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**FONDUL PROPRIETATEA FINANCIAL RESULTS FOR
THE QUARTER ENDED 30 SEPTEMBER 2021**

Bucharest, 15 November 2021 – Fondul Proprietatea (hereinafter “The Fund”) published today its financial results for the nine months ended on 30 September 2021 and would like to share the following highlights:

- **The profit realized by Fondul Proprietatea in the first nine months of 2021 was RON 3,097.7 million.** The main contributor to the profit in the first nine months of 2021 was the net unrealised gain from equity investments at fair value through profit or loss amounting to RON 2,620.3 million, generated by OMV Petrom SA as a result of the positive evolution of this company's share price during the first nine months of 2021 (increase of RON 370.6 million, share price increase of 25.7%) and by the increase in the value of unlisted holdings in the portfolio following the valuation update process (mainly due to Hidroelectrica SA, that registered an increase in valuation of RON 2,104.6 million).
- **The profit realized by Fondul Proprietatea for the quarter ended on 30 September was RON 1,296.7**
- **Gross dividend income** for the nine-month period ended 30 September 2021 included the dividend income earned from the Fund's portfolio companies, mainly from Hidroelectrica SA (RON 456.0 million) and OMV Petrom SA (RON 122.8 million).
- **The total return for the shares** traded on the Bucharest Stock Exchange during the **third quarter of 2021** was **1.66%**, while the total return for the local shares traded during **the first nine months** of the year was **35.07%**. For the GDRs traded on the London Stock Exchange, the total return in Q3 2021 was -4.68%, while YTD the total return was 30.72%.
- **The adjusted NAV per share as at 30 September 2021 was 31.14% higher** than the 31 December 2020 NAV per share of RON 1.6974.
- **The total NAV as at 30 September 2021 was 19.5% higher** compared to the end of 2020, while the NAV per share increased by 22.6% over the same period. OMV Petrom SA, the largest listed holding in the portfolio, recorded a share price increase of 25.7%, having a total NAV impact of RON 370.6 million. In addition, dividends were recorded for this company in amount of RON 116.7 million. Additionally, the value of Hidroelectrica SA increased by RON 2,104.6 million following the valuation updates conducted in March, June and September 2021 and, in addition, dividends were recorded for this company in amount of RON 456.0 million.

For more detailed information on the financial results for Q3 2021 please consult the report on www.fondulproprietatea.ro or www.bvb.ro.

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Appendix

Statement of Financial Position

RON million	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Sep 2021 vs. 31 Dec 2020 (%)
	Unaudited	Unaudited	Unaudited	Audited	Unaudited	
Cash and current accounts	76.9	65.6	32.7	34.4	36.0	
Deposits with banks	445.1	415.3	652.5	660.0	955.8	
Government bonds	77.9	77.6	254.4	380.3	168.6	
Dividend receivables	-	525.3	-	-	10.6	
Equity investments	11,770.4	10,446.8	9,964.8	9,246.7	8,892.0	
Other assets	0.4	4.1	0.9	0.6	0.4	
Total assets	12,370.7	11,534.7	10,905.3	10,322.0	10,063.4	19.8%
Payables	25.5	36.8	21.0	19.8	26.0	
Other liabilities	80.9	69.2	33.5	35.3	128.2	
Total liabilities	106.4	106.0	54.5	55.1	154.2	93.1%
Total equity	12,264.3	11,428.7	10,850.8	10,266.9	9,909.2	19.5%
Total liabilities and equity	12,370.7	11,534.7	10,905.3	10,322.0	10,063.4	19.8%

Source: IFRS financial statements

Statement of Comprehensive Income

RON million	Q1 2021 Unaudited	Q2 2021 Unaudited	Q3 2021 Unaudited	9M 2021 Unaudited	9M 2020 Unaudited
Unrealised loss from equity investments at fair value through profit or loss	(5.3)	(98.2)	(3.6)	(107.1)	(1,741.0)
Unrealised gain from equity investments at fair value through profit or loss	723.0	570.1	1,327.2	2,620.3	42.2
Realised loss from equity investments at fair value through profit or loss	-	-	-	-	(198.9)
Realised gain from equity investments at fair value through profit or loss	-	-	-	-	12.0
Gross dividend income	-	655.1	-	655.1	1,218.7
Interest income	6.0	4.0	1.6	11.6	8.7
Other income/ (expenses), net*	(1.1)	2.3	(0.4)	0.8	3.6
Net operating (loss)/ income	722.6	1,133.3	1,324.8	3,180.7	(654.7)
Administration fees recognised in profit and loss	(16.3)	(22.5)	(23.1)	(61.9)	(41.5)
Other operating expenses	(4.9)	(5.0)	(4.9)	(14.8)	(19.6)
Operating expenses	(21.2)	(27.5)	(28.0)	(76.7)	(61.1)
Finance costs	-	-	(0.1)	(0.1)	(0.1)
(Loss)/ Profit before income tax	701.4	1,105.8	1,296.7	3,103.9	(715.9)
Income tax	-	(6.1)	-	(6.1)	(10.5)
(Loss)/ Profit for the period	701.4	1,099.7	1,296.7	3,097.7	(726.4)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	701.4	1,099.7	1,296.7	3,097.7	(726.4)

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: elena.birjovanu@franklintempleton.com</p>	<p>Bogdan Biszok PR Manager Golin Metropolis Bravo, 89-97 Grigore Alexandrescu 010627 Bucharest, Romania Tel: + 40.742.100.646 Email: bbiszok@golin.ro</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.

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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