

2024 ANNUAL REPORT

NOROFERT S.A.

Listed company on the Bucharest Stock Exchange

Symbol: NRF / NRF29



NOROFERT

SOL SĂNĂTOS

PLANTE SĂNĂTOASE

NOROFERT SA

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The financial figures presented in the descriptive part of the report, expressed in millions of RON, are rounded to the nearest whole number and may lead to small differences in regularization.

The group's financial statements as of December 31st, 2024 were drawn up both on the basis of the **Romanian accounting regulations (RAS) and in accordance with the International Financial Reporting Standards adopted by the European Union ("IFRS-EU")**, in accordance with the requirements of the Order of the Ministry of Finance Public no. 2844/2016, with subsequent amendments for the approval of accounting regulations in accordance with the International Financial Reporting Standards adopted by the EU.

The financial statements for NOROFERT S.A. for the period between **January 1st, 2024 and December 31st, 2024** presented on the following pages **are audited**.



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CIFRE CHEIE 2024

LA NIVEL CONSOLIDAT

Conform RAS

Venituri din exploatare	↑ 52,55 mil. lei, creștere de 14% vs. 2023
Cifra de afaceri	↑ 45,28 mil. lei, creștere de 12,41% vs. 2023
EBITDA	↑ 9,65 mil. lei vs. 1,71 mil. în 2023
Profit operațional	↑ 7,07 mil. lei vs. 0,0037 mil. în 2023
Profit net	↑ 3,23 mil. lei vs. -3,94 mil. în 2023
Investiții	↑ 8,0 mil. lei, creștere de 93,70% vs. 2023
Marja brută din vânzări	↑ 15,618 % vs. 0,009% în 2023
Marja EBITDA	↑ 18,37 % vs. 3,72% în 2023

Conform IFRS

Venituri din exploatare	↑ 49,20 mil. lei, creștere de 17,97% vs. 2023
Cifra de afaceri	↑ 45,15 mil. lei, creștere de 25,89% vs. 2023
EBITDA	↑ 10,24 mil. lei vs. 0,88 mil. în 2023
Profit operațional	↑ 7,04 mil. lei vs. 0,23 mil. în 2023
Profit net	↑ 2,66 mil. lei vs. -3,67 mil în 2023
Investiții	↑ 8 mil. lei, creștere de 93,70% vs. 2023
Marja brută din vânzări	↓ 15,59 % vs. -0,65% în 2023
Marja EBITDA	↑ 20,45 % vs. 2,10% în 2023

MESSAGE FROM THE PRESIDENT

Key messages:

- Norofert returns to profit after a very challenging year for the Romanian agribusiness sector.
- The bacterial laboratory at the Filipeștii de Pădure plant and the irrigation systems at the Zimnicea Farm were the two investments that brought profitability back during turbulent times.
- In its first year, Norofert USA reached sales of RON 1 million and a net result of RON 341,000.

Dear Shareholders,

The year 2024 was intense, filled with challenges and ambitious projects for Norofert. Our strategy, focused on innovation, sustainability, and international expansion, demonstrated the company's resilience in a difficult agricultural context, marked by drought and low crop prices.

The agricultural sector was hit by a liquidity crisis, with many farmers struggling to meet their financial obligations to banks and distributors. It was a year in which the entire agribusiness chain was affected, and only the farms and the production and distribution companies with access to financing, thanks to a solid financial position, could remain in the market.

In 2024, we recorded a turnover of RON 45 million, up 12% compared to the previous year, supported by our core business and the expansion of operations in the United States. We achieved a profit of RON 3 million, compared to a loss in 2023. These results were driven by our agricultural input production and sales activities, stricter cost control, and the performance in the USA market. We believe that the results confirm the viability of our international expansion model. We maintained a high collection rate of over 90% thanks to a prudent risk management policy.

Investments in research and development remain fundamental to our strategy. The laboratory in Filipeștii de Pădure, where we invested over RON 3 million, is a center of excellence for microorganism multiplication and the production of raw materials for our products. Research is our main differentiator in Europe, which is why we plan to allocate RON 3 million annually to R&D until 2027. Additionally, we aim to periodically launch new solutions tailored to the evolving needs of farmers and the agricultural market. In 2024, we worked on developing our microorganism strain bank, an important step toward creating new products to address the Brazilian market.

At the same time, we continue the expansion of the irrigation system on the 1,000 hectares owned by the Zimnicea farm. We have already implemented pivot irrigation systems on approximately 500 hectares, preparing them for spring, and we have started measurements and design for an additional 200 hectares. This investment has proven its profitability and will contribute to stabilizing the company's cash flow.

The growth of our activity in international markets is a strategic priority for Norofert over the next three years. We have strengthened our presence in the USA with excellent results for the demo batches and expanded the sales team. We completed the production line in May 2024, with a production capacity of 8,000 liters/day. The activity focuses on soil health and foliar nutrition products, similar to those in Romania, using bacteria produced in the Filipeștii de Pădure laboratory. We distribute products in five states in the USA - South Dakota, North Dakota, Minnesota, Iowa, and Nebraska. I am pleased to present the results of the first financial year completed in the USA, where in the 8 months of activity since the factory was completed, we achieved a turnover of RON 946,922.

At the same time, based on the model from the USA, we signed a strategic partnership with the Brazilian group Engenutri and started the construction of a fertilizer factory in Brazil. The factory will have a daily capacity of 15,000 liters, will become operational in Q1 2025, and will serve a market with over 96 million hectares of arable land.

The Romanian agricultural sector needs real support to capitalize on its potential and align with the requirements of the international market. Although we hope for a better year, the signals from the EU economies are not the best, and at the international level, we are seeing changes in trade policies. Norofert remains committed to transparency and open communication with investors, and the support of our 3,000 shareholders is essential for our continuous development.

This year, on March 3rd, we celebrated 5 years of presence on the capital market, during which Norofert raised RON 14 million through capital increases and RON 18.5 million through two corporate bond issuances. The new corporate

bonds issued at the end of last year, NRF29, are traded on the AeRO market of the Bucharest Stock Exchange starting from January 27, 2025, following a public offering through which we raised RON 7 million.
We thank you for all your support and invite you to consult the detailed financial report for more information about the financial results achieved in 2024.

For any further questions, you can contact us at investitori@norofert.ro.

**President of the Board of Directors,
Vlad Andrei Popescu**

ABOUT THE COMPANY

SHORT HISTORY

2000

Norofert SRL is established as a company specialized in the import and distribution of fertilizers created with the help of advanced technology in Romania. Until 2010, Norofert was the first company to import and distribute organic fertilizers in Romania.

2015

After identifying an extremely attractive niche, that of organic farming, Norofert started producing its own organic fertilizers and selling them to local farmers.

2018

Norofert introduces the BioChain product line, which offers farmers a full spectrum of products that help them grow 100% organic.

2019

The company is raising RON 7.125 million in the fastest private placement of shares in the history of BVB up to that time, which closed in 6 hours. The raised capital was used to equip the factory and expand production capacity.

2020

In January, the company successfully closed the first private placement for corporate bonds and attracted RON 11.5 million from investors. On March 3, 2020, the company's shares debuted on the BVB, on the AeRO market under the symbol "NRF", and on June 5, 2020, the company's bonds debuted on the AeRO under the symbol "NRF25".

2021

In 2021, the company carried out an operation to increase the social capital through which it attracted RON 7.2 million, funds used to purchase a line of high-capacity solid soil fertilizers.

2022

The company made its first M&A by acquiring a 1,000 ha farm in Zimnicea, Teleorman county, put into operation a new line of granulated fertilizers for soil application and completed the acquisition of the production facility in Filipeștii de Pădure.

2023

The company invested RON 3 million in the launch of the first phase of the laboratory for research and multiplication of microorganisms for use in agriculture. The laboratory is located in the premises of the input factory in Filipeștii de Pădure.

2024

In February 2024, the Company completed the first stage of its research and microorganism multiplication laboratory for agricultural use. The laboratory is located within the input factory in Filipeștii de Pădure.

