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Fondul Proprietatea Annual Report for 2025

BUCHAREST – April 16, 2026 – Franklin Templeton International Services S.À R.L. ("FTIS"), as Sole Director and Alternative Investment Fund Manager ("AIFM / Fund Manager"/ "Sole Director") of Fondul Proprietatea SA ("the Fund"), through its Bucharest Branch, announces today the publication of the annual report of Fondul Proprietatea for the financial year ended 31 December 2025.

Overview of key events and activities undertaken during 2025:

- Continued efforts to promote the Fund and raise its visibility, as well as the visibility of the Romanian capital market, the local companies (listed or candidates for being listed), and of Romania in general, in online and in person conferences, roadshows and events.
- Delisting of the Fund's GDRs from LSE, finalised on 25 April 2025 as the volume of GDRs in issue recorded a decreasing trend and liquidity flowed back to the local market.
- Payment to shareholders starting 19 Jun 2025 of RON 0.0409 per share dividend distribution from 2024 annual profit (RON 126.9 million) – 95.0% collected until 31 Dec 2025.
- Payment to shareholders starting 26 Nov 2025 of RON 0.0122825494 per share dividend distribution from unallocated reserves (RON 36.2 million) – 86.9% collected until 31 Dec 2025.
- Completion of the 14th Tender Offer of 80 million shares, executed to accelerate the Buyback programme no. 16.
- Implementation of the Buyback programme no. 16 for 252.1 million shares (251.7 million in the form of shares and 0.4 million in the form of GDRs). The total value of the programme excluding transaction costs was RON 117.9 million.
- Main shareholders' approvals during 2025:
    - decrease of the legal reserve in line with the share capital decrease following the completion of cancellation of shares acquired within BB programme no. 15
    - coverage of negative reserves from Buy-back programme no. 14, of RON 774.8 million
    - set-up of other reserves to be used in the future for covering the negative reserves of RON 38.4 million incurred following the cancellation of shares acquired in BB programme no. 15
    - reclassification of RON 1.8 million in 2025 Budget from "Expenses related to listing of portfolio holdings" to "Fund Manager Selection related expenses"
    - cancellation of AIFM selection process launched as per OGM Resolution no. 9/ 25 Sep 2023
    - initiation by the Board of Nominees („BoN") of a new selection process for an AIFM and Sole Director which shall not exceed 150 days, with associated costs limited to a maximum of RON 1.5 million. The proposed AIFM must have under management assets at least equal to the value of the Fund's assets; preparation by the BoN of a report on the first 3 offers, presentation of this to the GSM, and submission for GSM approval of the first 3 selected offers
    - renewal of FTIS mandate as Sole Director and AIFM of the Fund starting 1 Apr 2026. BoN was authorised to negotiate the duration and commercial terms of the mandate, and the draft management agreement prior to submitting it for GSM approval
    - authorisation of BoN Chairperson to represent the Fund and sign agreements and documents in connection with mandates granted by shareholders during 29 Sep 2025 GSM
    - appointing new members in the BoN for a period of 3 years, following one resignation and the revocation by the GSM of three BoN members. The composition of the BoN further

changed following the February 26 and March 30, 2026, GSM resolutions. Current BoN composition as of April 2, 2026, is the following: Stefan NANU – Chairperson, Andrei-Octav MOISE, Alina-Mirela PETRE, Lucian DANILESCU members and John F. WALSH – Interim Member
- appointment of Ms. Kristine-Monica Bago as an independent member of the Audit and Valuation Committee (who is not also a member of the BoN), for a one-year term
- various changes to the Constitutive Act of the Fund
- appointment of Ernst & Young Assurance Services as Fund's financial auditor for FY 2026-2028 and additional audit fees for FY 2024

Please find below key elements of the Statement of Financial Position:

- **The liquid assets** of the Fund during 2025 included mainly term deposits with banks. All instruments were denominated in RON, with maturities of up to one year. The distribution bank accounts can only be used for payments to shareholders for past dividends not yet collected.
- The most important **cash inflows** during 2025 were related to the dividends received from portfolio companies (RON 155.6 million), while the most significant **cash outflows** were related to net dividends paid (RON 167.1 million) and the acquisition of treasury shares within the 16th buyback programme, including the tender offer settled in September 2025 (RON 117.9 million).
- The increase in **Equity investments** of RON 310.4 million during 2025 was mainly related to CN Aeroporturi Bucuresti SA (RON 332.6 million fair value increase) partially offset by Societatea Nationala a Sarii SA (RON 37.6 million fair value decrease). The updated valuation reports were prepared with the assistance of KPMG Advisory and Darian DRS, and these generally have the valuation date of 31 October 2025 and use financial information from portfolio companies at 30 September 2025.
- At 31 December 2025, **Payable to shareholders** caption comprised the dividends payable to shareholders, out of which the most significant amounts are related to the 29 September 2023 special dividend distribution (RON 219.7 million).
- The **Other liabilities and provisions** caption mainly comprises the Q4 2025 fees payable to the Sole Director (RON 5.6 million) the withholding tax due for dividends (RON 1.1 million) and the corporate income tax due to state budget (RON 1.0 million).

