

To:

BURSA DE VALORI BUCUREȘTI S.A.
AUTORITATEA DE SUPRAVEGHERE FINANCIARĂ

CURRENT REPORT 32/2023

According to Law nr. 24/2017 regarding issuers of financial instruments and market operations, ASF regulation nr. 5/2018 regarding the issuers of financial instruments and market operations and/or the Bucharest Stock Exchange Rulebook for Multilateral Trading System.

Date of report	23.10.2023
Name of the Company	NOROFERT S.A.
Registered Office	Bucharest Str. Lt. Av. Șerban Petrescu Nr. 20, Ground Floor, Room 1 and 2, District 1
Phone	0753 157 858
Email	investitori@norofert.ro
Registration nr. with Trade Registry	J40/4222/2000
Fiscal Code	12972762
Subscribed and paid share capital	6,859,152 lei
Total number of shares	17,147,880
Market where securities are traded	MTS AeRO Premium, symbol NRF for shares Bonds-SMT, symbol NRF25 for bonds

Important events to be reported: 2023 Consolidated Revenue and Expense budget adjustment

The management of Norofert S.A., hereinafter referred to as the Company, informs the market about the revision of the Consolidated Revenue and Expense Budget for the fiscal year 2023, approved by the Annual Ordinary General Meeting of Shareholders on 21.04.2023.

This adjustment follows a detailed analysis carried out by the Company's management regarding several factors that have influenced the agricultural sector since May 2023, generating a difficult situation that has surpassed any prediction based on historical data from the Romanian agribusiness.

The Revised Revenue and Expense Budget for 2023, as well as a comparison with the one approved in the Ordinary General Meeting of Shareholders in April of this year, is presented below:

Consolidated Revenue and Expense Budget for 2023 - Initial

Profit and loss account	Amount [RON]
Turnover	82,500,000
Operating expenses	66,000,000
Operational profit	16,500,000
Financail expenses	3,642,857
Gross result	12,857,143
Net result	10,800,000
Number of shares	17,147,880
Net earnings per share	0.62
EBITDA	17,926,253

Norofert S.A.

J40/4222/2000; CUI RO12972762

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Consolidated Revenue and Expense Budget for 2023 – Revised

Profit and loss account	Amount [RON]
Turnover	52,000,000
Operating expenses	44,720,000
Operational profit	7,280,000
Finanail expenses	4,358,418
Gross result	2,921,582
Net result	2,454,129
Number of shares	17,147,880
Net earnings per share	0.14
EBITDA	8,546,904

As previously communicated, the Company's policy of managing receivables risks resulted in a limitation of sales and, implicitly, a decrease in profit for the year 2023.

The financial situation of Romanian farms worsened in 2022. This trend continued in 2023 due to the succession of dry years and the impact of imports on grain prices in the absence of adequate measures to protect local agricultural production. Also, high temperatures and prolonged drought adversely affected crops sown at high costs in the fall of 2022 and spring of this year. This situation generated significant losses for farmers who obtained low and of poor quality harvests that could not cover the high costs of establishing the crops.

Throughout the year, the Company's management adopted a cautious policy in granting credit limits and kept the risk exposure for each farmer at acceptable levels, depending on each farmer's payment history. This is reflected in the debt recovery rate of over 95%, a level well above that recorded in the market. In addition, no loans were rescheduled, and the Company's financial situation was improved by repaying some loan facilities in the amount of 15 million lei.

The Company continued to strengthen its position in the market and maintained its commitment to invest in the year 2023, despite the difficult context. Investments focused on three major directions:

- Regarding the factory in Filipeștii de Pădure, investments were made in improvements to the production flow, through additional automation and the expansion of production capacities for special products based on microorganisms. These investments, worth 150,000 euros, have been finalised.
- The investment, of approximately 450,000 euros, in the construction of the laboratory for research and multiplication of bacteria, with an area of approximately 400 square meters, equipped with state-of-the-art equipment for the commercial multiplication and research of bacterial strains in order to develop new products is currently ongoing.
- Investments in the implementation of an irrigation system for 150 hectares at the farm in Zimnicea, estimated at 250,000 euros, are at the contracting stage.

The Company also maintains its announced dividend policy.

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PRESIDENT OF THE BOARD OF DIRECTORS

Popescu Vlad Andrei

Norofert S.A.

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