

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

Current report according to Article 234 para. (1) letter d) and e) of the Financial Supervisory Authority Regulation no. 5/2018 on issuers of financial instruments and market operations, as well as the provisions of Article 99 letter a) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments

Important events to be reported:

The resolutions of the Extraordinary and Ordinary General Meetings of Shareholders of Fondul Proprietatea S.A. held on 15 November 2022

Franklin Templeton International Services S.À R.L, alternative investment fund manager and sole director of Fondul Proprietatea SA ("Fondul Proprietatea / the Fund"), hereby, announces that on 15 November 2022, were held at "Radisson Blu" Hotel, 63-81 Calea Victoriei Street, Atlas Room, 1st District, Bucharest, 010065, Romania, the Fund's **Extraordinary General Shareholders Meeting** ("EGM") commencing 1:00 pm (Romanian time) and **Ordinary General Shareholders Meeting** ("OGM") commencing 2:00 pm (Romanian time) of Shareholders of Fondul.

The meeting was chaired by Mr. Johan Meyer, the Permanent Representative of Franklin Templeton International Services S.à r.l., the Sole Director of the Fund.

The shareholders of the Fund decided the following with respect to:

A. the agenda of the EGM:

- **To approve Point 1 on the EGM Agenda**, respectively "The approval of the authorization of the Sole Director to buy-back shares of Fondul Proprietatea, global depositary receipts or depositary interests corresponding to shares of Fondul Proprietatea, via trading on the regular market on which the shares, the global depositary receipts or the depositary interests corresponding to the shares of Fondul Proprietatea are listed, or bought through public tender offers, in compliance with the applicable law, for a maximum number of 3,500,000,000 treasury shares (being in the form of shares and/or shares equivalent as described above), starting with 1 January 2023, until 31 December 2023. The buy-back shall be performed at a price that cannot be lower than RON 0.2 / share or higher than RON 3 / share. In case of acquisitions of global depositary receipts or depositary interests corresponding to shares of Fondul Proprietatea, the calculation of number of shares in relation to the aforementioned thresholds shall be based on the number of Fondul Proprietatea shares underlying such instruments and their minimum and maximum acquisition price in the currency equivalent (at the relevant official exchange rate published by the National Bank of Romania valid for the date on which the instruments are purchased) shall be within the price limits applicable to the share buy-backs above mentioned, and shall be calculated based on the number of shares represented by each global depositary receipt or depositary interest. The transaction can only have as object fully paid shares, global depositary receipts or depositary interests corresponding to these shares. The said buyback programme is aimed at the share capital decrease of Fondul Proprietatea in accordance with Article 207 paragraph (1) letter (c) of Companies' Law no. 31/1990. This buy-back programme implementation will be done exclusively from the own sources."
- **To approve Point 3 on the EGM Agenda**, respectively" Approval of the sale of shares held by the Company in the share capital of SPEEH Hidroelectrica S.A. ("**Hidroelectrica**") representing up to 19.94% of the total shares issued by Hidroelectrica, through a secondary public offering having as object the shares issued by Hidroelectrica, followed by the listing of such shares for trading (the "**Listing**") only on the Bucharest Stock Exchange.

Report date:
15 November 2022

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

The amounts resulting from the partial or entire sale of the package of shares during the secondary public offering shall be distributed to Company's shareholders as special dividend within 3 months of the collection of that amount by the Company.

(Item added on the agenda at the request of the shareholder Ministry of Finance)"

- **To approve Point 4 on the EGM Agenda**, respectively" The approval of:
 - (a) The date of **8 December 2022** as the **Ex – Date**, in accordance with Article 176 paragraph (1), computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of
The date of **9 December 2022** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 87 paragraph (1) of Issuers' Law.
As they are not applicable to this EGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation and the payment date.
 - (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders' resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders' resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution."

Point 2 on the EGM agenda was not approved.

Please recall that Point 2 on the EGM agenda refers to:

"Approval of the sale of the shares held by the Company in the share capital of SPEEH Hidroelectrica S.A. ("**Hidroelectrica**") representing up to 19.94% of the total shares issued by Hidroelectrica, as follows:

- (a) within a secondary public offer having as object shares of Hidroelectrica (including, if applicable, in the form of other securities representing such shares ("**Other Securities**")) (the "**Offering**"), followed by the admission to trading of the shares of Hidroelectrica (including, if applicable, in the form of Other Securities) on one or more regulated markets and/or similar and/or any other trading venue in Romania and/or in a member state of the European Union and/or in a third country (the "**Admission**"); and/or (b) in any other manner decided by the Sole Director; and
- approval of the designation and empowerment of the Sole Director, the signature of its representatives being mandatory and binding for the Company, to fulfil any legal acts or actions useful and / or appropriate with respect to this item on the agenda, including, but without being limited to the following: (i) cooperation with Hidroelectrica with respect to the Offering, the Admission and any other aspect related to these; and (ii) negotiating, approving and establishing the terms and conditions of the Offering, of the Admission and of any other operation authorized under this item of the agenda, depending on the market conditions, (iii) ensuring the drafting and publication of any offer prospectus, offer document or presenting material, as well as (iv) negotiating, approving and signing any documents related to the matters authorized according to this item on the agenda, including, but without being limited to, negotiating and signing any other arrangements, offer prospectuses, offer documents, any subscription, sale and purchase, agency, trust, consulting agreements, certificates, statements, registers, notifications, addenda and any other acts and documents necessary, useful and / or appropriate, as well as (v) to fulfil any formalities and to authorize and/or execute any other actions necessary to give full effect to the operations and acts authorized in accordance with this item on the agenda; and (vi) to represent the Company in front of any competent authorities and institutions (such as the Trade Registry, the Financial Supervisory Authority, the Bucharest

Stock Exchange, Depozitarul Central S.A. and any other corresponding authority or institution from a member state of the European Union and/or a third country), public notaries or any other natural or legal persons, including Hidroelectrica, in relation to the matters authorized in accordance with this item on the agenda.”