In March 2024, construction began on the input production line in Watertown, South Dakota, one of the most important agricultural areas in the USA. Production started in May and focuses on soil health and foliar nutrition products, similar to those in Romania, using bacteria produced in the Filipeștii de Pădure laboratory. In September 2024, it announced the expansion of operations in Brazil through a strategic partnership and the construction of a new factory in collaboration with the Brazilian group Engenutri.

NOROFERT'S STRATEGY IN R&D OF INNOVATIVE SOLUTIONS

Innovation and sustainable growth

Norofert's business model has been developed in successive stages, ensuring a complete journey from researching formulas and customized solutions to the production and distribution of products.

This integrated approach includes the following components:

- **Research of innovative solutions** within our own laboratory.
- **Production in our facilities, both in Romania and internationally**, and the sale of agricultural inputs.
- **Agricultural production** using our own solutions at the Zimnicea farm.
- **Distribution of organic inputs and those for conventional agriculture.**

The strategic objectives of Norofert are built upon two fundamental strategic pillars:

I. Development of adaptable solutions through continuous innovation

Norofert aims to develop adaptable solutions by launching at least three new patented biotechnological solutions in the next three years, utilizing our own research laboratory and collaborating with biotechnologists from University of Agronomic Sciences and Veterinary Medicine of Bucharest (USAMV) – Faculty of Biotechnology.

Norofert aims to achieve the goal of developing adaptable solutions through a series of well-defined actions:

Allocating RON 3 million annually, until 2027, for research and development. These investments are essential for creating innovative biotechnological solutions that improve agricultural productivity and protect the environment. Additionally, Norofert has established collaborations with research institutes and universities to develop new technologies and sustainable products.

To support these initiatives, investments are planned for the laboratory in Filipeștii de Pădure. This expansion will allow us to continuously develop new solutions and increase production capacity.

Furthermore, we aim to periodically launch new solutions tailored to the ever-changing needs of farmers and the agricultural market.

II. International expansion

Strengthening our presence in the U.S. and Brazilian markets, with the objective of achieving a 40% share of foreign markets in Norofert Group's turnover within three years.

The first step in this direction is to replicate the already validated successful model from the U.S. in new markets. In this context, we have announced the start of construction for a factory in Brazil, which will have a capacity of 15,000 liters per day, thereby continuing to implement the proven

model established in the USA. For the next two years, our priority will be to consolidate our business in the two foreign markets where we are present.

We are very pleased to see excellent results from the demonstration plots and positive feedback from farmers who have purchased and tested Norofert Ag LLC products. These steps give us confidence that we will have a successful sales season for our U.S. subsidiary. Additionally, we have announced the start of construction for a factory in Brazil, which will have a capacity of 15,000 liters per day, replicating the technical model already implemented in the USA.

Brazil offers a significant opportunity for our expansion, given the vast area of over 96 million hectares of arable land and the continuous growth of the market for special products for plant nutrition and microorganisms. We believe that geographical risk diversification represents a huge step we are taking to secure the business, and our presence in these two markets will reduce the risks associated with climate change that our region in Europe is experiencing.

The partnership between Norofert SA and Engenutri Brasil Group in the new company, Norofert do Brasil LTDA, comes after a year of analyzing the opportunities and potential of the Brazilian market. We believe that Norofert's technology can successfully penetrate this market, and the synergies between the two companies will make this collaboration a success. Engenutri Brasil Group has over 25 years of experience in the Brazilian agribusiness sector, and its technical and sales teams are already familiar with the products we will manufacture and market starting in mid-2025. Engenutri Brasil Group has an annual turnover of over \$30 million from the sale of specialty products based on bacteria and organo-mineral ingredients.

DESCRIPTION OF THE BUSINESS LINES

Norofert is the leader in regenerative agriculture research and one of the largest producers of inputs in Romania, in full development of production facilities to support sustainable agricultural practices, at an international level. Norofert demonstrates commitment to the goal of climate neutrality and the ability to innovate in an area crucial to the future of agriculture and food security.

With a mix of business lines, Norofert has developed in recent years its production capacities in the area of inputs and agricultural farming, lines that will see development in the coming years. With 65 products in its portfolio, the company caters to conventional and organic farmers, with a new niche of liquid conventional products in growing demand.

Since 2020, the company has been listed on the Bucharest Stock Exchange's AeRO market, and from October 2021, Norofert shares have been included in the BETAeRO index. During the five years of activity in the capital market, Norofert raised RON 14 million through capital increases and RON 18.5 million through a private placement of corporate bonds. The company's corporate bonds are traded on the AeRO market of the Bucharest Stock Exchange under the symbol NRF29 starting January 27th, 2025.

The **four business lines** in which the company operates are:



Production and selling of inputs



Microorganism research and multiplication lab



Organic Farming



Grain trading



PRODUCTION AND SALES OF INPUTS

Norofert's main activity is the development and production of its own input recipes for organic and conventional agriculture.

In addition to the range of 65 different products, grouped into 3 main lines, the company designs customized crop preparation and optimization schemes that allow the adaptation of organic inputs to the specific needs of the crop, depending on the soil, atmospheric conditions, and the particularities of each crop.

