



# Fondul Proprietatea – General Shareholders Meeting

27 September 2024

# Fund Information



# Key Facts

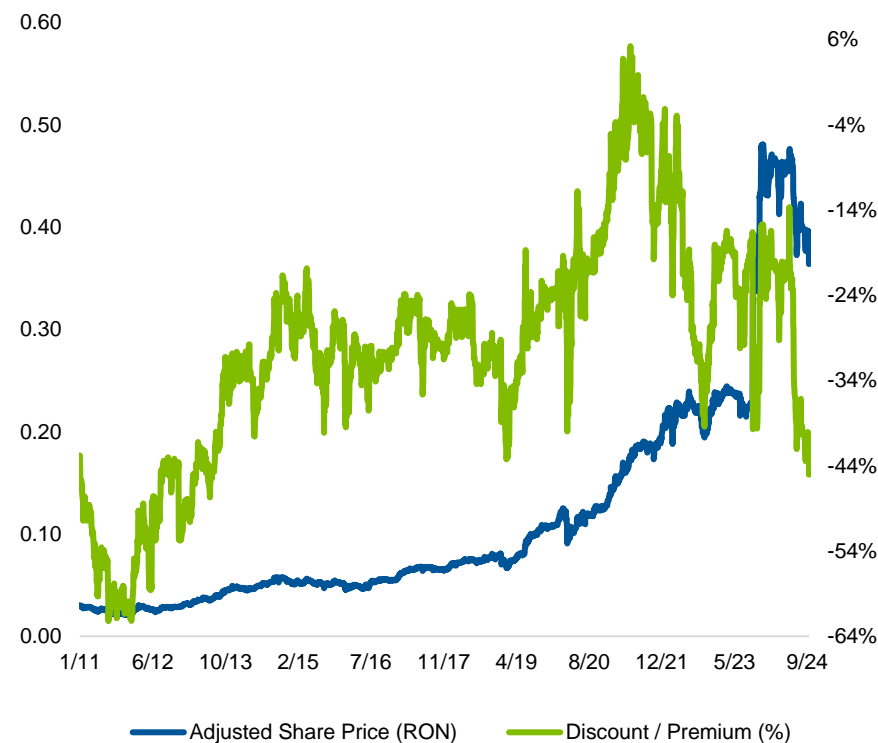


## Fund Details

31 August 2024 NAV	RON	USD
Total NAV	<b>2.30 bn</b>	<b>0.51 bn</b>
NAV/Share	<b>0.6621</b>	<b>0.1474</b>
<b>Key trading figures as at 26 September 2024</b>		
Price/Share	<b>0.3640</b>	<b>0.0816</b>
Price/GDR	<b>18.03</b>	<b>4.04</b>
Market Capitalization <sup>1</sup>	<b>1.26 bn</b>	<b>0.28 bn</b>
(Discount)/Premium per Share	<b>(45.02)%</b>	
(Discount)/Premium per GDR	<b>(45.18)%</b>	
<b>Dividend Yield<sup>2</sup></b>		
Dividend/share (RON)	<b>0.06</b>	
Dividend yield <sup>3</sup>	<b>12.59%</b>	



## Adjusted Share Price (RON) vs. Discount/Premium (%)



Source: FP August 2024 Factsheet, BVB and Bloomberg, NBR for the RON/USD FX rate, Fund Manager calculations.

Note 1: The discount/premium is calculated based on the latest published NAV available for the day of the calculation, according to the IPS.

Note 2: The USD values are calculated based on the NBR FX as at the day of the calculation.

1. Excluding Treasury shares and the equivalent number of shares corresponding to the GDRs repurchased as at 12 July 2024.

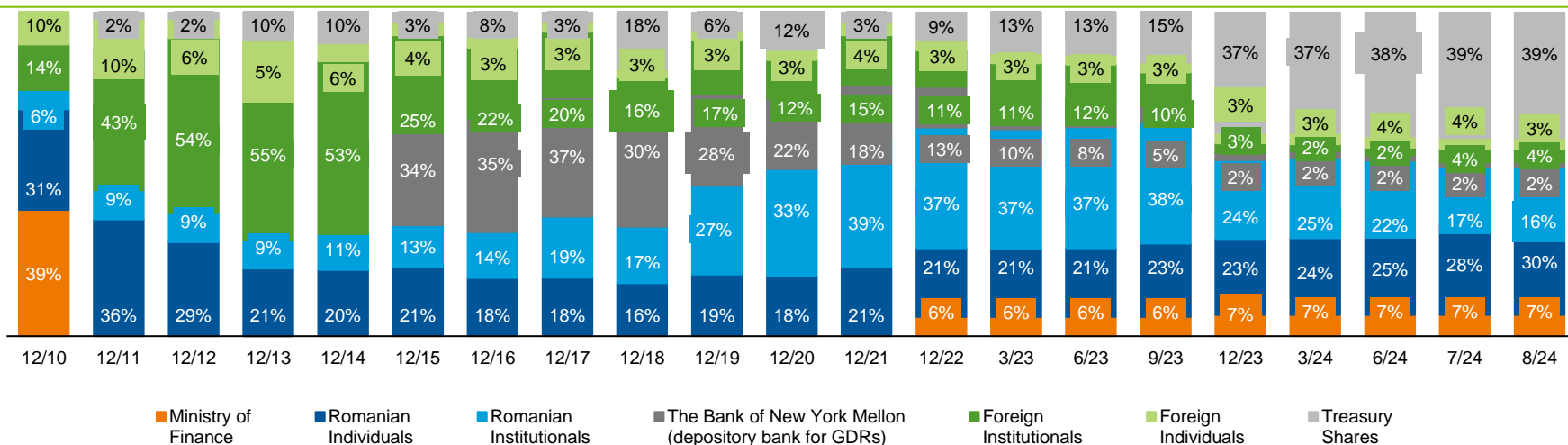
2. Gross dividend distribution approved by shareholders during the 30 April 2024 Annual GSM.

