

To: **Bucharest Stock Exchange**
Financial Supervisory Authority
London Stock Exchange

Current report according to Article 99 (s) of the Code of the Bucharest Stock Exchange Market Operator, Title II, Issuers and Financial Instruments

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Important events to be reported:

S.P.E.E.H. Hidroelectrica S.A. announces intention to list on the Bucharest Stock Exchange

Franklin Templeton International Services S.À R.L. (“**FTIS**”), in its capacity of alternative investment fund manager and sole director of Fondul Proprietatea S.A. (the “**Fund**”/ “**Fondul Proprietatea**”) informs the market and the Fund’s investors that S.P.E.E.H. Hidroelectrica S.A. (“**Hidroelectrica**”), announced today the intention of the Fund to proceed with an initial public offering (the “**IPO**” or the “**Offering**”) of existing ordinary shares held by the Fund in Hidroelectrica (the “**Shares**”). Hidroelectrica plans to apply for admission to trading of all its Shares on the regulated market of the Bucharest Stock Exchange (the “**BSE**”). The Offering will take place after the approval of the prospectus (the “**Prospectus**”) by the Romanian Financial Supervisory Authority (“**FSA**”).

Pursuant to the resolution No. 3 of the Fund’s extraordinary general meeting of shareholders dated 15 November 2022, the Fund has received shareholder approval to dispose of its entire holding of up to 19.94% of Hidroelectrica's total issued share capital in the IPO. The number of Shares to be initially offered will be determined at a later date. Hidroelectrica will not raise new capital in connection with the Offering and will not receive any proceeds. The IPO will consist of a public offering to retail and institutional investors in Romania and an offering to eligible international institutional investors.

The admission to trading (the “**Admission**”) is expected to take place in July 2023. Once admitted to trading, Hidroelectrica’s shares would be included in the BET index of the BSE immediately following Admission. The Shares will be offered and traded, following the Admission, in Romanian leu. Hidroelectrica and Fondul Proprietatea will be subject to a lock-up agreement for a period of 180 days and the Romanian State, the majority shareholder of Hidroelectrica, will be subject to a lock-up agreement for a period of 12 months, from the date Admission date.

Report date:
6 June 2023

Name of the issuing entity:
Fondul Proprietatea S.A.

Registered office:
76-80 Buzesti Street
7th floor, district 1,
Bucharest, 011017

Phone/fax number:
Tel.: + 40 21 200 96 00
Fax: + 40 31 630 00 48

Email:
office@fondulproprietatea.ro

Internet:
www.fondulproprietatea.ro

Sole Registration Code with the Trade Register Office:
18253260

Order number in the Trade Register:
J40/21901/2005

Subscribed and paid-up share capital: RON
3,233,269,110.76

Number of shares in issue and paid-up:
6,217,825,213

Regulated market on which the issued securities are traded:
Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

Detailed information about the Offering will be published following approval of the Prospectus.

Citigroup Global Markets Europe AG, Erste Group Bank AG, Jefferies GmbH, and Morgan Stanley Europe SE are acting as Joint Global Coordinators in connection with the Offering. Banca Comerciala Romana S.A., Barclays Bank Ireland PLC, BofA Securities Europe SA, UBS Europe SE, UniCredit Bank AG and Wood & Company Financial Services, a.s. are acting as Joint Bookrunners. Auerbach Grayson, BRD - Groupe Société Générale, S.S.I.F. BT Capital Partners S.A. and S.S.I.F. Swiss Capital S.A. are acting as Co-Lead Managers (the Joint Global Coordinators, the Joint Bookrunners and the Co-lead Managers are collectively referred to as the “**Banks**”).

Rothschild & Co Equity Market Solutions Limited is acting as Financial Adviser to Fondul Proprietatea, and STJ Advisors is acting as Financial Adviser to Hidroelectrica in connection with the IPO.

The Fund currently holds 19.94% of the issued share capital of Hidroelectrica (representing approx. 75.93% of the Fund’s NAV as of 30 April 2023).

Further current reports with additional information will be released as and when there will be relevant information

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Franklin Templeton International Services S.À R.L., acting as Alternative Investment Fund Manager of FONDUL PROPRIETATEA S.A.

Johan MEYER
Permanent Representative