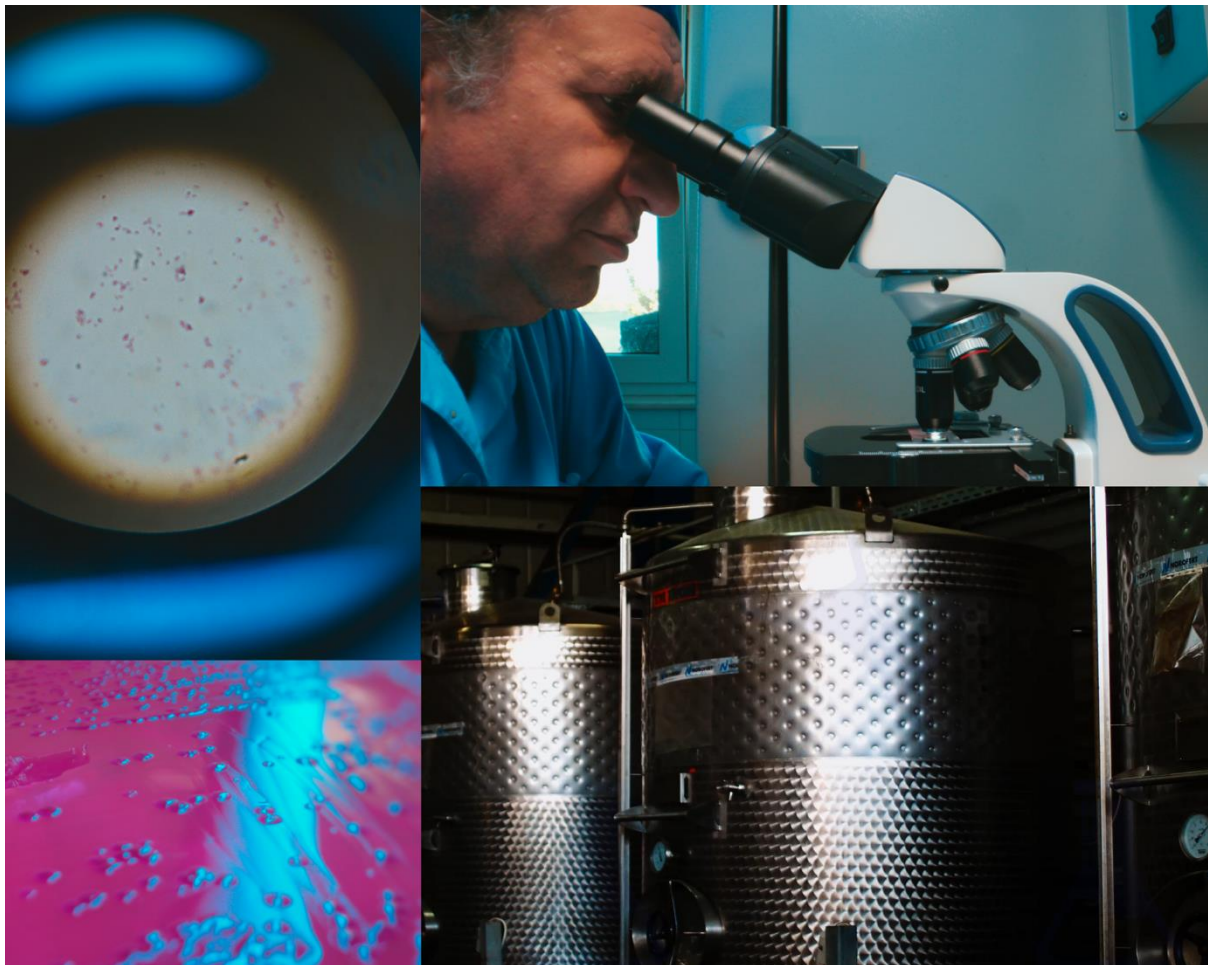


LABORATORY FOR RESEARCH AND MULTIPLICATION OF MICROORGANISMS FOR AGRICULTURAL APPLICATIONS

The company has operated, since 2023, a medium-sized laboratory for research and multiplication of microorganisms to support the adoption of ecological inputs in agriculture and the considerable reduction of the amounts of pesticides that must be applied to crops. The launch of the medium-sized laboratory in Q3 2023 represents the first phase of a larger project, in which the company has invested RON 3 million. The second phase of the project will begin towards the end of 2025, and the total investment in the laboratory will amount to over RON 6 million. This investment will allow us to supply raw materials (liquid bacteria and powder suspension) to our subsidiaries in the USA and Brazil, as the current capacity of the laboratory is insufficient to meet the growing demand for foreign markets.

The research and multiplication of microorganisms laboratory built by Norofert is the only laboratory of this type in Romania, and the element of uniqueness is the flexibility in the production of new derived strains to meet the challenges brought by climate change. Proprietary microorganisms, isolated and developed in the state-of-the-art laboratory, have the potential to provide innovative solutions in the fight against diseases and pests, while improving plant nutrition. Propagation of proprietary microorganisms is an essential step towards ensuring food security and developing a more sustainable agricultural system.

This laboratory has the capacity not only to produce but also to market customized micro-organisms adapted to the specific requirements of farmers. The team dedicated to this project embodies a valuable combination of skills, bringing together both talented engineers and specialized researchers. These professionals are an integral part of the team, both as Norofert employees and as external collaborators. Thus, the close partnership between experts within the company and specialists from various research fields strengthens the holistic and multidisciplinary approach of the project.



CULTIVATION IN ORGANIC SYSTEM

Another business line of Norofert is organic farming, with the company operating a 1,000-hectare farm in Zimnicea, Teleorman County.

Norofert uses this farm as a platform for best practices in organic farming. Additionally, the farm serves as a tool to demonstrate the operational and financial viability of organic agriculture to potential clients. Furthermore, at the farm, Norofert produces organic seeds, which are included in the technological packages sold to farmers in the next season.



As of the date of this financial report, Norofert has completed pivot irrigation systems for an area of approximately 200 hectares, with an additional 300 hectares to be completed by April 2025. Investment in irrigation is vital, and therefore, for 2025, we aim to irrigate another 200 hectares at the Zimnicea farm, bringing the total irrigated area to approximately 700 hectares. Investments in this area have already proven to be profitable, with a rapid payback period. For 2024, these investments showed their benefits in the farming business line results.

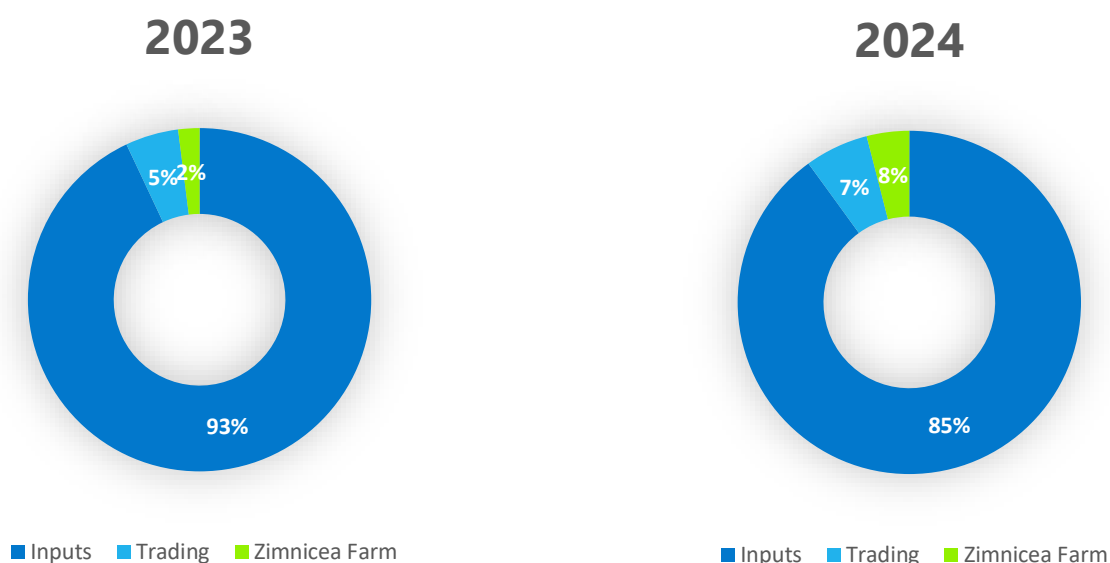
We believe that investments, regardless of the timing, will generate growth opportunities and distance us from the competition. We consider it essential to focus on improving irrigation efficiency, gradually increasing the irrigated areas until we can control water distribution across the entire 1,000-hectare area.

By utilizing advanced technologies, Norofert aims to optimize agricultural processes, increase yields, and reduce risks associated with variable weather conditions. This level of control and precision in resource management will contribute to achieving consistent and superior quality harvests, even in drought conditions or during periods of insufficient precipitation on the irrigated areas.

By combining the irrigation system with modern agricultural practices and advanced technology, the Zimnicea farm serves as a compelling example of how investment in irrigation can transform Romanian agriculture. It contributes to the sustainable increase of production and strengthens competitiveness in the agricultural market.



THE SHARE OF THE BUSINESS LINES IN TURNOVER



PRODUCT PORTFOLIO

Norofert Organics – inputs for organic farming

Norofert products can be used in organic farming because they contain NON GMO active substances allowed to be used in organic farming, in accordance with Reg. (CE) 1165/2021 Annex II, implementing Reg. (EC) 848/2018. Norofert ecological products are certified by the ecological certification body EcoCert France.

Norofert markets a complete range of products developed in its own laboratories, which comply with all European standards for organic farming and can cover all the needs of an organic crop, such as seed treatments, foliar fertilizers, fungicides, insecticides, biostimulators and soil fertilizers, as well as limiting absorption of heavy metals in vulnerable plants:

- fertilizers – substances applied to the soil or plant tissue with the aim of supplementing the essential nutrients for optimal plant development: foliar fertilizers dedicated to crop categories, granulated solid fertilizers for soil application, but also germination biostimulators for seeds;
- insecticides - substances with a role in combating pests - insects: insect-fungicide treatments for seeds, insecticides specifically dedicated to categories of pests;
- fungicides - processed organisms with a role in the extermination of parasitic fungi and their spores, preventing the degradation of crops: specifically dedicated fungicides, by disease category;
- insectofungicidal seed treatment – antimicrobial or fungicidal solution in which seeds are treated before planting to combat seed-borne diseases. This procedure reduces the amount of pesticides subsequently needed, with a positive impact on the environment;
- foliar treatments – the method of feeding the plant by applying a fertilizer directly on its leaf, allowing the absorption of essential nutrients;

- soil fertilizers - perform a fundamental role in agriculture, being the basis of any culture. They are applied at the beginning of each new agricultural cycle to ensure normal and healthy plant development.
- other products for specific needs, such as adjuvants for rapid synthesis, products for the decomposition of straw, regulation of the level of acidity of water, or products for the elimination of heavy metals, etc.

The catalog with all products from the Norofert Organics line can be consulted [HERE](#).