Please find below key elements of the Statement of Comprehensive Income:

- The **net gain from equity investments at fair value through profit or loss** during 2025 was mainly generated by the valuation of the holding in CN Aeroporturi Bucuresti SA (RON 332.6 million gain), netted by the fair value decrease of Societatea Nationala a Sarii SA (RON 37.6 million loss).
- **Gross dividend income** was mainly generated by the amounts recorded from CN Aeroporturi Bucuresti SA (RON 103.0 million) and Societatea Nationala a Sarii SA (RON 52.0 million).
- The **interest income** in 2025 was mainly generated from short term deposits and distribution bank accounts held with banks.
- The **total income tax** recorded by the Fund for 2025 amounts to RON 3.8 million and includes amounts booked both in profit or loss (RON 1.1 million) and in equity - related to the reduction in legal reserve following the share capital decrease recorded on 13 August 2025 (RON 1.8 million) and as a result of the transfer to retained earnings of uncollected dividend distributions' balance, for which the statute of limitation occurred (RON 0.9 million).

Sole Director's Proposal for 2025 Profit Allocation

- At the date of the Annual GSM calling, the Sole Director proposes to shareholders for their approval the allocation of the entire 2025 audited profit to retained earnings, available for future use.
- At the same time, the Fund Manager may consider proposing to shareholders, in a subsequent GSM to be held during 2026, a distribution of dividend, conditional upon the portfolio companies approving the required dividend inflows (as reflected in the Fund's 2026 Budget), and subject to Fund's statutory documentation, applicable legal and regulatory requirements and the availability of distributable amounts.

- For more background on the 2025 Profit allocation proposal and potential subsequent actions by the Sole Director, we encourage shareholders and investors to consults the Supporting material for item 8 on the agenda of the 28/29 May 2026 Ordinary General Shareholders' Meeting available on the Fund's website in the section *Investor Relations - GSM Information - GSM Documentation.*

Annex 1
Statement of Financial Position

RON million	31 Dec 2025 Audited	31 Dec 2024 Audited	31 Dec 2025 vs. 31 Dec 2024 (%)
Cash and current accounts	0.1	0.2	-50.0%
Distributions bank accounts	249.4	285.2	-12.6%
Deposits with banks	149.2	273.7	-45.5%
Equity investments	2,204.1	1,893.7	+16.4%
Other assets	0.2	0.4	-50.0%
Total assets	**2,603.0**	**2,453.2**	**+6.1%**
Payable to shareholders	249.0	284.5	-12.5%
Other liabilities and provisions	9.5	6.6	+43.9%
Total liabilities	**258.5**	**291.1**	**-11.2%**
Total equity	2,344.5	2,162.1	+8.4%
Total liabilities and equity	**2,603.0**	**2,453.2**	**+6.1%**

Annex 2
Statement of Comprehensive Income

RON million	2025 Audited	2024 Audited
Net gain from equity investments at fair value through profit or loss	310.4	109.3
Gross dividend income	155.6	145.8
Interest income	20.5	34.1
Other (expenses)/ income, net	(0.1)	1.1
Net operating income	**486.4**	**290.3**
Administration fees recognised in profit or loss	(19.6)	(19.6)
Other operating expenses	(15.8)	(17.4)
Operating expenses	**(35.4)**	**(37.0)**
Finance costs	-	-
Profit before income tax	**451.0**	**253.3**
Income tax recognised in profit or loss	(1.1)	(1.8)
Profit for the year	**449.9**	**251.5**
Other comprehensive income	-	-
Total comprehensive income for the year	**449.9**	**251.5**

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About Franklin Templeton
Franklin Templeton is a trusted investment partner, delivering tailored solutions that align with clients' strategic goals. With deep portfolio management expertise across public and private markets, we combine investment excellence with cutting-edge technology. Since our founding in 1947, we have empowered clients through strategic partnership, forward-looking insights, and continuous innovation – providing the tools and resources to navigate change and capture opportunity. With more than $1.68 trillion in assets under management as of March 31, 2026, Franklin Templeton operates globally in more than 35 countries. To learn more, visit franklintempleton.com and follow us on LinkedIn.

About Fondul Proprietatea
Launched in December 2005, Fondul Proprietatea ("the Fund") was established to compensate Romanians whose properties were confiscated by the former communist government. Following an international tender announced in December 2008, Franklin Templeton Investments was officially appointed as investment manager and sole administrator of the Fund on 29 September 2010. The Fund is an alternative investment fund and its investment objective is the maximization of returns to shareholders and the increase of the net asset value per share via investments mainly in Romanian equities and equity-linked securities. The Fund listed on the Bucharest Stock Exchange on 25 January 2011. It was also listed on the Specialist Fund Market of the London Stock Exchange by means of global depositary receipts ("GDRs") on 29 April 2015, from where it was delisted on 25 April 2025.The headquarters of Fondul Proprietatea SA are at 76-80 Buzesti Street, 7th Floor, Bucharest District 1, 011017, Romania. For more information on Fondul Proprietatea, please visit http://www.fondulproprietatea.ro.

Notes to Editors:

Franklin Templeton established an office in Bucharest in May 2010. Starting with 1 April 2016, in view of complying with the EU Directive 2011/61 on alternative investment fund managers, the Fund is managed by Franklin Templeton International Services S.À R.L. ("FTIS/ Fund Manager"), a société à responsabilité limitée qualifying as an alternative investment fund manager under Article 5 of the Luxembourg Law of 12 July 2013 on alternative investment fund managers, authorized by the Commission de Surveillance du Secteur Financier under no. A00000154/21 November 2013, whose registered office is located at 8A rue Albert Borschette, L-1246 Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B 36.979.

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