3. Based on FP share price as at 17 May 2024, the Registration date for the RON 0.06 dividend per share distribution approved by shareholders during the 30 April 2024 Annual GSM.

# Shareholder structure



## Evolution (% Held)<sup>1</sup>



- On 4 September 2024, Fondul de Pensii Facultative NN ACTIV, Fondul de Pensii Facultative NN OPTIM and Fondul de Pensii Administrat Privat NN have sent an aggregate disclosure of holdings under 5% of the total voting rights in the Fund. As of 30 August 2024, Fondul de Pensii Facultative NN ACTIV, Fondul de Pensii Facultative NN OPTIM and Fondul de Pensii Administrat Privat NN, by virtue of acting in concert, held 4.98% of the total Fondul Proprietatea voting rights<sup>2</sup>.

1. Note: Based on the paid share capital starting December 2011. Source: FP shareholder structure reports. The new value of the share capital (including voting rights), effective as of 30 August 2024, was registered with the Central Depository on 6 September 2024.  
2. Source: Fund Manager current reports.

# NAV, Share price and GDR Performance



## Cumulative Performance<sup>1</sup>

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD <sup>2</sup>	Since Performance Inception <sup>2</sup>
NAV (RON)	(0.5)%	8.9%	13.3%	1.4%	(0.6)%	7.3%	13.1%	19.9%	31.2%	2.2%	47.8%	19.1%	(2.4)%	10.2%	357.8%
Share Price (RON)	(30.3)%	38.3%	61.3%	14.5%	(4.1)%	4.9%	21.5%	9.9%	49.1%	37.8%	48.5%	12.2%	45.0%	(17.4)%	800.0%
GDR (USD)	N/A	N/A	N/A	N/A	N/A	1.2%	35.9%	(1.9)%	41.4%	48.5%	42.0%	3.9%	34.9%	(8.8)%	315.2%



## Average Discount to NAV

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD <sup>3</sup>	Current <sup>3</sup>
Share Price	(55.7)%	(50.1)%	(40.7)%	(30.9)%	(29.1)%	(32.1)%	(28.1)%	(29.5)%	(29.4)%	(21.1)%	(5.7)%	(21.6)%	(23.9)%	(28.8)%	(45.0)%
GDR	N/A	N/A	N/A	N/A	(29.6)%	(30.0)%	(27.0)%	(29.8)%	(30.7)%	(21.7)%	(7.6)%	(22.4)%	(24.5)%	(28.8)%	(45.2)%

Source: BVB, Bloomberg, FP Factsheets.

Note: The discount/premium is calculated based on the latest published NAV available for the day of the calculation.

The Performance Inception date for the NAV is 31 December 2010, for the Share Price is 25 January 2011, and for the GDRs is 29 April 2015.

1. Dividend adjusted.

2. As at 31 August 2024.

3. As at 26 September 2024, calculated in accordance with the IPS.



# Portfolio

**FONDUL**  
PROPRIETATEA



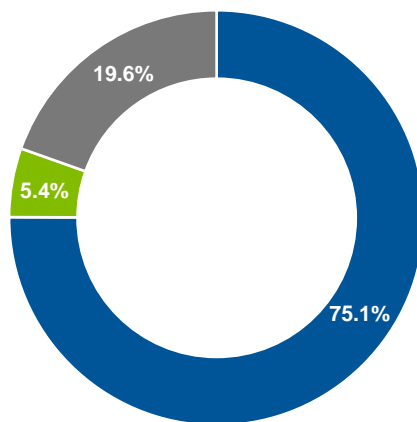
**FRANKLIN  
TEMPLETON**

# Portfolio Structure



## Listed vs Unlisted

(% of NAV as at 31 August 2024)<sup>1</sup>

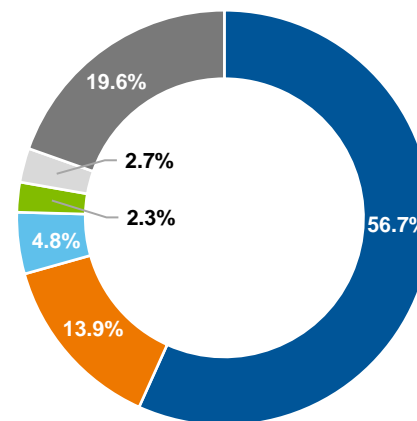


■ Unlisted ■ Listed ■ Net Cash & receivables



## By Sector

(% of NAV as at 31 August 2024)<sup>1</sup>



■ Infrastructure ■ Power utilities: Generation  
 ■ Salt Mining ■ Others  
 ■ Aluminium ■ Net Cash & Receivables

- As at 31 August 2024, the portfolio included stakes in 24 companies (5 listed and 19 unlisted).
- The net cash and receivables as at 31 August 2024 was USD 100.2 million<sup>2</sup>.

