup> 2025**

1. In the Current Report from 28.03.2025, it is mentioned that: *further to the announcement on 21 January 2025, the BoN has, in collaboration with its selection adviser Deutsche Numis, continued to conduct in-depth reviews of submissions from the two candidates which are: • A Luxembourg - based AIFM, in partnership with a global infrastructure asset manager; and • A Luxembourg-based AIFM, in partnership with a Romanian asset management advisory firm.*

The following update on the selection process was issued on 02.05.2025 (Current Report), when it was announced that *the BoN has selected a preferred candidate, being IRE AIFM HUB S. à R.L. ("IRE AIFM"), Luxembourg-based AIFM, in partnership with Impetum Management S.R.L. ("Impetum"), a Romanian asset management advisory firm.*

The Investors' Report describes the selection process but does not present the analysis conducted and the reasons for not selecting the other candidate, a Luxembourg-based AIFM, in partnership with a global infrastructure asset manager. The Investors' Report mentions (page 6) that two candidates advanced to the final phase of the selection process, following which the BoN selected the ROCA FP consortium.

- 1.1 Please describe in detail / submit to the shareholders the comparative analysis conducted between the final two candidates, including the main criteria used, the assessments made, and the reasons for selecting the ROCA FP consortium over the alternative proposal.

We remind you that we, the shareholders, are entitled to take any final decision, and not the BoN. In order to do this, we need access to all documents, the BoN does not have the right to withhold relevant documents.

**Answer:** The BoN's view is that the information regarding the two offers, the analysis performed, as well as the conclusions of such analysis are adequately presented in the Investors' Report. The BoN's commitment throughout the selection process was to conduct it with full integrity, transparency, and in the best interest of shareholders.

- 1.2 Was any written evaluation prepared by the BoN comparing the two final offers?

**Answer:** The BoN received from Deutsche Numis, its selection advisor, a comparative analysis of the two offers, which was discussed at BoN level, with the decision to select the proposed candidate being made on the basis of such analysis.

- 1.3 What were the reasons for selecting the ROCA FP consortium over the other final candidate?

**Answer:** Please refer to the Investors' Report.

- 1.4 What steps were taken in the selection process between 28.03.2025 and 02.05.2025? How many meetings/discussions were held with each candidate?

**Answer:** Further to the announcement on 28 March 2025, the BoN has, in collaboration with its selection adviser, Deutsche Numis, continued to conduct in-depth review and assessment of submissions from the two candidates. In the context of this in-depth review and assessment process, the two candidates provided further details, refining their previous submissions and enhancing the terms, conditions, and overall structure in a manner favourable to FP.

In total, the BoN members participated to 4 (four) meetings with candidates, supplemented by significant e-mail correspondence. Deutsche Numis, the selection advisor, further engaged in telephone calls and e-mail correspondence with each candidate.

2. The draft Investment Management Agreement defined Key Employees as the senior personnel of the Fund Manager; which includes personnel entitled to take investment decisions and to set the corporate strategy on behalf of the Fund, as identified in Annex 4 to this Agreement. Annex 4 mentions Andrei Valentin Cionca -Permanent Representative of the Fund Manager.

Andrei Valentin Cionca is the manager and beneficial owner of Impetum Management and not an employee of the proposed Fund Manager, IRE AIFM.

- 2.1 How does the appointment of the advisor's owner as a key employee entitled to take investment decisions for FP and to set corporate strategy ensures the independence and proper governance required under AIFM rules?

**Answer:** The text *"includes personnel entitled to take investment decisions and to set the corporate strategy on behalf of the Fund"* is by reference to the other two key persons, i.e., David Luksenburg – Conducting Officer & Manager and Michel Batter – Risk Manager & Conducting Officer.

The role of Mr. Andrei Cionca as permanent representative of the AIFM and the limitations of such role are further detailed in the advisory agreement (i.e., his role is not intended to involve taking investment decisions and to set the corporate strategy on behalf of FP).

- 2.2 Does not this structure create a clear conflict of interest, given that the same individual represents both the advisor and the AIFM in decision-making?

**Answer:** IRE AIFM has clear conflict of interest policies, with the advisory agreement further providing conflict of interest rules. IRE AIFM retains independence in risk and portfolio management oversight.

- 2.3 Does not this structure show that, in fact, IRE is delegating the investment decisions to the manager of Impetum Management? In other words, that IRE is delegating core services to an ordinary advisor?

**Answer:** Please see the above answers.

3. The draft Advisory Services Agreement preamble letter D) states: WHEREAS, pursuant to a resolution of the Fund's shareholders on 25 September 2023, the Board of Nominees, with the support of its selection adviser Deutsche Numis, launched a transparent and competitive Request for Proposal (RfP) process inviting qualified parties to submit bids for the role of AIFM and related advisory services.

The shareholders' resolution from 25 September 2023 mandated the BoN only to appoint a new AIFM.

- 3.1 Please clarify whether the RfP launched by the BoN included a request for advisory services in addition to the role of AIFM. If so, on what legal basis was this expansion of the mandate made?

