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Fondul Proprietatea Quarterly Report for the quarter ended 31 March 2026

BUCHAREST – May 29, 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 quarterly report for Fondul Proprietatea for the quarter ended 31 March 2026 ("Q1 2026").

Please find below key highlights of Q1 2026:

- During Q1 2026, the **discount to NAV** of the Fund was below 15% in 40% of the trading days. The **average share price discount to NAV** during the reporting period was 20.1%. On the BVB, the shares traded throughout the quarter at a discount to NAV between 10.4% and 33.5%, ending the quarter at 33.5%.
- The NAV of the Fund recorded a marginal negative return of 0.4%, while the total negative return for the shares was 1.5%. During the Q1 2026, there were **no dividends** approved by the Fund's portfolio companies.
- **Portfolio developments**:
    - On the 9 January 2026, the Extraordinary Shareholders Meeting of CN Aeroporturi Bucuresti SA ("CNAB") approved, by an 80% majority, the **intention to repurchase the minority stake held by Fondul Proprietatea SA** in the company. This decision represents a potential liquidity event for Fondul Proprietatea, which the Fund Manager is treating with appropriate diligence, including by initiating the steps to select advisors specifically suited to such a process. According to CNAB's management, at the date of this report, the company has not yet engaged advisors on its side.

Please find below key elements of the Statement of Financial Position for Q1 2026:

- The **liquid assets** of the Fund during Q1 2026 included current accounts, term deposits with banks and government bonds. All instruments were denominated in RON, with maturities of up to one year. There were no significant **cash inflows/ outflows** during the reporting period.
- Also, there were no significant changes in the value of **Equity investments** at 31 March 2026 compared to 31 December 2025, the difference being represented by the changes in market price of the listed portfolio holdings.
- At 31 March 2026, **Payable to shareholders** caption comprised the dividends payable to shareholders, out of which the most significant amounts are related to 29 September 2023 special dividend distribution (RON 179.5 million).
- At the same date the **Other liabilities and provisions** caption mainly comprises the Q1 2026 fees payable to the Sole Director (RON 6.1 million).

Please find below key elements of the Statement of Comprehensive Income for Q1 2026:

- For both Q1 2026 and Q1 2025, **net (loss)/ gain from equity investments at fair value through profit or loss** is mainly related to changes in the share price of Alro SA
- **Interest income** in Q1 2026 arose from short term deposits, government bonds and distribution bank accounts held with banks.

Please find below key elements related to the Subsequent Events that took place following Q1 2026:

- **Decrease in total assets of the Fund**
  - The total assets of the Fund decreased during April 2026 by approximately **RON 150 million** (6% decrease compared to the total assets at the end of Q 1 2026). This decrease is due to the cash paid to shareholders from the distribution bank accounts in relation to the ongoing dividends payments of the Fund, mainly the one paid subsequent to the Hidroelectrica SA listing in 2023. A corresponding decrease in the liabilities to shareholders also occurred, with no impact on the total NAV or the NAV per share of the Fund.
- **Share capital increase of CN Administratia Porturilor Maritime SA ("CNAPM")**
  - On **15 May 2026**, Fondul Proprietatea exercised its pre-emption right and subscribed 5,632,510 new shares, with a nominal value of RON 10 per share, and an aggregated value of RON 56,325,100, issued by CNAPM, in the context of the cash contribution share capital increase approved by EGM Resolution no. 1/30 March 2026. The Fund Manager exercised its pre-emption right for the purpose of maintaining the Fund's existing shareholding percentage in CNAPM's share capital.
- **Information regarding the dividends declared by top portfolio companies**
  - On 11 May 2026, the OGM of the **CNAB** approved the allocation of the company's profit for FY 2025, namely the distribution of the amount of RON 580.8 million from profit, as dividends, to CNAB's two shareholders. Out of this amount, the Fund is entitled to **RON 116.2 million**, corresponding to its 20% shareholding in the company's share capital.
  - During 21 May 2026 OGM **Salrom** shareholders approved the annual dividend distribution from the company's profit for FY 2025, namely the distribution of the amount of RON 66.1 million. Out of this amount, the Fund is entitled to **RON 32.4 million**, corresponding to its 49% shareholding in the company's share capital.
  - On 26 May 2026 **CNAPM** has added on the agenda of an OGM called for 18 June 2026 new points, which include the approval of a total dividend distribution of RON 26.3 million from 2025 FY profit. If approved, out of this amount, the Fund would be entitled to **RON 5.3 million**, corresponding to its 20% shareholding in the company's share capital.
- **The allocation of the 2025 net audited accounting profit**
  - In the Annual OGM held on 28 May 2026, shareholders approved the allocation of the entire 2025 audited profit to retained earnings, available for future use, in accordance with the supporting materials.

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Annex 1
Statement of Financial Position

RON million	31 March 2026 Unaudited	31 December 2025 Audited	31 March 2026 vs. 31 December 2025 (%)
Cash and current accounts	0.1	0.1	0.0%
Distributions bank accounts	208.3	249.4	-16.5%
Deposits with banks	89.9	149.2	-39.7%
Government bonds	52.5	-	100.0%
Equity investments	2,198.6	2,204.1	-0.2%
Other assets	0.5	0.2	>100%
Total assets	**2,549.9**	**2,603.0**	**-2.0%**
Payable to shareholders	207.9	249.0	-16.5%
Other liabilities and provisions	8.4	9.5	-11.6%
Total liabilities	**216.3**	**258.5**	**-16.3%**
Total equity	2,333.6	2,344.5	-0.5%
Total liabilities and equity	**2,549.9**	**2,603.0**	**-2.0%**

Annex 2
Statement of Comprehensive Income

RON million	3-month ended 31 March 2026 Unaudited	3-month ended 31 March 2025 Unaudited
Net (loss)/ gain from equity investments at fair value through profit or loss	(5.5)	0.8
Interest income	4.2	5.6
Other expenses, net[1]	(0.1)	-
Net operating (loss)/ income	**(1.4)**	**6.4**
Administration fees recognised in profit or loss	(6.1)	(3.7)
Other operating expenses	(3.2)	(4.9)
Operating expenses	**(9.3)**	**(8.6)**
(Loss) before income tax	**(10.8)**	**(2.2)**
Income tax expense	(0.1)	(0.2)
(Loss) for the period	**(10.9)**	**(2.4)**
Other comprehensive income	-	-
Total comprehensive income for the period	**(10.9)**	**(2.4)**

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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 $1.74 trillion in assets under management as of April 30, 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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