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FOR IMMEDIATE DISTRIBUTION: 16 MAY 2022

**FONDUL PROPRIETATEA FINANCIAL RESULTS FOR  
Q1 2022**

**Bucharest, 16 May 2022** – Fondul Proprietatea (hereinafter “The Fund”) published today its financial results for the first three months ended on 31 March 2022 and would like to share the following highlights:

- **The Fund’s share price registered a strong performance in the first three months** reaching a price of RON 2.11 at 31 March 2022, a record high value which implied a trading discount of 4.26%, based on the latest NAV available at the date of the calculation.
- **The profit realized by Fondul Proprietatea in the first three months of 2022 was RON 826.1 million.** The main contributor to the profit recorded in the first quarter of 2022 was the net gain from equity instruments at fair value through profit or loss amounting to RON 821.2 million, generated by the valuation update for Hidroelectrica, net off by the negative share price evolution of the Fund’s listed holdings (mainly coming from OMV Petrom SA).
- **The Adjusted NAV per share** as at 31 March 2022 was 3.73% higher than the 31 December 2021 NAV per share of RON 2.2624.
- The high increase in **liquid assets** at 31 March 2022 compared with 31 December 2021 are due to the cash inflows from the partial disposal of the Fund’s holding in OMV Petrom SA (RON 978.3 million) and from the Ministry of Finance on 1 February 2022, as payment of the unpaid shares held by the Romanian State in Fondul Proprietatea (RON 189.2 million), net of by the cash outflow related to the dividend distribution paid to shareholders in February 2022 (RON 320.6 million).
- The net increase on **equity investments** of RON 821.2 million during the first 3 months of 2022 was principally due to the increase in the value of unlisted holdings by RON 883.5 million following Hidroelectrica SA valuation update process during the quarter, net of by the negative share price evolution of OMV Petrom SA (only for the holding classified as equity investments), with a total impact of RON 49.0 million, share price decrease of -5.8%.
- **Other liabilities** decreased by 78.2% compared with 31 December 2021 following payments performed for the third special dividend distributions approved on 15 December 2021 with payment date on 18 February 2022.

For more detailed information on the financial results for Q1 2022 please consult the report on [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro) or [www.bvb.ro](http://www.bvb.ro).

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## Appendix

### Statement of Financial Position

RON million	31 Mar 2022	31 Dec 2021	31 Mar 2022 vs. 31 Dec 2021 (%)
	Unaudited	Audited	
Cash and current accounts	87.7	68.2	
Deposits with banks	636.2	347.4	
Treasury bills	93.4	-	
Government bonds	228.3	77.1	
Equity investments	13,398.9	12,577.7	
Non-current assets held for sale	-	1,135.2	
Other assets	207.1	0.3	
<b>Total assets</b>	<b>14,651.6</b>	<b>14,205.9</b>	<b>3.1%</b>
Payables	26.5	38.8	
Other liabilities	89.2	409.6	
<b>Total liabilities</b>	<b>115.7</b>	<b>448.4</b>	<b>-74.2%</b>
Total equity	14,535.9	13,757.5	5.7%
<b>Total liabilities and equity</b>	<b>14,651.6</b>	<b>14,205.9</b>	<b>3.1%</b>

Source: IFRS financial statements

### Statement of Comprehensive Income

RON million	Q1 2022 Unaudited	Q1 2021 Unaudited
Unrealised loss from equity investments at fair value through profit or loss	(62.3)	(5.3)
Unrealised gain from equity investments at fair value through profit or loss	883.5	723.0
Net gain from other financial assets at fair value through profit or loss	188.7	(2.4)
Net realised loss from non-current assets held for sale	(157.0)	
Interest income	6.9	6.0
Other income/(expenses), net*	-	1.3
<b>Net operating income</b>	<b>859.8</b>	<b>722.6</b>
Administration fees recognised in profit and loss	(20.8)	(16.3)
Other operating expenses	(12.9)	(4.9)
<b>Operating expenses</b>	<b>(33.7)</b>	<b>(21.2)</b>
Finance costs	-	-
<b>Profit before income tax</b>	<b>826.1</b>	<b>701.4</b>
Income tax	-	-
<b>Profit for the period</b>	<b>826.1</b>	<b>701.4</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>826.1</b>	<b>701.4</b>

Source: IFRS financial statements

\* Other income/ (expenses), net included mainly the net gain/ (loss) from fair value changes related to government securities, net foreign exchange gain/ (loss) and other operating income/ (expenses).

## Contacts:

<p>Elena Birjovanu Senior Corporate Communications Manager Franklin Templeton International Services Luxembourg, Bucharest Branch Premium Point, 76-80 Buzesti St., 011017, Bucharest Tel: +40 21 200 9640 Email: <a href="mailto:elena.birjovanu@franklintempleton.com">elena.birjovanu@franklintempleton.com</a></p>	<p>Bogdan Biszok PR Manager Golin Metropolis Bravo, 89-97 Grigore Alexandrescu 010627 Bucharest, Romania Tel: + 40.742.100.646 Email: <a href="mailto:bbiszok@golin.ro">bbiszok@golin.ro</a></p>
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## Notes to Editors

### 1. 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 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 and on the Specialist Fund Market of the London Stock Exchange by means of global depositary receipts ("GDRs") on 29 April 2015.

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>.

### 2. About Franklin Templeton Investments

Franklin Resources, Inc. [NYSE:BEN] is a global investment management organization with subsidiaries operating as Franklin Templeton and serving clients in over 165 countries. Franklin Templeton's mission is to help clients achieve better outcomes through investment management expertise, wealth management and technology solutions. Through its specialist investment managers, the company brings extensive capabilities in equity, fixed income, multi-asset solutions and alternatives. With offices in more than 30 countries and approximately 1,300 investment professionals, the California-based company has over 70 years of investment experience and approximately \$1,561.7 billion in assets under management as of 31 October 2021. For more information, please visit [www.franklintempleton.ro](http://www.franklintempleton.ro).

Franklin Templeton established an office in Bucharest in May 2010, with a team of 32 employees, including 6 locally based investment professionals who are further supported by the over 40 portfolio managers and analysts of the wider Templeton Emerging Markets team.

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.

This release herein is issued by FTIS Bucharest Branch, registered therein under the number 40198471.

The office of FTIS Bucharest Branch is located at Premium Point, 8th floor, 76-80 Buzesti St., District 1, Bucharest, Romania. Tel: +40.200.96.00, Fax: +40.200.96.31/32.

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