**Answer:** The RfP did not include a reference to any specific structure or to the advisory model.



- 3.2 What is the exact wording of the RfP in this regard? Did the RfP invite parties to submit bids for the role of AIFM and related advisory services?

**Answer:** The RfP did not include a reference to any specific structure or to the advisory model. The RfP indicated that *“proposals [are expected] from interested parties for the management of the Company, including the provision of AIFM, company secretarial, fund accounting, administration, and marketing services in line with the selection criteria”*.

- 3.3 If the RfP indeed sought to appoint both an AIFM and a separate provider of advisory services, please explain why this dual structure was considered appropriate, who approved it, and how it aligns with the scope and intent of the shareholders' resolution adopted on 25 September 2023.

**Answer:** Please see the above answers.

**Note:** It appears that the cited recital contains an immaterial clerical error by implying that the RfP included a reference to “advisory services”. In addition, note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials, but is not subject to shareholder approval).

4. The draft Advisory Services Agreement preamble letter F) states: *whereas, Impetum Management S.R.L. is a Romanian company with a proven track record in providing advisory services, asset management, and operational oversight services in the Romanian and CEE markets. Impetum possesses the organisational infrastructure, local presence, experienced team, and investment expertise required to advise on domestic investment strategies and support an EU-authorized AIFM in the day-to-day operations and governance of a Romanian alternative investment fund. Impetum Management S.R.L. acts as a non-discretionary corporate finance advisor to the AIFM under the applicable provisions of MiFID II and related ESMA guidance. As such and given that the advisory services are provided exclusively to a regulated AIFM on a non-client-facing basis and without holding or managing financial instruments, Impetum is not required to be licensed or authorised as an investment firm under MiFID II or Romanian financial services laws. Impetum acts as a corporate finance advisor within the meaning of MiFID II and relevant ESMA guidelines, and as such, is not required to be licensed or authorised as a financial advisor under Romanian or EU law in connection with the non-discretionary advisory services provided under this Agreement.*

Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

- 4.1 Please present the proven track record in providing advisory services.

**Answer:** According to information provided in the context of the selection process, the track record of Impetum refers to experience of the proposed Impetum team, such as the liquidation of Tractorul Braşov, involvement in the restructuring of the freight railway transport company, CFR Marfă, financial and operational risk management for Rompetrol Rafinare, involvement in the management of Roca Investments (which holds stakes in companies located in Romania, Republic of Moldova and Lithuania), Agista Investments (which holds stakes in Romanian companies, focused on IT and healthcare), Impetum Investments (involved in mature buy-out and growth private equity investment, and early-stage technology startups), and Roca X (a venture capital fund controlled launched by Impetum Investments).

- 4.2 What does operational oversight services entail in this context?

**Answer:** The BoN cannot address this question, as it was not involved in the preparation or negotiation of the advisory agreement, nor has it had access to information with this degree of granularity.

- 4.3 What markets in the CEE region has Impetum Management operated in, and what oversight responsibilities has it actually performed?

**Answer:** According to information provided in the context of the selection process, Impetum Management and its affiliates are involved in companies located in Romania, Moldova, Lithuania, Germany, UK, Italy, Portugal, Israel, Macedonia, Austria and USA (6 local companies which moved their headquarters to the USA).

- 4.4 Please provide concrete details on: (a) the operational infrastructure Impetum Management; (b) its permanent staff involved in advisory services; and (c) investments or mandates in which Impetum Management has acted as an advisor or asset manager.

**Answer:** According to information provided in the context of the selection process, Impetum Management has an established office in Romania, with physical infrastructure, having 11 employees, as well as own senior personnel and access to senior personnel from other affiliated entities.

BoN has been informed by Impetum Management that permanent staff involved in the provision of advisory services is presented at <https://rocafp.ro/ro/#echipa>.

Regarding investment or mandates of Impetum Management (with the understanding that Impetum Management does not perform asset manager functions), please refer to the answer at 3.1 above.

- 4.5 Given that Impetum claims not to require a MiFID II license for the services provided under the Advisory Agreement, has the Board of Nominees independently verified this interpretation of MiFID II and ESMA guidance through external legal or regulatory consultation (e.g., with ASF or CSSF)?

We remind you that we, the shareholders, need access to all documents, the BoN does not have the right to withhold relevant documents.

**Answer:** Legal advice received by Impetum from a reputable Luxembourg legal advisor (following a request made by the BoN) has been shared with the BoN, confirming that Impetum does not require a MiFID II license.

5. The draft Advisory Services Agreement preamble letter G) states: *whereas, IRE AIFM Hub and Impetum Management S.R.L. formed a strategic partnership and submitted a joint proposal under the name ROCA FP, outlining their combined offering of regulated AIFM services and Romanian advisory expertise, including comprehensive transition plans, legal and regulatory compliance, alignment with fund objectives, and competitive fee structures.*

- 5.1 On what legal basis did the Board of Nominees accept a joint proposal from both IRE AIFM and Impetum Management?