1. Source: FP August 2024 Factsheet.

2. Source: 31 August 2024 NAV report, based on the NBR RON/USD FX rate as at 30 August 2024.

## Largest Holdings by NAV

Portfolio Company	Status	Majority Shareholder	% FP Stake <sup>1</sup>	NAV as at 31 August 2024 (USD mn)	% in NAV as at 31 August 2024
Bucharest Airports	Unlisted	Romanian State	20.0%	205.9	40.2%
Constanta Port	Unlisted	Romanian State	20.0%	77.8	15.2%
Salrom	Unlisted	Romanian State	49.0%	71.1	13.9%
Alro SA	Listed	Vimetco PLC	10.2%	24.5	4.8%
Complexul Energetic Oltenia SA	Unlisted	Romanian State	11.8%	11.9	2.3%
<b>Top Portfolio Holdings</b>				<b>391.2</b>	<b>76.5%</b>
<b>Net Cash and Receivables</b>				<b>100.2</b>	<b>19.6%</b>
<b>Total NAV</b>				<b>511.7</b>	
<b>NAV Per Share (USD)</b>				<b>0.1474</b>	

Source: FP August 2024 Factsheet.

Note: Values in USD calculated using the NBR RON/USD FX rate as at 30 August 2024.

1. Based on the FP 30 June 2024 Detailed Statement of Investments.



# Largest Holdings by NAV – Net result evolution

Top Holdings <sup>1</sup>	Net Profit (RON mn)				
	2019	2020	2021	2022	2023
Bucharest Airports	359.6	(146.4)	34.0	304.0	453.3 <sup>2</sup>
Constanta Port	108.2	130.3	130.5	114.5	195.4 <sup>2</sup>
Salrom	77.0	11.5	60.2	120.7	130.6 <sup>2</sup>
Alro SA	(67.2)	334.8	26.3	409.5	(561.7) <sup>3</sup>
Complexul Energetic Oltenia SA	(798.1)	(939.4)	(1,523.3)	3,499.9	1,027.3 <sup>2</sup>
<b>Total</b>	<b>(320.5)</b>	<b>(609.2)</b>	<b>(1,272.3)</b>	<b>4,448.6</b>	<b>1,244.9</b>

Note: EBITDA = Operational result adjusted for Depreciation and Amortization revenues/expenses from revaluation of tangible assets, provisions, impairment of tangible assets, and subsidies. For Salrom EBITDA for FY 2020 was adjusted with the Revaluation of assets.

Source: Companies' annual individual financial statements, except for Alro where consolidated is displayed, Fund Manager calculations.

1. As at 31 August 2024. Source: FP August 2024 Factsheet.
2. As approved by shareholders.
3. Results based on the annual report published by the company as approved by shareholders.

## Bucharest Airports – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022 <sup>1</sup>	2023	H1 2023	H1 2024	% y.o.y.
Operating revenues (RON mn)	754.7	890.9	992.6	1,066.6	405.6	578.0	999.1	1,206.8	519.5	613.1	18.0%
Operating result (RON mn)	263.6	337.6	445.9	399.0	(175.3)	40.8	345.8	499.7	247.9	302.5	22.0%
Net Income / Loss (RON mn)	224.7	290.7	371.8	359.6	(146.4)	34.0	304.0	453.3	209.4	270.6	29.2%
Number of passengers (mn)	10.99	12.84	13.84	14.73	4.47	6.92	12.61	14.70	6.8	7.4	8.8%

- Traffic continued **to rise** in **H1 2024**, reaching **7.4 million passengers**, **an increase of 9%** compared to **H1 2023**. Higher passenger traffic coupled with a more beneficial contract for commercial spaces, were the main positive drivers for the **22% increase in operational profitability**, which reached **RON 302.5 million**.
- **Litigation:** On 7 March 2024, the Bucharest Court of Appeal ruled in favor of the Fund to annul the shareholders resolution no. 15/26.10.2021 related to the share capital increase with certain land plots. The Bucharest Court of Appeal's decision is final.
- **Corporate Governance:** In July 2024, the Board of Directors was appointed for a 4-year mandate. Fondul Proprietatea challenged the legality of these appointments in Court due to irregularities in the selection process and outcomes, which in our view go against the provisions of OUG 109/2011.

Source: Individual IFRS financial statements.

1. Restated figures.

## Constanta Ports – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022 <sup>1</sup>	2023	H1 2023	H1 2024	% y.o.y.
Operating revenues (RON mn)	314.0	330.5	345.2	369.0	398.8	418.9	510.4	571.2	276.4	268.4	(2.9)%
Operating profit (RON mn)	54.8	93.8	95.8	117.0	145.9	140.6	131.5	195.9	117.7	227.5	93.3%
Net Income (RON mn)	36.8	79.7	75.7	108.2	130.3	130.5	114.5	195.4	109.2	231.6	112.1%
Total traffic (thousands tons)	59.4	58.4	61.3	66.6	60.4	67.5	75.6	92.5	40.9	40.5	(1.1)%

- Traffic **declined marginally** in **H1 2024** compared to **H1 2023** to **40.5 million tons** due to a significant drop in volumes linked to Ukraine, which almost **halved to approximately 6.5 million tons**.
- Operating profitability **almost doubled y.o.y.**, reaching **RON 227.5 million** in **H1 2024**, primarily due to a reversal of a litigation-related provision of **RON 112.9 million**.
- **Corporate Governance:** All Board members have interim mandates. The selection process for full mandates has not yet started.

Source: Financial statements in accordance with applicable Romanian accounting regulations.

