

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

Current report according to Article 234 para. (1) letter k) 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 f) of the Code of the Bucharest Stock Exchange, Title II, Issuers and Financial Instruments.

Important events to be reported:

NOTICE OF THE COMMENCEMENT OF THE PROCESS TO CANCEL TRADING OF THE GDRS, AS WELL AS TO TERMINATE THE GDR DEPOSIT AGREEMENT

Franklin Templeton International Services S.Â R.L., in its capacity of alternative investment fund manager and sole director ("**AIFM**" or "**Fund Manager**") of Fondul Proprietatea S.A. ("**the Fund**"), would like to inform shareholders of the initiation of the cancellation of trading with respect to the global depositary receipts ("**GDRs**") from the Specialist Fund Segment ("**SFS**") of the Main Market of the London Stock Exchange plc (the "**London Stock Exchange**") (the "**Delisting**") and of the termination of the Deposit Agreement in respect of the GDRs dated 27 April 2015 between the Fund and The Bank of New York Mellon (the "**Depositary**") (the "**GDR Deposit Agreement**").

As announced on 2 December 2024 by Resolution no. 8 of 2 December 2024, the Extraordinary General Meeting of the Fund's Shareholders (the "**EGMS**") approved the Delisting with a majority of 96.27% of the total votes held by the shareholders present or represented at the EGMS. Following such Resolution of the EGMS, the Fund announces today the commencement of the process for the cancellation of trading of the GDRs representing ordinary shares of the Fund on the SFS of the London Stock Exchange.

The GDRs were admitted to trading on the Specialist Fund Market (as it was then called) on 29 April 2015. At that time, the GRDs listing on the London Stock Exchange was considered by the Company for the purpose of attracting additional demand for the Company's shares and to pursue potential benefits, such as broadening the foreign institutional investor base not active in Romania at the time, increased visibility of the Company, increased research coverage and potential valuation uplift. Since then, after an all-time high reached on 22 January 2016, the GDRs volume in issue has recorded a decreasing trend. As of 30 September 2024, GDRs accounted for only 2.70% of the Company's share capital, representing 96,138,500 shares, which the Company believes reflects a low level of investors' interest in the GDRs, which is corroborated with an increase in investors' interest in the Bucharest Stock Exchange.

As compared to 2015, the average daily trading value of the GDRs decreased by over 97% in 2024 to an average of USD 40,289 per day.

In light of the above, it appears that the GDRs listing on the London Stock Exchange has

Report date:
12 December 2024

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

Registered office:
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Bucharest, 011017

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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 1,849,342,164.28

Number of shares in issue and paid-up:
3,556,427,239

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

GDRs on London Stock Exchange

met its purpose as liquidity appears to have flowed back to the local market due to the broadening of the foreign institutional investor base active in Romania, which benefited the Company, the other portfolio companies of the Company and the Romanian capital market in general.

Against this background and considering also the ongoing regulatory compliance and administrative costs the Company incurs as a result of its London listing, the Company does not see the benefit of maintaining this listing. Consequently, the Company is now seeking the cancellation of the trading of its GDRs on the Specialist Fund Segment (the "**Delisting**").

As announced including via a Regulatory Information Service on 22 October 2024¹, the Company convened an extraordinary general meeting of its shareholders on 2 December 2024 to, amongst other things, approve the Delisting (the "**EGMS**"). The relevant resolutions to approve the Delisting were passed at the EGMS by a majority of 96.27% of the total votes held by the present or represented shareholders.²

An application has been made to the London Stock Exchange for trading in the GDRs to be cancelled, with effect from 25 April 2025.

The last day of trading in the GDRs on the London Stock Exchange is expected to be 24 April 2025.

The cancellation of the trading in the GDRs on the London Stock Exchange is expected to take effect at or about 8:00 am (UK time) on 25 April 2025.

Shortly after this announcement, the Company shall also serve a formal notice to the Depositary to terminate the GDR Deposit Agreement.

Further information on the actions to be taken by holders of GDRs in connection with the Delisting will be provided by the Depositary at least 90 days prior to the date of cancellation of the trading in the GDRs on the London Stock Exchange.

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

¹ <https://www.londonstockexchange.com/news-article/FP/convening-notice-of-the-2-december-2024-o-egsm/16727184>

² <https://www.londonstockexchange.com/news-article/FP/2-december-2024-gsm-full-text-resolutions/16793500>