**Answer:** At the RfP stage, the BoN let each candidate choose how they wished to structure their proposed management arrangements (as long as such arrangements are in line with the

applicable regulations). The BoN received legal advice that the proposed structure is legally admissible under Romanian and EU law.

- 5.2 Did IRE AIFM meet all eligibility and evaluation criteria independently, or were certain criteria fulfilled only through the cumulative resources of Impetum Management?

**Answer:** The proposal was assessed on an aggregate basis, having regard to the proposed advisory model. However, the BoN's view is that all selection criteria were also fulfilled – at least partially - by IRE AIFM independently (regarding the selection criteria which refers to necessary internal resources, including Romanian operational capacity, the BoN notes that this criteria also allowed for a credible proposal to put resources in place which may involve an outsourcing model, which is reflected in the proposed advisory model).

Note that the other candidate proposed a delegation model to be put in place (without having yet local infrastructure available, on any basis).

- 5.3 Which selection criteria were satisfied independently by IRE AIFM and why?

**Answer:** As indicated above, the proposal was assessed on an aggregate basis, having regard to the proposed advisory model. However, the BoN's view is that all selection criteria were also fulfilled – at least partially - by IRE AIFM independently (regarding the selection criteria which refers to necessary internal resources, including Romanian operational capacity, the BoN notes that this criteria also allowed for a credible proposal to put resources in place which may involve an outsourcing model, which is reflected in the proposed advisory model).

- 5.4 Which selection criteria were satisfied exclusively by the contribution of Impetum Management rather than by IRE AIFM itself and why?

**Answer:** As indicated above, the proposal was assessed on an aggregate basis, having regard to the proposed advisory model. However, the BoN's view is that no criterion should be deemed exclusively fulfilled on the basis of Impetum Management's participation.

Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials, but is not subject to shareholder approval). In addition, the BoN has been advised that recitals are generally not legally binding and do not create rights or obligations on the parties, their use being that of aiding in the interpretation of a contract's intent.

6. The draft Advisory Services Agreement preamble letter K) states: *whereas, the AIFM acknowledges and agrees that its appointment by the Fund is intrinsically linked to the advisory role of Impetum Management S.R.L. and therefore undertakes to retain Impetum Management S.R.L. as exclusive Advisor to the Fund throughout the duration of the AIFM's mandate, unless such appointment is terminated in accordance with applicable law or by order of a competent regulatory authority.*

- 6.1 Why does the Advisory Agreement and IRE AIFM expressly condition its appointment on the involvement of Impetum Management?

**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials, but is not subject to shareholder approval). This is a commercial point between the parties to the Advisory Agreement.

- 6.2 What is the exact scope of the advisory services contemplated under this arrangement, and how does IRE AIFM intend to fulfil its role as an independent AIFM if its appointment is contractually contingent upon the involvement of a specific advisory firm?

**Answer:** The scope of the advisory services is included in the Advisory Agreement. The BoN is of the view that fulfilment of IRE AIFM's specific functions is not affected by the commercial arrangement between the parties to the Advisory Agreement. Moreover, the BoN deems this conditionality to be relevant, as it has analysed the candidate's proposal in the context of the advisory model.

- 6.3 Doesn't this condition undermine the shareholders' mandate to appoint a single, accountable AIFM, by structurally binding that AIFM to a third party?

**Answer:** The BoN is of the view that fulfilment of IRE AIFM's specific functions is not affected by the commercial arrangement between the parties to the Advisory Agreement. Moreover, the BoN deems this conditionality to be relevant, as it has analysed the candidate's proposal in the context of the advisory model.

- 6.4 Doesn't this condition prove that, in fact, Impetum Management has the primary role in this partnership? Please explain in detail.

**Answer:** The BoN does not agree with this view. Please see the above answers.

7. The draft Advisory Services Agreement preamble letter L) states: *whereas, this Agreement reflects the Parties' intention to establish the advisory relationship in preparation for such appointment, consistent with the Memorandum of Understanding signed on 24 October 2024.*

Given that the draft Advisory Services Agreement explicitly refers to alignment with this Memorandum of Understanding signed on 24 October 2024 and in light of the principle of transparency in shareholder decision-making, we kindly request that the full text of the Memorandum of Understanding be made available to shareholders without delay.

**Answer:** This is a commercial understanding between the parties to the Advisory Agreement and is not subject to shareholder approval. The BoN did not receive from the candidate the Memorandum of Understanding.

8. Why does the draft Advisory Services Agreement describe remuneration conditions for the AIFM in relation to the Fund if Impetum Management is only an advisor, the AIFM is IRE AIFM and Fondul Proprietatea is not a party to this Agreement?

**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials, but is not subject to shareholder approval). The cited provisions recap the fee structure under the Investment Management Agreement, without imposing any obligations on FP (who is not a party).

9. The draft Advisory Services Agreement, in Article 3.2. let. (b), (c), (d), delegates important core investment related services to the Advisor.

- 9.1 How do you explain this delegation?

