FONDUL PROPRIETATEA

To: **Bucharest Stock Exchange**

INFORMATION

Fund Manager's response to the Board of Nominees' public statement dated on the draft Management Agreement

Franklin Templeton International Services S.À R.L, (the "**Fund Manager**") as alternative investment fund manager and sole director of Fondul Proprietatea S.A. (the "**Fund**"), hereby publishes its response to the Public Statement of the Board of Nominees regarding the draft Management Agreement, as attached herein.

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

Daniel NAFTALI
Permanent Representative

Report date:
2 February 2026

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:
J2005021901408

Subscribed and paid-up share capital:
RON 1,664,407,948.32

Number of shares in issue and paid-up:
3,200,784,516

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

FONDUL PROPRIETATEA

Subject:
Clarifications on the negotiation process of the draft Management Agreement – Response to the BoN Letter

Date:
2 February 2026

Franklin Templeton International Services S.A.R.L. ("**Franklin Templeton**" or the "**Fund Manager**") has taken note of the public statement issued by the Board of Nominees („**BoN**") of Fondul Proprietatea S.A. ("**Fondul Proprietatea**" or the "**Fund**") dated 29 January 2026 as received by the Fund Manager from the BoN on 30 January 2026, regarding the draft Management Agreement proposed for approval by the General Meeting of Shareholders by the Fund Manager.

Franklin Templeton values its long-standing cooperation with Fondul Proprietatea and the continuous dialogue with the BoN and wishes to provide the following clarifications, in a spirit of accuracy, transparency and constructive engagement:

1. Throughout the negotiation process, Franklin Templeton engaged openly and in good faith with the BoN to reach mutually acceptable terms of the Management Agreement for a 4-year mandate. The negotiations covered both legal and commercial terms and involved several draft iterations.

2. At the request of the BoN, in order to facilitate alignment on the terms for a 4-year mandate, Franklin Templeton made several material concessions on both legal and commercial terms. These included, among others, the waiver of early termination damages clause; such clause was initially proposed by Franklin Templeton following the past years of uncertainty, with a view to ensure the Fund's required stability and negotiation leverage in the context of a potential transaction involving the stake held by the Fund in Compania Nationala Aeroporturi Bucuresti S.A. and a reasonable planning.

3. As per our understanding, on 22 January 2026 consensus was reached on the terms and principles of the Management Agreement to be submitted for shareholders' approval;

4. As communicated to the Fund's shareholders through the GSM Supporting Memo published on the Fund's website here – "FTIS Letter to Shareholders", after negotiations had concluded, on 23 January 2026, the BoN requested the publication of an announcement to launch a selection process for a new sole director and AIFM of the Fund. This request fundamentally changed the premises underlying Franklin Templeton's agreement to waive the early termination damages, which was based on the expectation of at least having some stability following a 4-year mandate appointment. Accordingly, Franklin Templeton informed the BoN, on the same day, that it would reintroduce the early termination damages clause, applicable only for the first 2 years of the mandate and later circulated the accordingly revised wording of the Management Agreement (while maintaining the rest of the concessions made by Franklin Templeton and the revisions implemented following the discussions with the BoN). Franklin Templeton's proposal is grounded on the same rationale as indicated above:
   - **ensuring stability of the Fund in the current context and providing a commitment to the Fund Manager to enable implementing a long term strategy. This would allow Franklin Templeton to continue to maximise value in the best interests of the shareholders of the Fund,**
   - **preserving Fund's negotiating leverage in case of potential major transactions (e.g. sale of the shares in C.N. Aeroporturi București S.A.),**

- **providing predictability for investors after an extended period of uncertainty,**
- **reasonable business planning.**

5. For the avoidance of any doubt, the draft Management Agreement proposed for GSM's approval represents **Franklin Templeton's proposal** for a 4-year mandate, prepared in good faith.

Franklin Templeton remains fully committed to a professional, transparent, and constructive relationship with the BoN and Fund's shareholders and to acting at all times in the best interests of Fondul Proprietatea and its shareholders.

Since the Fund's performance inception date* to 31 December 2025, Franklin Templeton's strategy delivered a total shareholder return of 1,340% for the Fund's shares and 495% for the Net Asset Value (NAV) in RON. The Fund's share price performance outpaced major global, regional, and local indices, including MSCI ACWI, S&P 500, STOXX Europe 600, MSCI Emerging Markets, and the Bucharest Stock Exchange indices during this period.

Over the past 15 years, the Fund contributed to attracting approximately USD 1.5 billion in new foreign portfolio investments into Romania and completed around 50 transactions with a total value of approximately USD 4.3 billion. These include the landmark listing of Hidroelectrica S.A., the largest IPO ever in Romania, the third largest on a stock exchange in Central Europe, and the largest IPO in Europe in 2023. At the same time, over RON 29.2 billion / USD 7.1 billion were returned to the Fund's shareholders through dividends, capital returns, and share buyback programs.

Franklin Templeton also supported the increased visibility and attractiveness of Romania as an investment destination through sustained engagement with the investment community, including thousands of meetings with investors, conference calls, and participation in roadshows and investor events.

** The Performance Inception date for the NAV is 31 December 2010 and for the Share Price is 25 January 2011*