1. Restated figures.

# Salrom – Update

Financial performance	2016	2017	2018	2019	2020	2021	2022	2023	H1 2023	H1 2024	% y.o.y.
Operating revenues (RON mn)	312.4	394.1	436.9	469.2	300.2	374.5	495.3	517.1	237.0	241.7	2.0%
Operating profit (RON mn)	36.3	107.3	93.5	84.6	15.8	70.1	134.4	140.8	57.5	66.1	15.0%
Net Income (RON mn)	30.1	81.1	76.4	77.0	11.5	60.2	120.7	130.6	56.5	61.4	8.7%

- **Corporate Governance:** In February 2024, the Board of Directors was appointed for a 4-year mandate. Fondul Proprietatea appointed 2 out of 5 members. Also, the selection procedure based on GEO no. 109/2011 was completed and the Board appointed the General Manager for a period of 4 years starting with July 2024.
- **IPO:** The Fund continues to engage with the majority shareholder and the company in relation to preparations for a potential IPO.

Source: IFRS financial statements.



# Corporate Actions

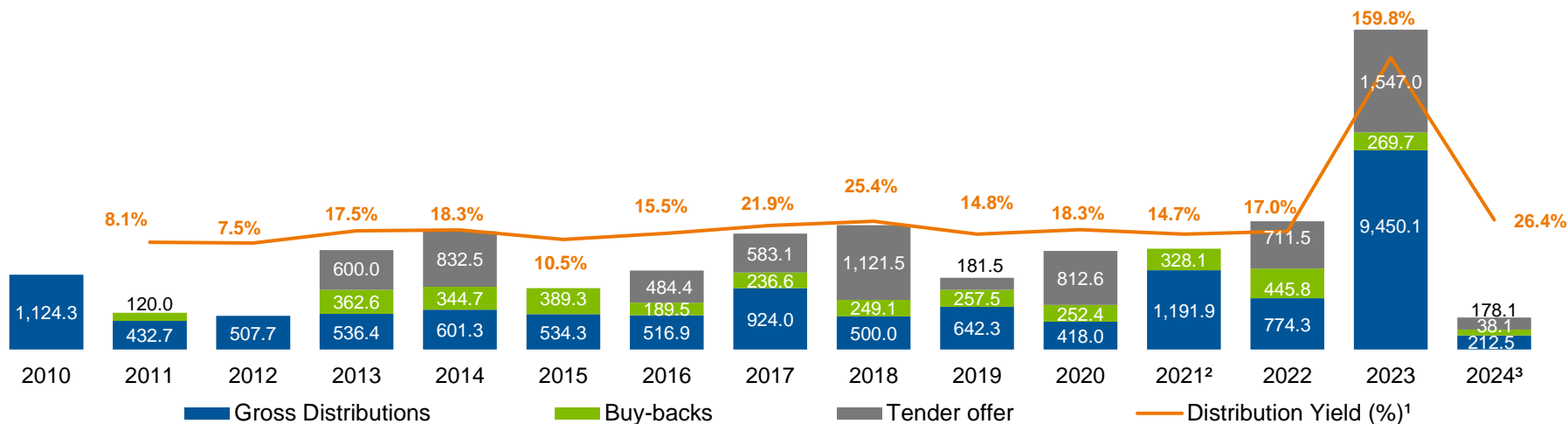


# Distributions to Shareholders



## Annual Distributions to Shareholders (RON mn)

1,124.3	552.7	507.7	1,499.0	1,778.5	923.6	1,190.8	1,743.7	1,870.6	1,081.3	1,483.0	1,519.9	1,931.5	11,266.8	428.7
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**The total distributions through buy-backs and cash would amount to RON 28.9 bn / USD 7.0 bn<sup>4</sup>**

Source: Fund Manager calculations, Fund Manager annual results reports, Fund Manager current reports.

Note: Values exclude related acquisition fees. USD values based on the NBR average USD/RON FX for each year. For 2024, average RON / USD FX as at 26 September.

1. Based on the total annual distributions through buy-backs and cash, the average closing share price on BVB for the respective year, and the average number of paid shares excluding Treasury shares at year-end. For 2024: average closing share price as at 26 September and average number of paid shares excluding Treasury shares as at 12 July.
2. 2021 Gross distributions figure refers to the 3 special gross distributions approved during the year.
3. Fund Manager estimations based on buy-backs as at 12 July 2024, RON 0.06 per share dividend distribution approved by shareholders during the 30 April 2024 Annual GSM and number of paid shares excluding Treasury shares as at 12 July 2024. Tender offer amount includes the estimate for the 13<sup>th</sup> Tender offer of 269 million shares at the Tender offer price of RON 0.6622 per share.
4. As at 26 September 2024, average NBR RON/USD FX as at 26 September 2024.