**Answer:** The described services do not fall under the concept of core services under the AIFMD. Legal advice received by Impetum Management from a reputable Luxembourg legal advisor (following a request made by the BoN) has been shared with the BoN, showing that such arrangements do not constitute delegation.

9.2 Have you checked with ASF or CSSF that this structure is legal?

**Answer:** Legal advice received by Impetum Management from a reputable Luxembourg legal advisor (following a request made by the BoN) has been shared with the BoN, showing that such arrangements do not constitute delegation.

9.3 In your assessment (please provide your assessment), IRE has the experience and capabilities to perform the investment related duties? WHY does IRE delegates such tasks to the Advisor?

**Answer:** The described services do not fall under the concept of portfolio management, which is under IRE AIFM's purview, without any delegation arrangements being put in place. On the basis of information analysed in the context of the selection process, as detailed in the Investors Report, IRE AIFM has the experience and capabilities to perform the investment related duties.

10. The draft Advisory Services Agreement, in Article 3.3 let. (c), (d), (f), delegates other important core investment related services to the Advisor.

10.1 How do you explain this delegation?

**Answer:** The described services do not fall under the concept of core services under the AIFMD. Legal advice received by Impetum Management from a reputable Luxembourg legal advisor (following a request made by the BoN) has been shared with the BoN, showing that such arrangements do not constitute delegation.

10.2 How do you explain that the Advisor "*shall abide by the Proper Instructions reasonably provided by the AIFM regarding the Fund as well as all applicable laws and regulations, to the extent such instructions closely follow the bests interests of the Fund and the applicable laws and regulations to the extent such instructions closely follow the bests interests of the Fund and the applicable laws and regulations*"?

**Answer:** The BoN is not entitled to provide a definitive position on this (as it was not involved in the preparation or negotiation of the advisory agreement, nor has it any requisite powers, attributions or duties to provide such position). However, the BoN's assessment of this provision is that it is relatively standard and reflects the principle that IRE AIFM shall at all times provide instructions which are in compliance with the applicable laws and regulations.

10.3 How an Advisor be entitled not to follow the instructions of its principal?

**Answer:** The BoN is not entitled to provide a definitive position on this (as it was not involved in the preparation or negotiation of the advisory agreement, nor has it any requisite powers, attributions or duties to provide such position).

However, one should note that it is a general principle that an independent commercial party (such as the Advisor) is entitled (or even required) to not follow instructions from a contractual counterparty which are illegal/non-compliant.



- 10.4 Is not this clear evidence that, in fact, the Advisor controls IRE and that the Advisor would actually manage the Fund?

**Answer:** The BoN does not agree with this view. Please see the above answers.

- 10.5 In your assessment (please provide your assesment), IRE has the experience and capabilities to perform the investment related duties? WHY does IRE delegates such tasks to the Advisor?

**Answer:** Please see the answer at 6.3 above.

11. The draft Advisory Services Agreement states in Article 4.3 that: out of the total amounts received by the AIFM from the Fund under Clauses 4.1 and 4.2, the AIFM shall pay to the Advisor the remuneration agreed upon under Annex 1 of this Agreement.

Why doesn't the draft Advisory Services Agreement contain Annex I with the remuneration to be paid to the Advisor? Please provide this Annex and explain the background of the negotiated remuneration to be paid to the Advisor. It is very important for this Annex I to be published prior to the GMS for a transparent process.

**Answer:** The remuneration to be paid to the Advisor is entirely supported by the AIFM, **without any fees/ costs for FP**.

When providing the draft Advisory Services Agreement, IRE AIFM and Impetum Management have redacted the information regarding the remuneration arrangements thereunder. The BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

12. The draft Advisory Services Agreement states in Article 4.5 that: the Parties acknowledge that, under the commercial terms approved by the Fund's Board of Nominees, any performance fee structure introduced or amended under the investment Management Agreement shall be subject to prior written consultation with the Advisor. The AIFM shall not propose, accept or implement any performance-related remuneration mechanism with the Fund without first obtaining the Advisor's written consent.

- 12.1 Why does the AIFM require the Advisor's written consent to modify performance-related remuneration, if the Advisor is not a party to the Investment Management Agreement and holds no investment decision-making role?

**Answer:** This is a commercial point between the parties to the Advisory Agreement. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

- 12.2 How can IRE AIFM be considered an independent and autonomous sole director of Fondul Proprietatea if it must obtain prior approval from a third-party advisor to modify key commercial terms?

**Answer:** This is a commercial point between the parties to the Advisory Agreement. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).



- 12.3 On what legal basis is a non-licensed advisor granted veto rights over decisions that are the exclusive responsibility of the Fund Manager?

**Answer:** This is a commercial point between the parties to the Advisory Agreement. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

13. The draft Advisory Services Agreement states in Article 7.1 that: *The AIFM acknowledges that its selection by the General Meeting of Shareholders of the Fund has been made with express reference to the involvement, expertise, and commitment of Impetum Management S.R.L., as Advisor under this Agreement. Accordingly, the AIFM undertakes to retain Impetum Management S.R.L. as its exclusive Advisor in relation to the Fund for the duration of its mandate as AIFM, unless termination is required by mandatory provisions of applicable law or by express order of a competent regulatory authority.*

We, as major shareholder, do not understand this clause.