Norofert ORGANICS - Horticulture

The Organics Horticulture range of products covers all the needs of farmers active in the field of viticulture and fruit growing. The line takes into account all European norms regarding eco-conditionality and environmental protection, as well as the revolutionary decision prohibiting the use of neonicotinoids in agriculture. The entire range can be used in both organic and conventional farming, as the products are made from the best quality raw material and superior NON-GMO genetic material.

The products from the Norofert Horticulture line can be purchased [HERE](#).



Norofert FITO – hobby gardening line

Starting from 2019, Norofert also addressed the market niche of households concerned with the consumption of organic products from their own production of vegetables and fruits, respectively of people interested in gardening as a hobby (land under 1 ha). The line consists of 10 products and includes organic fertilizers, insecticides, and fungicides that can be used throughout the plant's vegetative cycle to ensure its complete health.

Available for purchase in the Norofert [STORE](#) or in the Kaufland store network.



Norofert Ready to USE

In 2021, the Company developed the Hobby Gardening product line by adding the Ready-to-Use Line, 500 ml bottles with direct plant spray, targeting home consumers who own decorative plants, who no longer need additional dilution for application.

Products from the Ready-to-Use line can be purchased [HERE](#).



NOROFERT GAME FOR CONVENTIONAL AGRICULTURE

POWER MIX

Power Mix is a line of conventional fertilizers with an innovative approach to improving production at low cost in a time of uncertainty. The idea behind this range is to provide effective and affordable solutions to meet the nutritional needs of plants while promoting healthy and sustainable crop growth.

- **Nutritional Efficiency:** Range Power Mix has been developed to provide crops with the essential nutrients they need to grow and develop optimally. Its formulas have been designed to ensure a controlled release of nutrients so that plants have access to quality nutrition throughout the growing season.
- **Sustainable Growth:** The Power Mix range promotes sustainable agriculture by providing fertilizers that help minimize soil nutrient losses
- **Maximizing Yield:** By using Power Mix, farmers can achieve higher and higher quality yields. The fertilizers in this range are based on a balanced formula of nutrients, which helps to maximize crop yields.
- **Save Time and Money:** Using Power Mix fertilizers can reduce the need for repeated application and increase resource efficiency. This means less time and money spent on fertilizer management.

The products from the Power Mix line can be purchased [HERE](#).



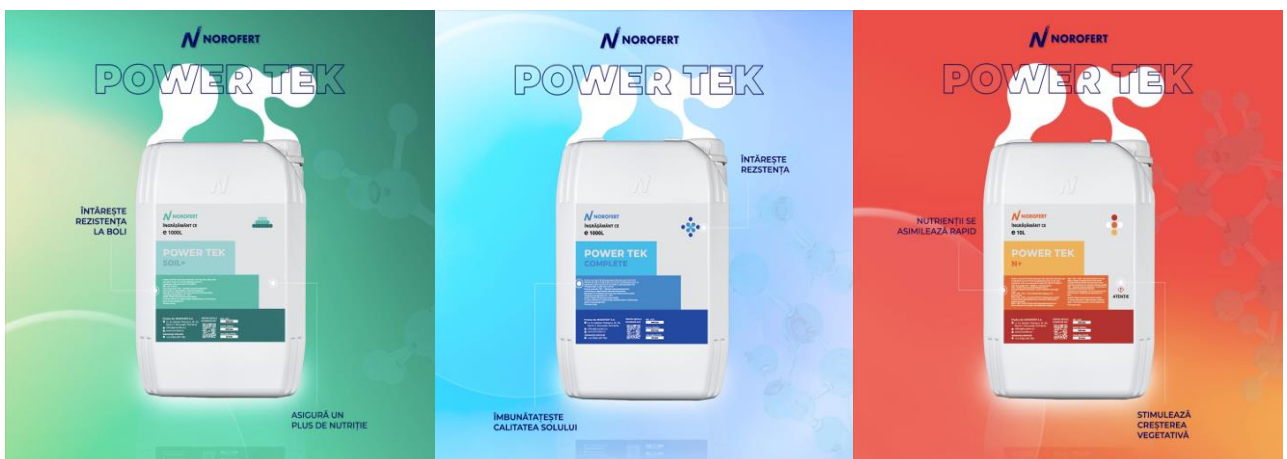
POWER TEK

Power Tek is a line of innovative conventional liquid fertilizers developed by Norofert, designed to revolutionize plant nutrition.

This line is adapted to local needs and the specifics of the local soil and climate.

- **Nutrition at the Root of the Problem:** Power Tek delivers nutrients directly to plant roots, ensuring precise and efficient feeding. This supports healthy and robust plant growth.
- **Uniform Distribution:** The application of liquid fertilizers by introducing into the soil guarantees the uniform distribution of nutrients, eliminating areas of under-feeding or over-feeding.
- **Ease of Application:** Power Tek is easy to apply and allows precise regulation of the amount, thus reducing wastage and saving resources.
- **Fast Absorption:** Liquid fertilizers are absorbed faster by plants compared to solid ones, ensuring immediate effective nutrition.
- **Flexibility in Application:** These fertilizers can be used before, during or after sowing, adapting to the specific needs of the crops.
- **Saving money and time:** But without compromises! Liquid fertilizers allow for an even distribution of nutrients in the soil, ensuring that each plant gets what it needs.

Products from the Power Tek line can be purchased [HERE](#).



RESEARCH-DEVELOPMENT AND OWN PRODUCTS

Norofert innovates through research and is an "agri-science" company specialized in sustainable crop protection technologies. With investments in the development of new formulas, including customized ones, and ecological products, the company has a solid portfolio of products to combat diseases and pests in agricultural crops. The goal is to become an important private research center in the field of biotechnology.

Norofert aims to strengthen its position as a national leader in the production of organic inputs and international expansion, through strategic investments, research, and innovation. The position of regional player for the range of soil health products is the goal for the next 3 years, and the steps Norofert is taking in this direction confirm the company's strategy.

In line with the European Union's priority of achieving climate neutrality by 2050, research and development contributes through innovation to the implementation of agricultural practices that reduce greenhouse gas emissions, optimize the use of resources and contribute to the resilience of agricultural systems.

Research and development of new products represent the main vector for growth in the medium and long term, they represent the strongest differentiator in a European market where the vast majority of producers only do blending and packaging, without having a Research Department in the company .

Research in the field of bacterial strains and beneficial fungi is at an early stage and the development directions are numerous, with the possibility of significant innovations at the European level, even from small producers such as Norofert.

In 2024, Norofert carried out research and development activities, which for the issuer means the development and improvement of its agricultural input formulations, creating products for the markets in the USA and Brazil.

The issuer does not capitalize research and development expenses in intangible assets.



DESCRIPTION OF ANY SIGNIFICANT MERGER OR REORGANIZATION OF THE ISSUER, ITS SUBSIDIARIES OR COMPANIES

The Norofert Group consists of 3 entities, with Norofert S.A. being the parent company and the following 2 subsidiaries:



The audited financial results for the year 2024, presented below, include the consolidated results of Norofert S.A., Agroprod CEV S.R.L., and NOROFERT AG LLC.