# Cash distributions to shareholders

Distribution	Financial year	Paid in	Gross Cash distribution (RON/share)	Net Cash distribution (RON/share)
Dividend (Special)	2008-2009 (aggregate)	2010	0.08160	0.06854
Dividend (Annual)	2010	2011	0.03141	0.02638
Dividend (Annual)	2011	2012	0.03854	0.03237
Dividend (Annual)	2012	2013	0.04089	0.03435
Return of Capital (Annual)	-	2014	0.05000	0.05000
Return of Capital (Annual)	-	2015	0.05000	0.05000
Return of Capital (Annual)	-	2016	0.05000	0.05000
Return of Capital (Annual)	-	2017	0.05000	0.05000
Return of Capital (Special)	-	2017	0.05000	0.05000
Dividend (Annual)	2017	2018	0.06780	0.06441
Dividend (Annual)	2018	2019	0.09030	0.08579
Dividend (Annual)	2019	2020	0.06420	0.06099
Dividend (Annual)	-	Starting 22 June 2021	0.07200	0.06840
Dividend (Special)	-	Starting 27 August 2021	0.07000	0.06650
Dividend (Special)	-	Starting 18 February 2022	0.06000	0.05700
Dividend (Annual)	2021	Starting 27 June 2022	0.12500	0.11875
Dividend (Annual)	2022	Starting 6 June 2023	0.05000	0.04600
Dividend (Special)	-	Starting 29 September 2023	1.72250	1.58470
Dividend (Special) <sup>1</sup>	-	Starting 7 June 2024	0.06000	0.05520
<b>Total</b>			<b>2.82424</b>	<b>2.61938</b>

Source: FP GSM Resolutions, Fund Manager calculations.

Note: Values resulted after applying the standard Romanian dividend withholding tax rate (amounting to 16% for the 2010 – 2013 dividend distributions, 5% for the 2018 – 2022 dividend distributions and 8% for the 2023 - 2024 dividend distributions) to the value of the Gross Cash Distribution per Share. Shareholder could benefit from a reduced dividend withholding tax rate or tax exemption, if either Double Taxation Treaty provisions or a specific Romanian tax law exemption was applicable. The classification between annual and special dividend is made in accordance with the Fund's Annual Cash Distribution policy available on the Fund's website.

1. Dividend approved by shareholders during the 30 April 2024 Annual GSM.

# Buy – back programs

Program	Period	Status	No. of shares (to be) repurchased / % of the Fund's issued share capital	Average share price (RON / share)	Broker	Cancellation of shares <sup>1</sup>
14 <sup>th</sup>	Jan – Dec 2023	Finalized	2.11 bn / 37.26%	0.8600 <sup>2</sup>	Auerbach Grayson, Swiss Capital	Finalized
15 <sup>th</sup>	8 April – 31 December 2024	Ongoing	1.00 bn / 28.12% <sup>3</sup>	0.4416 <sup>4</sup>	Auerbach Grayson, Swiss Capital	The cancellation of shares will be subject to shareholders' approval in 2025

Source: Fund Manager current reports, Fund Manager calculations.

1. To be effective, the FSA endorsement is legally required, and the shareholders' resolution for the share capital decrease needs to be registered with the Trade Register.
2. As at 31 December 2023. Based on 2,112,378,889 shares repurchased (1,892,873,339 ordinary shares and 219,505,550 equivalent shares of the GDRs repurchased). The cancellation of shares was approved during the 30 April 2024 Annual GSM. On 30 August 2024, the Trade Register registered the decrease of the subscribed and paid-up share capital pursuant to the cancellation of the shares acquired through the 14<sup>th</sup> BB.
3. Approved by shareholders during the 13 February 2024 EGSM. Starting with June 2024, GEO 71/2024 was enacted, limiting the annual buy-backs to 10% of the issued share capital. Based on the new regulation, the Fund is allowed to repurchase only up to 355 million shares during 2024.
4. As at 12 July 2024. Based on 86,304,088 shares repurchased (83,015,288 ordinary shares and 3,288,800 equivalent shares of the GDRs repurchased).



# Thirteenth Tender Offer



## Size of the Offer

269,000,000 shares in the form of shares and / or GDRs

- 255,522,800 in the form of shares
- 13,477,200 shares in the form of GDRs, namely 269,544 GDRs



## Purchase price

RON 0.6622 per share and the USD equivalent of RON 33.1100 per GDR



## Subscription period

11 September – 25 September 2024



## Allocation method and ratio

- Pro-rata
- 0.1457423805



## Intermediary

Swiss Capital S.A.



## Dealer managers

Swiss Capital S.A. and Auerbach Grayson



## GDR Tender Agent

The Bank of New York Mellon

Source: Fund Manager current reports and Tender Offer documentation.

# Total dividend income from portfolio companies

RON	FP Net Dividend									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 <sup>12</sup>
Total Dividends from Listed Companies (mn)	251.5	36.0	148.1	199.6	223.0	200.2	117.0	127.7	0.9	0.5
Total Dividends from Unlisted Companies (mn)	315.9	315.2	404.5	366.9	710.0	1,007.9	532.0	800.5	954.9	145.3
Total Annual Dividend Income (mn)	567.4	351.2	552.6	566.5	673.7	525.0	398.1	656.2	875.4	145.8
Total Special Dividend Income (mn)	–	–	185.2	199.5	259.3	683.1	250.9	272.0	80.4	-
<b>Total Dividends (mn)</b>	<b>567.4</b>	<b>351.2</b>	<b>737.8</b>	<b>766.0</b>	<b>933.0</b>	<b>1,208.1</b>	<b>649.0</b>	<b>928.2</b>	<b>955.8</b>	<b>145.8</b>
<b>Dividend / Distribution per Share</b>	<b>0.0500</b>	<b>0.0500</b>	<b>0.0678</b>	<b>0.0903</b>	<b>0.0642</b>	<b>0.2020<sup>6</sup></b>	<b>0.1250</b>	<b>0.0500<sup>9</sup></b>	<b>1.7225<sup>11</sup></b>	<b>0.0600<sup>13</sup></b>
Share Price	0.7200 <sup>1</sup>	0.9180 <sup>2</sup>	0.8990 <sup>3</sup>	1.0150 <sup>4</sup>	1.1850 <sup>5</sup>	1.8520 <sup>7</sup>	1.9880 <sup>8</sup>	2.0350 <sup>10</sup>	1.9840 <sup>11</sup>	0.4766 <sup>14</sup>
Dividend / Distribution Yield	6.94%	8.76%	7.54%	8.90%	5.42%	11.02% <sup>7</sup>	6.29% <sup>8</sup>	2.46% <sup>10</sup>	86.82% <sup>11</sup>	12.59% <sup>14</sup>

Source: Fund Manager calculations, portfolio companies' GSM decisions for approving dividend payments.