We had the impression that the shareholders are called to appoint a sole director (an AIFM) and to vote on the appointment of IRE, as the BoN warrants that IRE fulfilled the selection criteria and IRE would be the best candidate.

Does the BoN propose IRE because IRE is capable to manage Fondul? Or because the Advisor would be capable of managing Fondul (although, as you know, this would be illegal, as the Advisor is not an AIFM)?

**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

Regarding the question as to IRE's capacity to manage Fondul, please refer to the above answers and the Investors' Report.

14. The draft Advisory Services Agreement states in Article 8.2 that: *the AIFM shall adopt a board resolution appointing Mr. Andrei-Valentin Cionca, as its permanent representative for the Fund.*

- 14.1 On what legal basis can the AIFM contractually be obliged to appoint the beneficial owner and manager of the Advisor, Andrei Valentin Cionca, as its permanent representative to the Fund?

**Answer:** This is a commercial point between the parties to the Advisory Agreement and an internal matter for IRE AIFM. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

- 14.2 How does the imposition of Andrei Valetin Cionca's appointment as permanent representative - embedded in a contractual clause - preserve the AIFM's independence, discretion, and statutory obligations under applicable AIFMD and corporate governance frameworks?

**Answer:** This is a commercial point between the parties to the Advisory Agreement and an internal matter for IRE AIFM. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information

and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

- 14.3 Why does the Advisory Services Agreement not contain any mechanism or clause that would allow the AIFM to replace or remove Andrei Valentin Cionca as its permanent representative, especially in the event of a conflict of interest, misconduct, or operational necessity?

**Answer:** This is a commercial point between the parties to the Advisory Agreement and an internal matter for IRE AIFM. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

15. The draft Advisory Services Agreement states in Article 8.3 that: *the Parties agree that Mr. Andrei-Valentin Cionca shall be appointed as the non-voting member of the Investment Committee (established by the AIFM) in relation to the Fund. Mr. Cionca shall: Submit investment and divestment proposals for AIFM review, Oversee the execution of decisions, Ensure alignment with the Fund's strategy and regulatory requirements.*

- 15.1 On what legal basis is the Advisor's beneficial owner being appointed as a non-voting member of the AIFM's Investment Committee, when the Investment Committee is an internal governance structure of the licensed AIFM and not of Fondul Proprietatea itself?

**Answer:** This is a commercial point between the parties to the Advisory Agreement and an internal matter for IRE AIFM. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

- 15.2 How does Andrei Valentin Cionca 's role - submitting investment and divestment proposals, overseeing execution, and ensuring alignment with the Fund's strategy - not amount to an indirect delegation of portfolio management functions to an unlicensed third party

**Answer:** This is a commercial point between the parties to the Advisory Agreement and an internal matter for IRE AIFM. Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

However, **the BoN notes that the provisions of the Advisory Agreement circumscribe all services provided by the Advisor to “general corporate finance advice”**, within the meaning of MiFID II and ESMA guidance (meaning that any such services will be limited to unregulated support services, with discretionary powers related to portfolio and investment management being retained by the AIFM).

- 15.3 How is this appointment consistent with AIFMD requirements on the independence and accountability of the AIFM, given that Andrei Valentin Cionca is not an employee, director, or officer of the AIFM, but the owner of the Advisor?

**Answer:** Please see the above answers.

- 15.4 Why is there no express limitation or regulatory safeguard in place to ensure that Andrei Valentin Cionca's role does not evolve into de facto influence over investment decisions or the internal functioning of the AIFM?

**Answer:** Please see the above answers.

- 15.5 How is this appointment and clear conflict of interest be in line with clause 3.5 where it is expressly mentioned that no services provided by the Advisor shall constitute any investment or divestment recommendation of any kind in the sense envisaged by the applicable law, but Andrei Valentin Cionca will submit investment and divestment proposals, while also being designated as a Key Employee (which includes personnel entitled to take investment decisions and to set the corporate strategy on behalf of the Fund)?

**Answer:** Please see the above answers.

16. The draft Advisory Services Agreement states in Articles 8.4, 8.5, 8.6, 8.7 an extensive list of operational, regulatory, communication, and transition responsibilities undertaken by the Advisor, all in addition to the investment-related services described in Article 3 of this Agreement.

- 16.1 Considering that these are in addition to the Advisor's already significant involvement in investment-related matters (e.g., via the Investment Committee and portfolio input), what functions are exclusively carried out by the AIFM as Fund Manager?

**Answer:** Please see the provisions of the Investment Management Agreement.

- 16.2 How can the Permanent Representative of the AIFM legally delegate operational tasks (such as NAV review, ASF liaison, and governance monitoring) to Advisor personnel, when these tasks fall under the AIFM's own regulatory and fiduciary obligations?