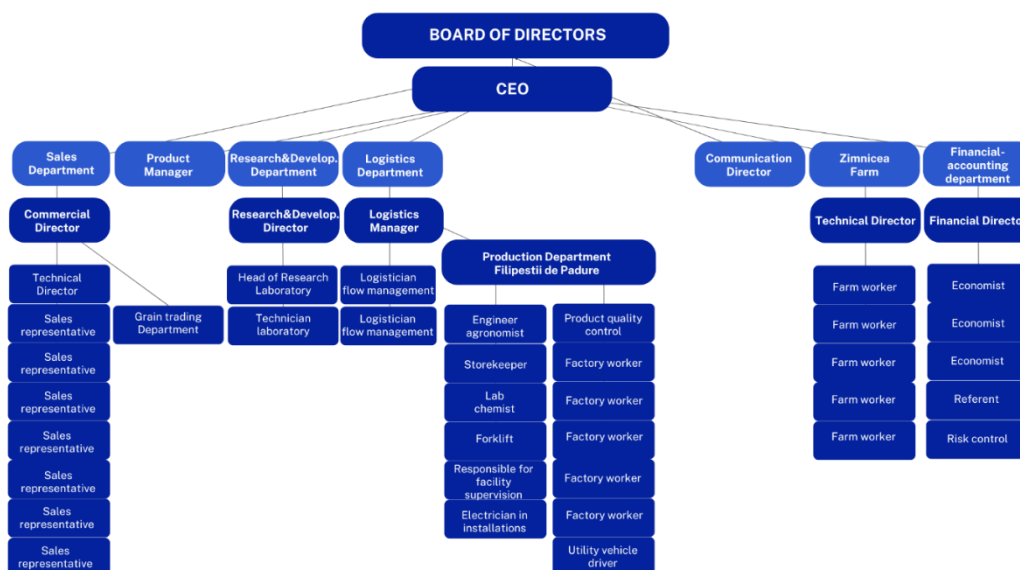
DESCRIPTION OF ACQUISITIONS AND/OR SELLING OF ASSETS

In 2024, agricultural machinery was purchased (irrigation system, tractors, bottling line, sprayers, fermenters, water softeners, seeders, cultivators, discs, trailers, etc.), with a value of RON 8 million. The value of asset disposals in 2023 amounted to RON 0.14 million.

EMPLOYEES

On December 31, 2024, the Norofert group had 39 employees.

The organizational relationships and the hierarchical-functional structure can be analyzed in the following organizational chart:



ADMINISTRATORS

Norofert S.A. is managed by a Board of Directors made up of 3 members, appointed by the Ordinary General Meeting of Shareholders, whose 4-year mandate will end on 29.06.2025.



Vlad Popescu

PRESIDENT



Alex Cristescu

MEMBER



Marius Alexe

MEMBER

Vlad Popescu, the President of the Board of Directors, held on December 31, 2023, 36.13% of the share capital of Norofert S.A.. He was remunerated in 2023 through an incentive plan approved by the GMS and salary. In the year 2024 the company will not implement any SOP program.

Alex Cristescu and Marius Alexe, Members of the Board of Directors, each owned on December 31, 2024, 0.25% and 12.19%, respectively, of the share capital of Norofert SA. They were remunerated in 2023 in their capacity as company administrators through an incentive plan approved by the GMS.

In the year 2024 the company will not implement any SOP program.

None of the members of the company's Board of Directors has been prohibited by a court from holding a position as a member of the Board of Directors or Supervisory Board of a company in the last 5 years, nor have there been any cases of insolvency, liquidation, bankruptcy or special administrative cases in any of the companies where the above persons were members of the board of directors or supervisors. In the last 5 years, there have been no disputes or administrative procedures in which the members of the Norofert S.A. Board of Directors have been involved in their context within the issuer, or regarding their ability to fulfill their duties within the company.

EXECUTIVE MANAGEMENT



Mircea Fulga
CHIEF EXECUTIVE OFFICER

Mircea Fulga joined the Norofert team in February 2020 as Director of Research and Development - Bio Division and coordinated the development of the organic inputs business line, through an effective program to convert farmers from conventional to ecological agriculture, an important vector of growth for the Company. In addition, Mircea contributed to the process of including organic grain trade in the service portfolio of the organic division within the company, thus offering customers the opportunity to capitalize on organic production at advantageous prices, with partners from Western Europe.



Andrei Sandu
DEVELOPMENT DIRECTOR

Andrei Sandu joined the Norofert team in January 2021 as Project Director and coordinated the development of the Biodanubiana cooperative and research projects with European funds. Starting from 2022, he holds the position of Development Director and coordinates the development of the organic inputs business line, as well as the development of the Biodanubiana cooperative, which offers an effective program for the conversion of farmers from conventional to ecological agriculture. In addition, Andrei Sandu is also in charge of the grain trading division within the company.



Marius Cristea
CHIEF FINANCIAL OFFICER

Marius Cristea joined the Norofert team in August 2023, as Financial Director, and coordinates the Financial-Accounting Department. Marius Cristea is a graduate of the Academy of Economic Studies and has over 16 years of experience in the financial and accounting field, including over 7 years in financial audit.

None of the members of the executive team has been banned in the last 5 years by the court from serving as a member of a board of directors or supervisor of a commercial company. In the last 5 years, there have been no cases of insolvency, liquidation, bankruptcy or special administration of commercial companies in which the executive members held positions in the board of directors or supervision. None of the executive members carry out a professional activity that would compete with that of the issuer.

ENVIRONMENTAL IMPACT

Norofert S.A. holds a full environmental permit for all production activities, issued by the Prahova National Agency for Environmental Protection. The production facility and equipment are new or upgraded and comply with environmental and occupational health and safety requirements.

Organic farming is an integrated farming system that aims for sustainability, increasing soil fertility and biological diversity, while prohibiting, with rare exceptions, the use of synthetic pesticides, antibiotics, synthetic fertilizers, genetically modified organisms and growth hormones. For all its production lines, Norofert uses only natural ingredients, raw materials of plant and animal origin, without having a negative impact on the environment. There are no environmental protection disputes.

The use of chemicals in agriculture has devastating results over time. For example, the use of chemical pesticides in agriculture contributes to the pollution of soil, water and air, to the loss of biodiversity. It can also harm plants and all animals.

Another problem pointed out by the European Council is the excess of chemical nutrients (nitrogen and phosphorus in particular) in the environment. All these excess nutrients are no longer effectively absorbed by plants, making this another major source of pollution. The Commission is aiming for a reduction of chemical fertilizers by at least 20%, ensuring that there is no deterioration of soil fertility.

Organic farming, although it remains a topic of interest among Romanian farmers, offers many advantages for producers, consumers and nature. Through natural soil fertilization, greater biodiversity and lower production intensity, eco-farming contributes to plant health and reduced use of crop protection products.

In 2022, Norofert published the first Non-Financial Sustainability Report - Environmental Impact and ESG for 2021. The report is composed of two parts: the first documents the positive impact on the environment, generated by the company's business model, and the second refers to the Environmental, Social and Corporate Governance (ESG) rating report. The company was classified in the chemical industry, the agro-chemical sub-industry, where, for the first year of ESG rating, it received a score of 35.8, thus being ranked 17th out of 56 companies internationally.

The full report can be accessed [HERE](#).



NOROFERT GROUP

**prima companie
de pe AeRO
cu scor ESG
pe BVB Research Hub**

Simbol bursier NRF

**BURSA
DE VALORI
BUCUREȘTI**

AeRO
Listed Company

KEY EVENTS

NOTE 10 ON VEKTOR BY ARIR FOR COMMUNICATION WITH INVESTORS

In January 2024, ARIR (The Romanian Investor Relations Association), the promoter of the Investor Relations (IR) concept, published the results of VEKTOR by ARIR for 2023, the indicator that measures communication with investors for listed companies. For the second consecutive time, Norofert achieved VEKTOR by ARIR 10.

THE START OF THE CONSTRUCTION OF A PRODUCTION LINE FOR INPUTS IN WATERTOWN, SOUTH DAKOTA

In March 2024, Norofert began the construction of a production line for inputs in the city of Watertown, South Dakota, one of the most important agricultural regions in the USA. The production will focus on soil health and foliar nutrition products, similar to those in Romania, using bacteria produced in the laboratory in Filipeștii de Pădure. The investment in assembling the production line for inputs amounts to EUR 250,000 and will be carried out through Norofert AG in partnership with Gary Lamb, an entrepreneur with over 30 years of experience in agribusiness in the Midwest, with extensive knowledge of the local market and farmers.

THE SIGNING OF THE FIRST DISTRIBUTION CONTRACT FOR 3 STATES IN THE USA

In April 2024, Norofert signed a distribution agreement with one of the most important distributors in Watertown, South Dakota, USA. The distribution agreement covers the regions of South Dakota, North Dakota, and Minnesota. Norofert's project to access the U.S. market began in 2020, during which the company made significant steps, such as the approval of a product range, certified field tests, and the creation of a product portfolio with growth potential in the American market. As of the reporting date, the fertilizer production line is fully automated, and thus, the company will have a reduced number of employees in its first year of operation.