Note: The Fund Manager's dividend proposals are calculated based on the Fund's Annual Cash Distribution Policy.

1. As at 9 June 2016.

2. As at 6 June 2017.

3. As at 11 June 2018.

4. As at 10 June 2019.

5. As at 10 June 2020.

6. Includes the three special dividends distributions approved in 2021 by shareholders.

7. Average share price based on the share price as at the Registration dates for the three special dividend distributions approved in 2021. Dividend yield calculated as total dividend yield for the three special dividend distributions approved in 2021.

8. As at 3 June 2022.

9. Gross dividend distribution approved in the 21 April 2023 Annual GSM.

10. Based on FP share price as at 12 May 2023, the Registration date for the RON 0.05 dividend per share distribution approved by shareholders during the 21 April 2023 Annual GSM.

11. Distribution approved by shareholders in the 18 August 2023 OGM. Yield calculated based on the FP share price as at 6 September 2023.

12. As at 31 August 2024.

13. Gross dividend distribution approved by shareholders during the 30 April 2024 Annual GSM.

14. Based on FP share price as at 17 May 2024, the Registration date for the RON 0.06 dividend per share distribution approved by shareholders during the 30 April 2024 Annual GSM.

## 27 September 2024 GSM – Main Points (I)



Only the persons registered as shareholders of Fondul Proprietatea on **6 September 2024 (the Reference Date)** in the register of shareholders kept by Depozitarul Central S.A. have the right to participate and vote at the GSM



### EGM

- The approval of the amendment of Article 19 par. (3) of the Constitutive Act of Fondul Proprietatea, which shall be read as follows:
 

*(3) The mandate of the AIFM shall not exceed 4 years, with the possibility of re-election. The AIFM will call an Ordinary General Meeting of Shareholders to be held at least 6 months before the expiry of the mandate of AIFM and will ensure that the agenda of the ordinary general shareholders meeting will include points granting the options to (i) approve the renewal of the AIFM's mandate, (ii) appoint a new AIFM in accordance with the legal provisions in force, with the shareholders being granted the opportunity to propose candidates for such position; the agenda will also include provisions for the authorization of the negotiation and execution of the relevant investment management agreement and fulfilment of all relevant formalities for the authorization and legal completion of such appointment."*
- The approval of the amendment of Article 20 of the Constitutive Act of Fondul Proprietatea, which shall be read as follows:
 

*"The Alternative Investment Fund Manager shall appoint a natural person as its permanent representative. The Alternative Investment Fund Manager shall also appoint a natural person as the replacement for the permanent representative, to perform the duties of the permanent representative in case of inability to carry out his/her activities. The Alternative Investment Fund Manager can change the permanent representative and/or the replacement in accordance with the applicable law. All changes will be registered with the Trade Registry."*
- "Starting with the date when this Resolution of the extraordinary general meeting of shareholders is published in the Official Gazette of Romania, Part IV, the empowerment given by the Resolution of the extraordinary general meeting of shareholders no. 1/13.02.2024 on the approval of the authorization of the sole director to buy-back shares of Fondul Proprietatea, global depository receipts or titles of interest corresponding to shares of Fondul Proprietatea, via trading on the regular market on which the shares, the global depository receipts or titles of interest corresponding to the shares of Fondul Proprietatea are listed or public tender offers, in compliance with the applicable law, for a maximum number of 1,000,000,000 shares, shall be amended as follows:
 

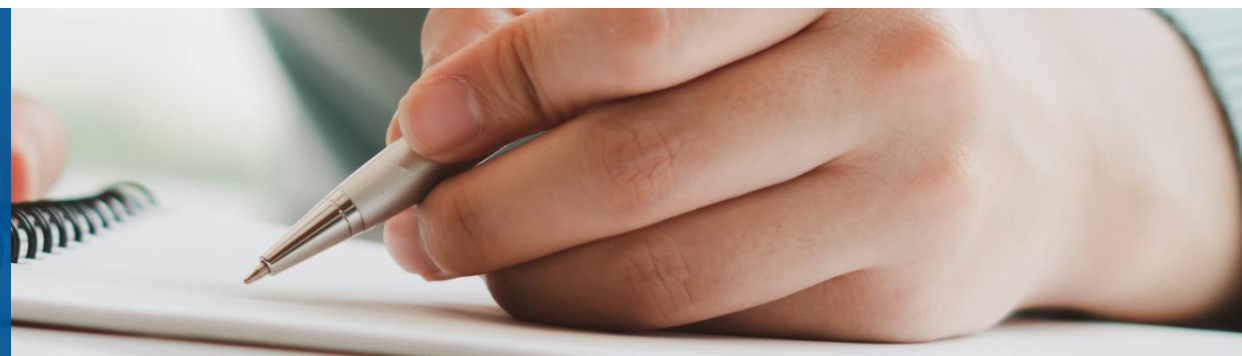
During the time frame remained until the end of the mandated granted to Franklin Templeton International Services S.a r.l., respectively 31 March 2025, the sole director shall not be entitled to buyback shares of Fondul Proprietatea, global depository receipts or titles of interest corresponding to shares of Fondul Proprietatea."  
**(Item added on the agenda at the request of the shareholder Ministry of Finance)**

Source: 27 September 2024 GSM Documentation.

