

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

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

Important events to be reported:

Process for share capital increase of CN Aeroporturi Bucuresti

Franklin Templeton International Services S.À R.L., in its capacity of alternative investment fund manager and sole director (“**FTIS**”) of Fondul Proprietatea S.A. (the “**Fund**” / “**Fondul Proprietatea**”), hereby informs the market that CN Aeroporturi Bucuresti (“**CNAB**” / “**Bucharest Airports**”) called through the convening notice published in the Official Gazette of Romania Part IV no. 3873/20.09.2021 a General Shareholders Meeting that will take place on 25 October 2021 for the approval of a share capital increase with the land inside the Băneasa airport, brought as Romanian state contribution in kind to the company's capital. The proposed value for the share capital increase process is for RON 3,814,809,171.

Fondul Proprietatea already expressed its opinion strongly disputing the fundamentally flawed land valuation report, as the land valuation report carried out in 2021 attributes a very high value to the land, in spite of a previously approved valuation report from 2017, which had set the value of the same land at RON 269 million.

This huge discrepancy in valuation was created by the use of unrealistic and inaccurate commercial indicators in the disputed valuation report such as:

- The estimated traffic of 3,118,000 passengers / year, although Băneasa Airport provided the valuator with an estimate of 460,000 passengers / year, information ignored by the valuator. Băneasa Airport had around 25,500 passengers in 2019 (pre-pandemic year), which means the valuator overestimated more than 100 times the passengers' traffic, comparing Băneasa airport to City Airport London and City Airport Belfast.
- The estimated revenues of Băneasa Airport are 30 times higher than the average revenues of the airport between 2014-2020. In addition, it is important to note that the Băneasa airport has been loss making since 2014.
- The valuator did not include any estimated negative cash flows until the end of the forecast period, 2069. This implies the expectation that the terminal, the equipment, and the runway will not be repaired, changed, or modernized for almost 50 years.

Report date:
21 September 2021

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

Registered office:
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**Sole Registration Code with
the Trade Register Office:**
18253260

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

Subscribed share capital:
RON 3,749,282,292.08

Paid-up share capital:
RON 3,560,099,870.08

Number of shares in issue:
7,210,158,254

Number of paid shares:
6,846,345,904

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

Shares on Bucharest Stock
Exchange

GDRs on London Stock
Exchange

Fondul Proprietatea will use all legal available means to protect the interest of the Fund and its shareholders.

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

Johan MEYER
Permanent Representative