ORDINARY AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

On April 29, 2024, the Ordinary and Extraordinary General Meeting of Shareholders of Norofert S.A.

took place. The most important aspects voted by the shareholders were the approval of the transfer of the subsidiary Norofert USA LLC from the state of Ohio to the state of Delaware, the partnership of the Norofert USA LLC Delaware subsidiary with Gary Lamb to form the Norofert Ag LLC company in South Dakota, with the purpose of building a factory in the USA for expansion into the American market, the issuance of non-convertible corporate bonds with a buyback option before maturity, with a maximum value of euro 3,500,000, with interest payable quarterly or semi-annually, and the formalities for the listing of the issued bonds on the multilateral trading system managed by the Bucharest Stock Exchange, the method of allocation of net profit for the year. The full text of the resolutions can be consulted [HERE](#).

ORGANIZATION OF A VIDEO CONFERENCE FOR THE PRESENTATION OF THE FINANCIAL RESULTS FOR THE FIRST QUARTER OF 2024

On June 5, 2024, the company organized a videoconference to present the financial results for the first quarter of 2024.

The recording of the videoconference can be watched [HERE!](#)



PARTNERSHIP WITH IFC FOR SUPPORTING SUSTAINABLE AGRICULTURAL PRACTICES AND COMBATING CLIMATE CHANGE

In September 2024, Norofert informed the market about the partnership with IFC through which it benefited from the expertise of IFC to advance environmentally friendly agricultural practices and promote the benefits of organic farming among key stakeholders, farmers, and credit institutions. The collaboration with IFC supports Norofert in conducting comparative research to evaluate the impact of microbial inputs in soil on carbon emissions and CO2

sequestration, comparing various agricultural technologies, including conventional ones, no-till farming technologies, and the use of cover crops (one of the most effective methods of reducing soil degradation).

EXPANSION OF OPERATIONS IN BRAZIL THROUGH A STRATEGIC PARTNERSHIP

On September 9, 2024, the company announced the expansion of its international presence by entering the Brazilian market through a strategic partnership. The establishment of the new entity, **Norofert Brasil LTDA**, represents an important step in the company's strategy to bring its advanced technology to one of the largest agricultural markets in the world.

The factory in Brazil will have a capacity of 15,000 liters per day, replicating the model already implemented in the USA. Brazil offers a significant opportunity for our expansion, considering the vast area of over 96 million hectares of arable land and the continuous growth of the market for specialty products for plant nutrition and microorganisms.



APPROVAL OF THE BOARD OF DIRECTORS OF A PUBLIC OFFERING FOR THE SALE OF CORPORATE BONDS

In October 2024, the company announced the approval by the Board of Directors to conduct a public offering for the sale of corporate bonds, with a value of up to RON 15 million. This decision comes as part of the company's strategy to attract additional funding for investments in the expansion of the irrigation system at the Zimnicea farm and for its activities in the foreign markets of the USA and Brazil, where the company has been active since 2024.

NOROFERT ORGANIZED AN INVESTORS DAY EVENT

On September 30, 2024, over 20 investors and stakeholders from the capital market attended Norofert's Investors Day. The event was organized at the Faculty of Biotechnology at USAMV Bucharest, with which the company developed a valuable partnership that provides us with scientific expertise and university resources.

The most important moments from Norofert's Investors Day can be watched [HERE](#).



ISSUANCE OF THE CERTIFICATE OF REGISTRATION FOR NOROFERT BONDS - NRF29

In December 2024, the Financial Supervisory Authority issued the certificate of registration of the financial instruments no. OB 6043-1/24.12.2024 for the purpose of admission to trading on the Multilateral Trading System managed by BVB for the bonds issued by Norofert S.A.

EVENTS REGISTERED AFTER THE END OF THE REPORTING PERIOD

BOND PAYMENT, SYMBOL NRF25

In January 2025, Norofert repaid the principal of the bonds maturing in 2025, with a total value of RON 11,500,000.

LISTING OF THE NEW NRF29 BOND ISSUANCE

In January 2025, Norofert listed a new bond issuance worth RON 7 million on the Multilateral Trading System of the Bucharest Stock Exchange. This is the company's second bond issuance listed on the stock exchange, the first issuance, worth RON 11.5 million, with a fixed annual coupon rate of 8.5%, payable semi-annually, reaching maturity in January 2025.

VEKTOR by ARIR 10 FOR THE COMMUNICATION WITH INVESTORS

In January 2025, ARIR (The Romanian Investor Relations Association), the promoter of the Investor Relations (IR) concept, published the results of VEKTOR by ARIR, the investor communication indicator for listed companies. For the third consecutive year, Norofert achieved a VEKTOR by ARIR score of 10 for investor communication.

THE COMPANY'S FINANCIAL CALENDAR FOR 2025

Event	Date
Publication of the Board of Directors Report 2024	28.03.2025
Videoconference for the presentation of the financial results for 2024	08.04.2024
Annual General Meeting of Shareholders	05/06.05.2025
Publication of the Annual Financial Report 2024	30.04.2025
Publication of Q1 2025 Financial Report	23.05.2025
Publication of H1 2025 Financial Report	26.09.2025
Videoconference for the presentation of the financial results for H1 2025	30.09.2025
Publication of Q3 2025 Financial Report	26.11.2025

OPERATIONAL ACTIVITY OF THE COMPANY IN 2024

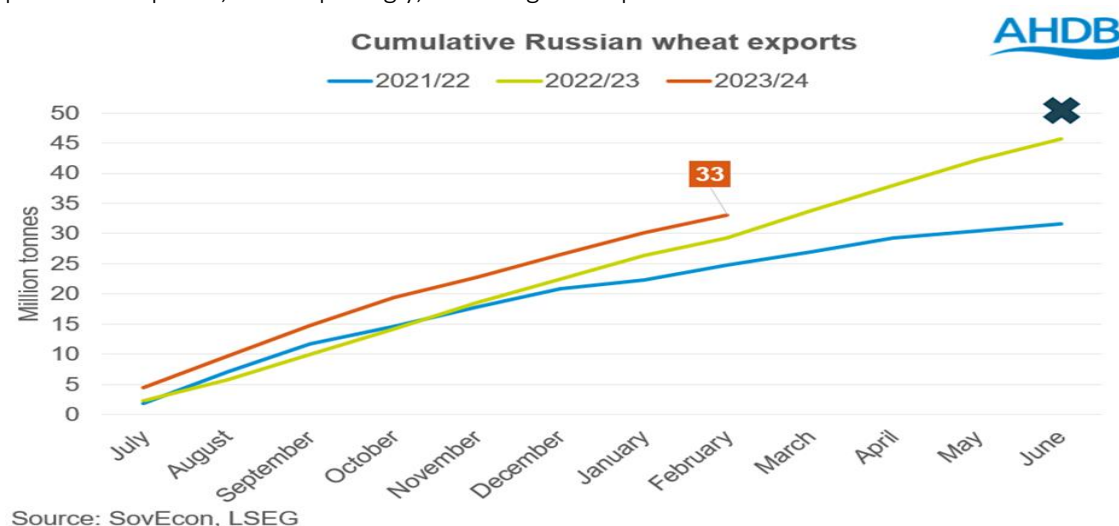
The Romanian agricultural cycle is divided into two main seasons, each having a different influence on the company's financial performance:

- **Spring campaign** – takes place from February to May, with peak activity in March and April; it is the season for sowing sunflower, corn, peas, and soybeans, as well as applying treatments for wheat, barley, and rapeseed sown in the fall, which have emerged from the winter (meaning they have grown and survived the winter season). The harvesting of these crops takes place in the same year, in September and October, and payments from farmers are collected in the October-November period.
- **Autumn campaign** – takes place the following year, in July, and generally, payments from farmers are collected between August and October, with peak activity from mid-September to the end of October; this is the period for sowing wheat, barley, and rapeseed. These crops are harvested in September.