## 27 September 2024 GSM – Main Points (II)

### The approval of:

**10 October 2024** as the Ex – Date;  
**11 October 2024** as the Registration  
Date



OGM

- The approval of 2024 revised budget of Fondul Proprietatea, in accordance with the supporting materials.
- The appointment for a period of three (3) years of two (2) members of the Board of Nominees of Fondul Proprietatea.
- The appointment of Ernst & Young Assurance Services SRL as the financial auditor of Fondul Proprietatea, for auditing the financial statements of the fund for the financial year ended 31 December 2025 and setting the level of its remuneration for the financial audit services described above at a maximum level (without VAT) of EUR 115,235/year. (secret vote)
- The approval of the selection criteria, as prepared and proposed by the Board of Nominees on the basis of the advice received by the Board of Nominees from Numis Securities Limited, member of Deutsche Bank Group, and based on which the Board of Nominees shall select the alternative investment fund manager (“AIFM”) of Fondul Proprietatea.
- The appointment, following selection by the Board of Nominees, of Numis Securities Limited, member of Deutsche Bank Group, as selection advisor assisting Fondul Proprietatea through the members of the Board of Nominees in relation to the selection of the potential AIFM.
- The approval of a maximum advisory budget of RON 3,8 million to be used by the Board of Nominees for the services to be provided by Deutsche Numis pursuant to any appointment in accordance with a resolution adopted by the OGM following a favourable vote on item 5 of this OGM agenda, as well as for any other services related to the selection of an AIFM, including financial advisory services and legal services required for this purpose.
- The approval of the authorisation of the Chairperson of the Board of Nominees to take the following actions and to act in the name of and on behalf of the Fund (the “Authorisation”):
  - a. to select and appoint any advisors to assist Fondul Proprietatea and the Board of Nominees in relation to the AIFM selection process;
  - b. to negotiate and agree in the name and on behalf of Fondul Proprietatea, any documents regarding the Selection Process; and
  - c. to sign, execute and deliver all agreements with advisors, written instruments and all other documents in order to fulfil the Authorisation granted hereby.

Source: 27 September 2024 GSM Documentation.

## 27 September 2024 GSM – Main Points (III)

### The approval of:

10 October 2024 as the Ex – Date;  
11 October 2024 as the Registration  
Date



OGM

- The approval of (i) the extension of the mandate of FTIS as the sole director and AIFM of Fondul Proprietatea for one (1) year starting with 1 April 2025 and until 31 March 2026, inclusive and (ii) the corresponding extension of the terms of the management agreement executed between Fondul Proprietatea and FTIS on 29 March 2024 until 31 March 2026, inclusive, in accordance with the addendum to the Management Agreement in the form set out in the supporting documentation (the “**Addendum**”), with all the other provisions of the Management Agreement remaining unchanged. (*secret vote*)
- The approval of the appointment of a new sole director of Fondul Proprietatea that will act as alternative investment fund manager for a mandate of two (2) years starting with 1 April 2025 (provided that all the legal requirements related to the appointment of the new sole director of Fondul Proprietatea that will act as AIFM are finalized by 31 March 2025, inclusive) and until 31 March 2027, inclusive, according to legal provisions in force, subject to point 8 of this OGM agenda not being approved by the OGM. (*secret vote*)
- “*Alternative to item 8 of the OGMS convening notice* – Approval of the (i) extension of the empowerment of FTIS as sole director of Fondul Proprietatea, acting as AIFM of Fondul Proprietatea, for a period of one (1) year from 1 April 2025 to 31 March 2026, inclusively and (ii) corresponding extension of the terms of the management agreement concluded between Fondul Proprietatea and FTIS on 29 March 2024, as approved by the Resolution of the OGMS no. 2 of 26 March 2024 (the “**Management Agreement**”) until 31 March 2026, according to the Addendum to the Management Agreement in the form provided in the supporting documents (the “**Addendum**”), all the other provisions of the Management Agreement remaining unchanged. The extended mandate and the corresponding Addendum shall enter into effect only to the extent that, by 31 March 2025 (a) the OGMS does not appoint a new Manager of the AIF (also acting as sole director) according to the AIFM selection process initiated by the Board of Nominees following the Resolution of the OGMS no. 9 of 25 September 2023 (the “**Appointment**”) and (b) such appointment shall not produce effects until the above-mentioned date (i.e. 31 March 2025). The extension of the mandate of FTIS for the management of Fondul Proprietatea is granted strictly subject to the compliance with the obligations below related to the management strategy, for the period 31 March – 31 March 2026, which will be fulfilled and carried out by the sole director: **a. preservation of the current portfolio of Fondul Proprietatea**, with the sale of the company’s portfolio holdings being prohibited; any offers received for the sale of some of Fondul Proprietatea holdings will be analysed by the Board of Nominees and will be subject to the approval of the OGMS; **b. prohibition of share buy-backs and the retention/use of cash held by the company exclusively for the management of the current portfolio and/or for investments**, which will be approved in advance by the Board of Nominees. (*secret vote*) **This item is approved on condition of non-approval by the OGMS of item 8 on the agenda of the OGMS.** (*Item added on the agenda at the request of the shareholder Ministry of Finance*)

Source: 27 September 2024 GSM Documentation.

