

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

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

**Important events to be reported:**

## **Voting recommendations and supporting materials related to the 28 April 2020 shareholders' meetings**

Franklin Templeton International Services S.À R.L., in its capacity as alternative investment fund manager and sole director (the "**Fund Manager**") of Fondul Proprietatea S.A. (the "**Fund**"), would like to remind shareholders that the Fund Manager has summoned the Fund's Extraordinary ("**EGM**") and Ordinary ("**OGM**") General Shareholders' Meetings for 28 April 2020 at "Radisson Blu" Hotel, 63-81 Calea Victoriei Street, Atlas Room, 1st District, Bucharest, 010065, Romania, starting at 11 a.m. (Romanian time) for EGM, and 12 p.m. (Romanian time) for the OGM.

The entire EGM and OGM supporting documentation is available for the shareholders' reference at <https://www.fondulproprietatea.ro/home/investor-relations/gsm-information/gsm-documentation/2020.html>.

In the context of the COVID-19 pandemic, for the safety of our shareholders and for prudence reasons, in order to ensure compliance with the legal provisions, the Fund Manager recommends **voting by correspondence**, in accordance with the procedures described in the convening notice.

The Fund Manager recommends **voting in favour of all the points on the EGM's and OGM's agenda, except for point 5 letter (b) of the OGM agenda** (i.e. the simultaneous termination of the mandate of Franklin Templeton International Services S.à r.l. as the alternative investment fund manager and sole director of the Fund, and of the Management Agreement signed between Franklin Templeton International Services S.à r.l. and the Fund), **for which we recommend voting "against"**.

Our recommendation for a vote against this point of the agenda is based on the fact that the Fund Manager has taken all reasonable actions within its powers to narrow the trading discount, but the evolution of the trading discount is independent from the exclusive will of the Fund Manager. For details regarding the measures taken to reduce the discount, as well as the significant challenges encountered, please refer to the Performance Report, which is available on the Fund's website mentioned above, as part of the supporting documentation for the OGM.

**Report date:**

24 March 2020

**Name of the issuing entity:**

Fondul Proprietatea S.A.

**Registered office:**

78-80 Buzesti Street  
7<sup>th</sup> floor, district 1,  
Bucharest, 011017

**Phone/fax number:**

Tel.: + 40 21 200 9600

Fax: + 40 21 200 9631

**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 share capital:**

RON 3,959,264,762.44

**Paid-up share capital:**

RON 3,770,082,340.44

**Number of shares in issue:**

7,613,970,697

**Number of paid shares:**

7,250,158,347

**Regulated market on which the issued securities are traded:**

Shares on Bucharest Stock Exchange

GDRs on London Stock Exchange

The Fund Manager's voting recommendations contained herein are not binding in any way and should not be deemed under any circumstances as a supporting documentation/argument for substantiating one's vote. The Fund Manager will implement and will comply with all the decisions taken by the Fund's shareholders, irrespective of its recommendations herein, subject to compliance with law and regulation.

Regarding the possibility of any subsequent impact on the EGM and OGM from the COVID-19 pandemic, the Fund Manager will immediately inform the Fund's shareholders by means of a current report on any decision that will allow attendance in person, as soon as the Romanian authorities modify the current provisions regarding the organization of such events.

**Franklin Templeton Investment Management Ltd. United Kingdom Bucharest Branch acting as Investment Manager of FONDUL PROPRIETATEA S.A.**

**Johan MEYER**  
Legal Representative