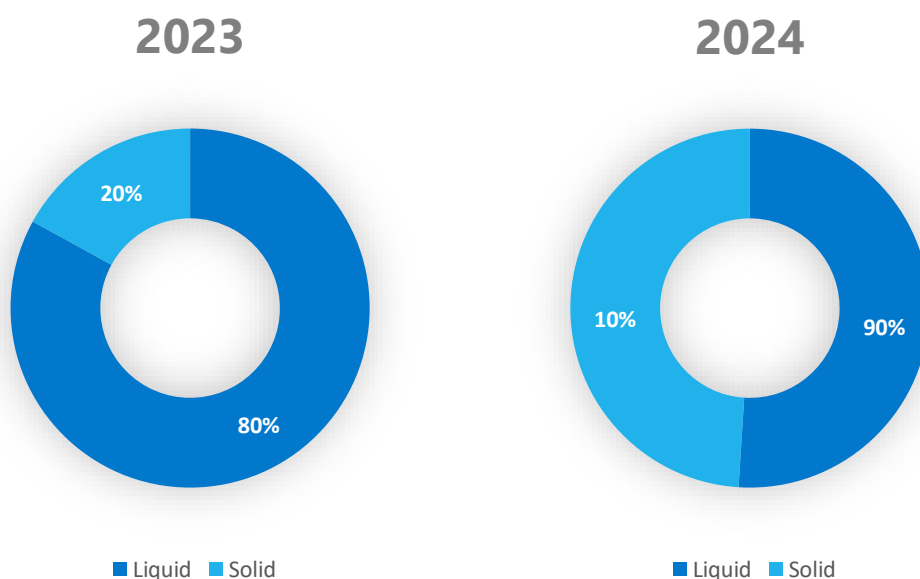
Sales of solid fertilizers experienced a significant decline in 2023 and 2024 due to the lack of liquidity among farmers and the high cost of this category of fertilizers. Many farmers reduced or even eliminated the quantities of solid fertilizers in the treatments they applied in the field because of the record prices these fertilizers reached starting from the fall of 2022 and continuing into Q3 2023.

Sales for the Hobby Line, both for Norofert's own-brand production and for our partners: Kaufland, Dr. Soil (with products under their own brand in Leroy Merlin).

Grain trading accounted for only 8% of the turnover. Norofert has avoided trading in large quantities of grain for 2024 due to the volatility of the grain market, fluctuating prices, all caused by the imbalances brought about by the war in Ukraine. Due to the war, Romania has become a transit and sales country for cheap Ukrainian grain, with Romanian authorities being unable to find solutions to protect farmers. This issue is also present at the European level, where not only Ukrainian grain has put pressure on prices, but surprisingly, Russian grain imports are also on the rise:



WEIGHTS OF LIQUID SALES VS SOLID SALES



OUTLET MARKET

In 2023, the main sales market for Norofert products was Romania, with different distribution channels for each of the 3 business lines. Externally, the company has signed an exclusive distribution agreement with a company from the Republic of Moldova for a period of 4 years starting on 11.02.2022.

Product Ranges Organics, Horticulture, Power Mix, and Power Tek reach large agricultural farms through the Norofert sales team. The Hobby Gardening range is distributed through the Kaufland store chain and is also available in their own store at <https://www.norofert.store.ro>.

As a result of the launch of the organic soil fertilizer production line in 2022, the company has managed to expand both in the organic agriculture niche and in conventional agriculture. Until the installation of this line, Norofert had a limited portfolio of soil fertilizers, which could not reach its full potential due to the lack of a high-capacity production line. However, by purchasing and installing this new line, the company is now able to meet the growing demand. For 2024, the solid fertilizer production line operated in stages due to the weak demand for soil fertilizers, but this was offset by the increasing demand for liquid NPK fertilizers for soil application.

Following this investment, Norofert became the largest producer of ecological soil fertilizers in Romania. Through this own production line of organic soil fertilizers, Norofert has a unique competitive advantage over all other players present in Romania.

Regarding sales by product category, they are presented as follows:

Sales by product category (% of total sales)	2022	2023	2024
Fertilizers	44%	42%	45%
Biocontrol products	24%	13.50%	18%
Seed treatment	2%	2.50%	2%
Special products	10%	25%	30%
Soil fertilizers	20%	17%	5%

PERCENT OF MARKET OWNED

On a market for phytosanitary products and organic fertilizers valued at 10-12 million euros, Norofert has an approximate market share of 30%, estimated by reporting the number of hectares of organic crops for which the phytosanitary/organic fertilizer requirement was covered by Norofert sales to the total number

of hectares of agricultural crops on which ecological inputs are applied. According to the expectations of the Norofert management, considering the fact that, at present, phytosanitary products and foliar fertilizers are sold almost exclusively on this market, the increase in the production capacity and sale of organic soil fertilizers will contribute to the consolidation and amplification of the competitive position.

In Romania, three relevant local producers of inputs for organic farming stand out: Agricovert S.A., Romchim Protect SRL, and Norofert S.A. However, Norofert's target market is significantly addressed by foreign producers through local importers and distributors of both organic and conventional inputs, such as Naturevo SRL, Biochem SRL, Alcedo SRL, and Agricovert SA.

Although Norofert is the leader on the organic fertilizer market in Romania, it has little recognition on the conventional agricultural market, where it has to compete with both local and international companies, including important players such as Lebosol or Interomag Polonia.

Competitive advantages of Norofert in the profile market:

- Fair prices, aligned with the conventional market;
- Long-term lending (180 – 280 days);
- The full range of products;
- Innovative products;
- National coverage through partner distributors;
- Immediate availability of products;
- Delivery in 24-48 hours through specialized services;
- The possibility of purchasing part of the production from customers in compensation for the debt;
- Integrated pre/post-sale services;
- Specialized consultancy, both in the agricultural technical field and in the field of legislation;
- Membership of professional associations in the field;
- Brand and product awareness.

EXPORT

BRAZIL

Norofert is expanding its international presence by entering the Brazilian market. The establishment of the new entity, Norofert Brasil LTDA, is an important step in the company's strategy to bring its advanced technology to one of the largest agricultural markets in the world. Norofert has partnered with Engenutri Group, a top player in agribusiness with over 25 years of experience in providing innovative solutions for plant nutrition and protection, to build a factory and distribute products in Brazil. The assembly of the production line in Brazil will begin in November 2024 and will replicate the successful technical model implemented in South Dakota, USA. Brazil offers a significant opportunity for our expansion, considering the vast area of over 96 million hectares of arable land and the continuous growth of the market for specialty products for plant nutrition and microorganisms. We aim to be recognized in the markets where we operate for innovation in the use of biotechnology and the development of efficient, tailored agricultural solutions, and our investments in this direction are beginning to yield results. The partnership with Engenutri Group, renowned for its expertise in bacterial-based products, will enable us to bring Norofert's technology to Brazil, replicating the successful model implemented in the USA. In the first phase, we will approve 16 products under the Norofert brand for this new market. The project to access the Brazilian market began in August 2023, and the company Norofert Brasil LTDA was established this year. The new entity is 50% owned by Norofert S.A. and 50% by Engenutri Group, which has a turnover of EUR 30 million, and is part of the PH2 Participações holding.

US

The project to access the US market by the company started in 2020, and although it was delayed due to the pandemic, during this period, important steps were taken, such as the homologation of a product range, certified field tests and the creation of a product portfolio with growth potential in the US market.

The company's management also explored various market entry routes, including participation in agricultural fairs as well as discussions with local representatives and distributors. In the end, attracting a local partner proved to be the strategic decision through which Norofert can reduce its operational risks and which will generate the most benefits for the company's shareholders.

Thus, at the time of drafting this financial report, the company announced the start of construction of a production line for agricultural inputs in Watertown, South Dakota, one of the most important agricultural areas in the U.S. The production will focus on soil health and foliar nutrition products, similar to those in Romania, using bacteria produced in the Filipeștii de Pădure laboratory. The investment in assembling the agricultural input production line amounts to EUR 250 thousand and will be carried out through the Norofert AG company in partnership with Gary Lamb, an entrepreneur with over 30 years of experience in the agribusiness sector in the Midwest, with extensive knowledge of the local market and farmers.