**Answer:** The described services do not fall under the concept of core services under the AIFMD and can be outsourced.

- 16.3 Does this delegation model comply with AIFMD requirements regarding non- delegable core functions and the prohibition against the AIFM becoming a "letter-box" entity?

**Answer:** The described services do not fall under the concept of core services under the AIFMD and can be outsourced.

- 16.4 Given that the Advisor is not licensed under MiFID II or any Romanian financial regulation, what legal safeguards exist to ensure that its extensive role does not circumvent regulatory obligations or result in de facto control over Fondul Proprietatea operations?

**Answer:** The provisions of the Investment Management Agreement contain relevant provisions which apply to IRE AIFM and its mandate as both sole director and AIFM of FP. Moreover, the role of the Advisor is circumscribed to it providing services which fall under the "general corporate finance advice" umbrella, which does not require licensing.

- 16.5 How does the AIFM ensure that accountability, independence, and effective supervision are maintained, given the degree of operational reliance on the Advisor under these clauses?

**Answer:** IRE AIFM has in place relevant policies under the AIFMD, being supervised by the CSSF and also will be bound by the provisions of the Investment Management Agreement.

17. The draft Advisory Services Agreement imposes exclusivity obligations on the AIFM, as well as a representation and warranty from the AIFM - requiring it to retain Impetum Management as its sole Advisor throughout the mandate. Does this comply with Luxembourg AIFMD regulations regarding the AIFM's independence, discretion, and fiduciary duties?

**Answer:** Legal advice received by Impetum Management from a reputable Luxembourg legal advisor (following a request made by the BoN) has been shared with the BoN, showing that such arrangements would generally fall in the category of "general corporate finance advice".

18. Has the CSSF been formally consulted to confirm that such contractual exclusivity provisions are permissible under the applicable regulatory framework governing AIFMs?

**Answer:** Legal advice received by Impetum Management from a reputable Luxembourg legal advisor (following a request made by the BoN) has been shared with the BoN, showing that such arrangements would generally fall in the category of "general corporate finance advice".

19. What does it mean that (Article 11.2. e) the Advisor has functionally and hierarchically separated the performance of its tasks where and to the extent this is required for fulfilling any applicable conflict of interests 'prevention conditions or any requirement of the AIFM Law?

What specific tasks performed by Impetum Management require functional and hierarchical separation under the AIFM Law, and how has this separation been implemented in practice?

Has the BoN and the AIFM verified whether Impetum's current organizational structure and internal controls are sufficient to meet the legal and regulatory requirements concerning conflict of interest prevention, especially given the dual role of Andrei Valentin Cionca as both Advisor's owner and Fund representative?

**Answer:** IRE AIFM has clear conflict of interest policies, with the advisory agreement further providing conflict of interest rules. The BoN cannot comment on the cited provision of the Advisory Agreement, however it would like to draw attention to the fact that since no appointment occurred yet, the relevant provisions are not in effect.

20. The draft Advisory Services Agreement states in Article 19.1 that: *the AIFM shall not appoint any other Advisor or engage any third party to provide advisory services with respect to the Fund without the prior written consent of the Advisor.*

- 20.1 What is the legal and regulatory justification for imposing a contractual veto right on the AIFM's ability to engage other advisors, and how does this align with the AIFM's obligation to act independently and in the sole interest of the Fund and its shareholders?

**Answer:** Please see the above answers.

- 20.2 Has this clause been reviewed by the CSSF and/or the FSA and/or have these authorities been consulted, given that it severely restricts the AIFM's operational autonomy?

**Answer:** Please see the above answers.

- 20.3 Why does the proposed Advisory Services Agreement not include any provisions allowing the AIFM to replace or terminate the Advisor if necessary to protect the interests of the Fund?

**Answer:** The BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

However, the BoN notes that Article 9.3 provides for a termination right for the AIFM.

21. The draft Advisory Services Agreement states in Article 19.2 that: this Agreement does not preclude the Advisor from providing advisory services to other persons and/or entities, nor from sub-delegating the same, however the Advisor remains the sole liable party vis-a-vis the AIFM under the terms of this Agreement in case of the latter. Neither the Advisor nor its directors, managers or agents shall be accountable to the AIFM for profits or earnings generated in the performance of activities on behalf of third parties.

21.1 How does the unrestricted right of the Advisor to offer advisory services to third parties, including potential competitors or parties with conflicting interests, align with its obligation to act in the best interest of the Fund?

**Answer:** The BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

However, the BoN notes that the Advisory Agreement contains certain conflict of interest rules for the Advisor.

21.2 Why does the Advisory Agreement not contain any obligation for the Advisor to disclose, avoid, or manage conflicts of interest arising from concurrent advisory mandates?

**Answer:** The BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

However, the BoN notes that the Advisory Agreement does contain certain conflict of interest rules for the Advisor.

21.3 Why does the Agreement allow the Advisor to sub-delegate functions to other entities without prior approval or oversight from the AIFM or the Fund? Is Impetum considering to transfer its duties to other Group entity which was not assessed by the BoN?

**Answer:** The BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval).

The BoN has not been informed of any potential transfer or sub-contracting arrangements concerning Impetum.