B. the agenda of the OGM:

- **To approve Point 1 on the OGM Agenda, respectively”** The approval of 2023 budget of Fondul Proprietatea, in accordance with the supporting materials.”
- **To approve Point 2 on the OGM Agenda, respectively”** The approval of the amendment of the Management Agreement in force starting with 1 April 2022 between Fondul Proprietatea and Franklin Templeton International Services S.à r.l. as requested by the Financial Supervisory Authority (“FSA”), in terms of Chapter 10. FUND MANAGER REMUNERATION AND EXPENSES, in accordance with the supporting materials. Mrs. Ilinca von Derenthall, the Chairperson of the Board of Nominees is empowered (with authority to be substituted by another member of the Board of Nominees) to perform/sign any necessary, useful and/or opportune legal acts and deeds regarding the amendment of the mentioned Management Agreement for and on behalf of Fondul Proprietatea.”
- **To approve Point 3 on the OGM Agenda, respectively”** At the proposal of the Board of Nominees of Fondul Proprietatea:
 - (a) The approval of the increase of the gross monthly remuneration for each member of the Board of Nominees by ten (10) per cent, from RON 24,123 to RON 26,535.30, with effect from 16 November 2022 (the “Base Monthly Remuneration”).
 - (b) The approval of an additional fixed gross monthly remuneration for the Chairperson of the Board of Nominees and for the Chairpersons of the Audit and Valuation Committee and of the Nomination and Remuneration Committee, with effect from 16 November 2022, as follows:
 - (i) an additional fixed gross monthly remuneration of fifteen (15) per cent of the Base Monthly Remuneration, for the Chairperson of the Board of Nominees; and
 - (ii) an additional fixed gross monthly remuneration of ten (10) per cent of the Base Monthly Remuneration, for the Chairperson of the Audit and Valuation Committee and for the Chairperson of the Nomination and Remuneration Committee.

The additional fixed gross monthly remuneration for the Chairperson of the Board of Nominees and for the Chairpersons of the Audit and Valuation Committee and of the Nomination and Remuneration Committee shall be paid pro-rata for the period during which the member of the Board of Nominees holds the relevant position(s).

 - (c) The approval of an increased notice period in case of withdrawal from the position of member of the Board of Nominees, from the current fifteen (15) working days in advance to three (3) months in advance, applicable to each member of the Board of Nominees. Notwithstanding the foregoing, a shorter notice period may be accepted on a case by case basis where such is expressly required by the applicable law or by any relevant authority.
 - (d) The approval of the amendment of the Remuneration Policy of Fondul Proprietatea, as described in the supporting documentation, to reflect the changes contemplated by the items (a), (b), and (c) above.
 - (e) The approval of the amended template mandate agreement of the members of the Board of Nominees of Fondul Proprietatea to reflect the changes contemplated by the items (a), (b), and (c) above, in accordance with the supporting documentation. Mr. Johan Meyer is empowered to fulfil any legal acts or actions useful and / or appropriate with respect to this item on the agenda, including, signing any related documents such as addenda to the mandate

agreement for the implementation of this item.”

- **To approve Point 4.1. on the OGM Agenda, respectively”** he approval of the additional annual fees requested by Ernst & Young Assurance Services SRL with its headquarters in Bucharest, 15 -17 Ion Mihalache Blvd., Tower Center Building, 22nd Floor, 1st District, 011171, Romania, registered with the Trade Registry under no. J40/5964/1999, Sole Registration Number 11909783, as the financial auditor of Fondul Proprietatea, in accordance with the supporting materials, as follows:

4.1.EUR 8,500 net of VAT representing annual audit fees for the additional regulatory reporting (Remuneration Report compliance check and the reasonable assurance engagement for the ESEF Reporting); and”

- **To approve Point 4.2. on the OGM Agenda, respectively”** he approval of the additional annual fees requested by Ernst & Young Assurance Services SRL with its headquarters in Bucharest, 15 -17 Ion Mihalache Blvd., Tower Center Building, 22nd Floor, 1st District, 011171, Romania, registered with the Trade Registry under no. J40/5964/1999, Sole Registration Number 11909783, as the financial auditor of Fondul Proprietatea, in accordance with the supporting materials, as follows:

4.2.EUR 11,754 net of VAT representing additional annual audit fees for audit of the statutory financial statements.

- **To approve Point 5 on the OGM Agenda, respectively”** The approval of:
 - (a) The date of **8 December 2022** as the **Ex – Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 2 paragraph (2) letter (l) of Regulation no. 5/2018; and of The date of **9 December 2022** as the **Registration Date**, in accordance with Article 176 paragraph (1) of Regulation no. 5/2018, computed with the provisions of Article 87 paragraph (1) of Issuers’ Law.
As they are not applicable to this s OGM, the shareholders do not decide on the other aspects provided by Article 176 paragraph (1) of Regulation no. 5/2018 such as date of the guaranteed participation and the payment date.
 - (b) The empowerment, with authority to be substituted, of Johan Meyer to sign the shareholders’ resolutions, as well as any other documents in connection therewith, and to carry out all procedures and formalities set out by law for the purpose of implementing the shareholders’ resolution, including formalities for publication and registration thereof with the Trade Registry or with any other public institution.

Franklin Templeton International Services S.À R.L. in its capacity of alternative investment fund manager and sole director of FONDUL PROPRIETATEA S.A.

Johan MEYER
Permanent Representative