# Disclaimer (I)

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This presentation is for general information only and reflects the personal views of the presenter. Nothing herein is intended to constitute advice on investment, legal or tax matters, any form of personal recommendation nor it should be construed as, constituting or forming part of, any actual offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, or an invitation to buy or sell shares in Fondul Proprietatea SA (“the Fund”) or in any other issuer of securities mentioned herein or to initiate any kind of transaction whatsoever. Neither the Fund nor its Fund Manager (as defined below) and its delegates accept any liability of any kind for any losses arising from making use of such information. Furthermore, this presentation is not intended, and should not be construed, as marketing of the Fund in the meaning of the Directive 2011/61/EU on alternative investment fund managers (“AIFMD”) in any member states of the European Economic Area.

This presentation does not purport to contain all information that may be necessary in respect of the Fund or its shares and in any event each person receiving this report needs to make an independent assessment. Any person considering an investment in the Fund or any other security mentioned herein should refer to the relevant issuer’s documents and consult their own legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of an investment in the securities. The Fund’s documents contain important information on the potential risks involved in such an investment which are not included in this presentation. Read the Fund’s documents before investing in the Fund. The prospectus, the Fund’s rules, the latest annual report and semi-annual report are available on the Fund’s website - [www.fondulproprietatea.ro](http://www.fondulproprietatea.ro). The distribution of this presentation in certain jurisdictions may be restricted by law and persons who come into possession of it are required to inform themselves about and to observe such restrictions and limitations. Neither the Fund nor its Fund Manager or any of its delegates accepts any liability to any person in relation to the distribution or possession of the presentation in or from any jurisdiction. The shares issued by the Fund have not been and will not be registered under the US Securities Act of 1933, as amended, or with any securities authority of any state or territory within the jurisdiction of the United States of America. The Fund’s shares may not be offered, sold or delivered in the United States of America or to American citizens or nationals.

The information contained in this presentation is as of its date, unless otherwise indicated, and is not a complete analysis of every material fact regarding the market, and any industry sector, security, or portfolio. Statements of fact cited by the Fund Manager have been obtained from sources considered reliable but no representation, warranty or undertaking is made as to the completeness or accuracy of such information and no liability is accepted by the Fund, the Fund Manager or any of its delegates in relation therewith. Furthermore, no responsibility is accepted for updating any facts or assumptions in this document. Because market and economic conditions are subject to rapid change, opinions provided are valid only as of the date of the materials. Any forward-looking statements are based upon certain assumptions; actual events are difficult to predict and are beyond the control of the Fund, therefore actual events may differ from those assumed. References to particular securities are only for the limited purpose of illustrating general market or economic conditions, as such exist at the date of this presentation, and are not recommendations to buy or sell a security or an indication of the Fund’s holdings. The Fund Manager’s or its delegates’ opinions are intended solely to provide insight into how the Fund Manager analyses securities and are not a recommendation or individual investment advice for any particular security, strategy or investment product. Opinions expressed are subject to change without notice and do not consider the needs of investors.

September 2024

## Disclaimer (II)

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No information hereof is to be considered, under any circumstances, as an information provided in accordance with Article 23 of the AIFMD as such was transposed by Article 22 of Law no. 74/2015 on managers of alternative investment funds.

In addition, the list of investor rights can be found in the Constitutive Act, available on the Fund's website, in the Corporate Governance section, here: <https://www.fondulproprietatea.ro/about-fund/fund-overview/corporate-governance>.

The price of shares and income from them can go down as well as up and you may lose some or all of your capital invested. The previous results of the Fund do not account for future performances. Currency fluctuations will affect the value of foreign investments. All investments are subject to certain risks. Generally, investments offering the potential for higher returns are accompanied by a higher degree of risk. Stocks and other equities representing an ownership interest in a corporation have historically outperformed other asset classes over the long term but tend to fluctuate more dramatically over the shorter term. Small or relatively new companies can be particularly sensitive to changing economic conditions due to factors such as relatively small revenues, limited product lines, and small market share. Smaller company stocks have historically exhibited greater price volatility than larger company stocks, particularly over the short term. The significant growth potential offered by Emerging Markets remains accompanied by heightened risks when compared to developed markets, including risks related to market and currency volatility, adverse social and political developments, and the relatively small size and lesser liquidity of these markets.

The Fund's headquarters are located at 76 – 80 Buzesti street, 7th Floor, Bucharest, 1st District, 011017, Romania. Fund's Fiscal Identification Code is 18253260 and Trade Registry registration number is J40/21901/2005. The subscribed and paid-up share capital is RON 2,947,779,186.56.

Starting with 1 April 2016, in view of complying with the AIFMD, implemented in the Romanian legislation through Law no. 74/2015 on managers of alternative investment funds and Regulation no. 10/2015 on alternative investment fund management, Fondul Proprietatea SA, qualifying as an alternative investment fund, is managed by Franklin Templeton Investment Services S.À R.L., 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 B36.979, registered with the Romanian Financial Supervisory Authority under number PJM07.1AFIASMDLUX0037/10 March 2016 ("FTIS" or the "Fund Manager").

This presentation herein is issued by FTIS, acting through its Romanian branch having its registered office at 76 – 80 Buzesti street, 8th Floor, 1st. District, 011017, Bucharest, Romania.

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Thank You 



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