21.4 Has the BoN assessed the risks of confidentiality breaches, insider trading, or strategic conflicts arising from this unrestricted right to advise third parties?

**Answer:** The AIFM will have strict obligations in terms of confidentiality undertakings, insider trading and conflicts of interest, which it will have to follow in accordance with the applicable law and FP's statutory documents. In its turn, the AIFM has the obligation to ensure that such rules are also complied with by its Advisor and any other subcontractors.

22. The draft Advisory Services Agreement states in Article 19.4 that: the AIFM may provide services to, act as manager of or otherwise be involved in the management or administration of other funds, vehicles, or investment structures, provided that: • such activity does not create any actual or potential conflict of interest with its role as AIFM of the Fund or the interests of the Advisor under this Agreement; • the AIFM has the necessary organizational, technical and operational capacity to fully perform its obligations under this Agreement and under the Investment Management Agreement to be entered into with the Fund; and • such activity does not adversely affect the performance, continuity or stability of the AIFM's responsibilities in connection with the Fund and this Advisory Agreement.

The draft Advisory Services Agreement states in Article 19.6 that: the AIFM undertakes to notify the Advisor in advance of any material new engagement which could reasonably give rise to concerns regarding capacity, competitive positioning, or operational overlap with respect to the Fund or this Agreement.

The inclusion of such clauses in the Advisory Agreement could indicate that the Advisor - rather than the AIFM - holds the dominant role in the management of Fondul Proprietatea, contrary to the legal requirement that the AIFM must exercise full and independent responsibility as sole director and licensed manager of Fondul Proprietatea.

- 22.1 Why does the Advisor - who is contractually a third-party service provider - appear to impose conditions on the AIFM's ability to manage other funds or vehicles?

**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

- 22.2 Given that these obligations relate to the AIFM's commitments toward the Fund, why are they not included in the Investment Management Agreement, but rather in the Advisory Agreement?

**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

The Investment Management Agreement does include, however, appropriate level of obligations for the AIFM towards the Fund.

- 22.3 On what legal or contractual basis is the Advisor entitled to oversee or restrict the AIFM's broader business activities, including potential conflicts of interest, organizational capacity, and continuity of operations? Does this not suggest that the Advisor plays a de facto supervisory role over the AIFM?

**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

- 22.4 How do these clauses reconcile with the AIFM's role as an independent and regulated entity expected to exercise full autonomy and discretion in its operations - including its commercial development - without being subordinated to an external advisor?



**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

The relationship between Fondul Proprietatea and its AIFM is governed by the applicable laws and regulations, statutory documents, and the Investment Management Agreement.

23. The draft Advisory Services Agreement states in Article 19.5 that: the AIFM shall implement and maintain effective internal policies and procedures to identify, prevent and manage any potential conflicts of interest, including but not limited to full disclosure and appropriate Chinese wall arrangements where required.

23.1 How does the AIFM plan to ensure effective implementation of internal conflict-of-interest policies when its permanent representative is also the beneficial owner and manager of the Advisor? What Chinese wall arrangements are realistically in place in such a structurally intertwined setup?

**Answer:** Note that the BoN was not involved in the preparation or negotiation of the advisory agreement, as FP is not a party to it (it was provided for information and transparency purposes as part of the convening notice materials but is not subject to shareholder approval) and therefore cannot comment on this.

However, the BoN does note that IRE AIFM has in place AIFMD-compliant conflict of interest policies.

23.2 In light of the Advisor's contractual right to approve remuneration terms, appoint key representatives, and oversee regulatory communication, how can the AIFM credibly assert that it can identify and manage conflicts of interest independently, as required under this clause?

**Answer:** Please see the above answers.

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We trust that the above clarifications have addressed your concerns. Please be assured that the BoN commitment throughout the selection process was to conduct it with full integrity, transparency, and in the best interest of shareholders. Should you have further questions, we remain at your disposal.

With best regards,

Ilinca von Derenthall

Chairperson of the Board of Nominees

**Position Paper Regarding the Proposed Revocation of Board of Nominees Members  
To the Shareholders of Fondul Proprietatea S.A.**

We refer to the request submitted by a group of shareholders (“Shareholders”) of Fondul Proprietatea S.A. (“FP”), holding more than 5% of the total shares, to immediately revoke the mandates of the members of the Board of Nominees (“BoN”)—hereinafter referred to as the “Shareholders Request.” This proposal is outlined in paragraphs 10 to 13 of the revised Summoning Notice for the Ordinary General Shareholders Meeting (OGSM) scheduled for 29 September 2025.

On behalf of the BoN members, we hereby present our response to the Shareholders Request. For clarity and conciseness, our reply addresses the main categories of accusations without detailing each individual allegation.

*a. Alleged Lack of Transparency*

In managing transparency, the BoN had to navigate both the complexity of the selection process and the confidentiality obligations imposed by participants, ensuring a competitive environment.

- For example, the deliverables provided by the selection consultant were contractually restricted from publication under the terms of their Engagement Letter. Breaching these terms could have led to termination of the engagement. Furthermore, certain documents—such as the process timeline and the scoring matrix used to evaluate offers—were not suitable for disclosure until the process was finalized. We deemed useful to preserve the confidentiality on certain aspects either not to mislead shareholders (the timeline for the selection process was a work in progress document, adjusting as we advanced in the process, with a view of the final outcome to strictly observe the GSM selection process mandate given to the BoN) while other documents were not disclosable until the end of the selection process (the scoring matrix used to evaluate offers and participants), in order to comply with the competitive aspect of the process. The BoN considers it has provided sufficient and accurate details in the publicly available Investor Report, which outlines the key milestones and the rationale behind the candidate selection as well as in previous market communiques.

- Additionally, we were explicitly prohibited from disclosing the identity of the other candidate involved in the selection process. Breaching this confidentiality could have resulted in the candidate’s

withdrawal or refusal to participate, thus undermining the competitive aspect asked for by the shareholders starting the selection process, and a potential liability to FP.

When deciding on how to observe specific transparency requirements, the BoN's decision was based upon advisors' opinions.

*b. Alleged Improper Use of Funds*

As confirmed by the independent auditor (Ernst & Young) Agreed Upon Procedure (AUP) audit, commissioned at the same Shareholders' request, the BoN utilized only a portion of the selection budget (3,6 mln RON including VAT utilised out of a total budget of 5,6 mln RON) approved by shareholder resolution. All expenses were appropriately documented and accounted for. In comparison we advise shareholders to compare the actually used selection budget versus the incurred costs following Shareholders requests with multiple audits exercises and request for clarification which cover the same topics

*c. Alleged Lack of Transition Plan and Due Diligence Shortcomings*

- All concerns raised by shareholders were considered during the evaluation of offers. Together with the selection advisor, the BoN assessed the operational capacity of participants through on-site visits and presentations and performed thorough due-diligence exercises (Red Flag Due Diligence analysis performed by Refinitive member of London Stock Exchange Group).
- Regarding the transition plan, the BoN consistently requested Franklin Templeton ("FT"), the current manager of FP, to provide their perspective on transitioning to a new fund manager. We note that operational transition falls into the obligations of the Fund Manager and not the BoN. To date, FT has submitted to the BoN a high level draft plan, noting that no actions will be taken and no information shared with potential candidates (not even due diligence activities subject to appropriate non-disclosure agreements) without prior shareholder approval of a new Fund Manager. These requests and concerns of the BoN are well documented in on the FT Board secretarial platform.

*d. Alleged Poor Management of the Process*

Many of the arguments presented in the Shareholders Request stem from differing interpretations of the process stages or from the specific structure proposed by the selected candidate.

- The initial phase involved expressions of interest, during which participants received the RFP documentation. At this stage, the BoN did not assess regulatory compliance, as it was premature and not applicable within that stage. All participants confirmed that their official submissions would meet all applicable requirements and include the necessary documentation.
- In the official submission phase, both candidates proposed similar models involving an authorized AIFM (based in Luxembourg) and an advisor providing services. To ensure regulatory compliance—including alignment with MiFID requirements—the BoN obtained legal opinions from its advisors. The model presented for shareholder approval at the OGSM on the 29<sup>th</sup> of September 2025 passed all necessary compliance checks.
- Please note that this process involved a significant degree of complexity, requiring review of documentation from several jurisdictions, involvement of several advisors (financial and legal advisors) and OGSM approvals for certain aspects (selection budget, selection criteria).

### *Final Remarks*

We affirm that we have acted in good faith and fulfilled our mandate to the best of our abilities, given the specific circumstances. We took reasonable measures to protect sensitive information whilst creating and maintaining a competitive bidding environment and mitigate potential conflicts of interest—particularly as FT remained a participant in the process without taking part in the competitive selection and expressed its intention to continue managing FP (see agenda item 7).

To summarize, we believe the proposal for our revocation is unjustified, based on the following:

- In addition to all previous market communication and specific GSM approvals, the Investor Report provides comprehensive details on the selection process, its milestones, and the rationale behind the proposed candidate. We have also responded to all shareholder questions regarding the process and the selected offer.
- A change in shareholding structure does not constitute grounds for revocation.

- This Shareholders Request was submitted prior to the completion of the independent AUP audit by the external financial auditor EY, thus deliberately making any possible positive conclusion of the audit report irrelevant for the purpose of this Shareholders request and thus intentionally putting the BoN in a a-priori default position.
- Immediate revocation would disrupt FP's proper governance, as per its statutory framework. Without a functioning BoN—or a BoN composed of one newly selected member—there would be no statutory oversight of the current or a new manager. Furthermore, no new management agreement could be negotiated or signed, whether with the proposed candidate or FT (if agenda item 7 is approved) nor a new selection process could be started (if agenda item nr 14 is approved).

We trust that shareholders will consider our position in good faith and exercise their vote against this proposed point of the agenda.

With best regards,  
The Board of Nominees

Ilinca von Derenthall

Chairperson of the BoN