Norofert products are at the technological standard that a market like the US demands. The production line is located in a rented space, and the automations that have been implemented will allow the company to maintain a small number of employees.

JORDAN

In August 2023, the company signed a memorandum with Manaseer Fertilizers & Chemicals, the largest input distributor in the Hashemite Kingdom of Jordan and producer of conventional fertilizers for the distribution of agricultural inputs produced by Norofert in all markets to which the distributor has access. At the time of writing this financial report, tests are still being carried out to find the best formulation for area-specific crops.

REPUBLIC OF MOLDOVA

In February 2022, Norofert concluded a distribution agreement with a company based in the Republic of Moldova. We are already in the second year of collaboration with this company, and the deliveries of Norofert's own goods to the Republic of Moldova exceed RON 2 million annually.

ASSESSMENT OF THE TECHNICAL-MATERIAL SUPPLY ACTIVITY (INDIGENOUS SOURCES, IMPORT SOURCES)

The raw material used by Norofert for all product ranges has a ratio of 70/30 in favor of domestic sources. Apart from products that cannot be manufactured or extracted in Romania (vegetable amino acids from soy, phosphate rock, potassium sulfate, etc.).

Price fluctuations for the main imported raw materials are not significant, not being considered commodities. There is, in the last 5 years, an average fluctuation of +/-5% for amino acids or phosphate rock, with the highest fluctuation recorded in 2023, where logistics costs have caused some raw materials to have their price increased by as much as 12%.

However, the price variations for many of the raw materials, products and auxiliary goods (bags, cans, etc.) are noticeable with the beginning of the Russian invasion in Ukraine, the problems on supply flows affecting the entire agribusiness chain, together with significant price increases.

Raw materials are purchased 3 months before the start of the agricultural season to allow a comfortable production time. Depending on the forecasts, the production flow is adapted and products that cover 70% of the forecasts are put into production. During the campaign, depending on pedo-climatic conditions and/or pest or disease attacks, spot orders are produced, mostly of biocontrol products.

The main suppliers of seeds and conventional pesticides, used for the sale of technology packages with foliar fertilizers, are local importers and distributors. Norofert has not developed dependent relationships with a single supplier, and the classification below varies from year to year. The company chooses its suppliers primarily based on the quality of the products, but also on the competitive price-quality ratio, which ensures the integrity of the Norofert formulas.

CORPORATE ASSETS OF THE ISSUER

The company carries out production activities in the factory in Filipeștii de Pădure (Prahova county), established in August 2019 and acquired in 2022, where there are 3 production lines of organic fertilizers - liquid, solid, effervescent pills, and operates a research laboratory and multiplication of microorganisms for use in agriculture.

Filipeștii de Pădure Factory

The factory in Filipeștii de Padure has an area of 2,400 square meters for production, equipped with 2 cranes of 2.5 tons each and storage racks, a concrete platform of 5,000 square meters, office spaces of 150 square meters, and storage spaces of 600 square meters.

Zimnicea Farm

The company's farm in Zimnicea covers an area of 1,000 hectares cultivated under organic farming conditions. In addition, the farm has 22,000 sqm of concrete yard and urban land, approximately 3,000 sqm of warehouses, as well as a full range of agricultural equipment sufficient to operate 1,800+ hectares of land, thus allowing scalability. All agricultural equipment is no older than three years and is in normal wear and tear condition.

The irrigation system at the Zimnicea Farm has a net book value of approximately EUR 1 million, with depreciation starting in mid-2024.

Headquarters in Bucharest

For the purpose of carrying out daily activities, Norofert also owns assets such as laptops, computers, mobile phones, multifunction printers, as well as furniture items. All of these are located at the company's workplace in Str. Justitiei 63, Bucharest.

The degree of wear and tear of the issuer's properties

The degree of wear and tear of the properties owned by the company does not raise significant problems on the performance of the activity. IT equipment owned by the company has a degree of physical wear specific to office activity - low.

Specifying potential issues related to ownership of the issuer's tangible assets

There are no problems regarding the right of ownership of the tangible assets owned by the company at the factory in Filipeștii de Padure and at the headquarters in Bucharest, since the goods are fully owned by the company, they are not rented.

EVOLUTION OF NRF SHARES ON THE BUCHAREST STOCK EXCHANGE

Norofert shares debuted on the SMT segment of the Bucharest Stock Exchange on March 3, 2020, under the symbol NRF, with a market capitalization of RON 20 million. On December 31, 2024, the company had a market capitalization of RON 62 million, almost 3 times higher than the value at the listing, and a shareholder base of over 3,000 investors.

The total value traded with NRF shares during 2024 was **RON 6,727,725**, with **5.772 transactions**.

On 31.12.2024, Norofert's shareholding structure was as follows:

Shareholder	Number of shares	% of the share capital
Popescu Vlad Andrei	6,280,175	36.1320%
Individuals	6,382,369	36.7199%

Ileana Popescu	2,423,141	13.9411%
Alexe Marian Marius	2,117,999	12.1856%
Legal persons	177,531	1.0214%
TOTAL	17,381,215	100%

DIVIDEND POLICY

The Board of Directors of Norofert S.A. declares that the Company undertakes to comply with the Principles of Corporate Governance applicable to issuers whose securities are traded on the multilateral trading system administered by the Bucharest Stock Exchange SA as system operator.

In accordance with the previously stated principles, the company undertakes to adopt a dividend policy, as a set of directions regarding the distribution of net profit, which the Company declares that it will respect. Consequently, the Company's Board of Directors enunciates the following relevant principles with reference to the dividend policy:

- The Company recognizes the rights of the shareholders to be remunerated in the form of dividends, as a form of participation in the net profits accumulated from exploitation as well as as an expression of the remuneration of the capital invested in the Company.
- Norofert SA is a growth company with great development potential and aims to achieve a balance between rewarding shareholders and maintaining access to the capital needed for development. In this sense, the Board of Directors proposes to reward investors through a hybrid dividend policy model, which includes either the distribution of free shares or the distribution of cash dividends. The cash dividend policy with annual increase can be temporarily modified in the AGM by the management's proposal in exceptional situations of economic crisis, liquidity, force majeure and in compliance with the prudential principle.
- The proposal regarding the distribution of dividends, in the form of free shares or cash, including the distribution rate, will be made by the Company's Board of Directors. The decision regarding the approval of the distribution of dividends belongs to the General Meeting of Shareholders, adopted in accordance with the law.

Any change in the Company's dividend policy will be communicated to investors in due time.

This policy will be revised by the Company's Board of Directors whenever relevant additional information regarding the distribution of dividends intervenes. This policy is available on the Company's official website, www.norofert.ro, Corporate Governance section.

PROPOSAL FOR PROFIT DISTRIBUTION

At the end of 2024, the company recorded a profit, part of which will be allocated to legal reserves, part to cover retained losses from previous years, and the remaining amount will be distributed according to the decision of the General Meeting of Shareholders (GMS).

DESCRIPTION OF ANY ACTIVITIES OF THE ISSUER TO PURCHASE ITS SHARES

This is not the case – the issuer has not conducted such operations in the last 4 years.

IF THE ISSUER HAS SUBSIDIARIES, SPECIFICATION OF THE NUMBER AND NOMINAL VALUE OF THE SHARES ISSUED BY THE PARENT COMPANY OWNED BY THE SUBSIDIARIES

None of the affiliated companies own shares or bonds issued by Norofert S.A..

IF THE ISSUER HAS ISSUED BONDS AND/OR OTHER DEBT SECURITIES, PRESENTATION OF HOW THE ISSUER WILL PAY ITS OBLIGATIONS TO THE HOLDERS OF SUCH SECURITIES

On January 21, 2020, Norofert SA successfully closed the first private placement for corporate bonds and attracted RON 11.5 million from investors. 102 investors participated in the placement, the average subscription being over RON 100,000. As part of the offer, 115,000 corporate bonds with a nominal value of RON 100 and a maturity of 5 years were put up for sale. The annual interest rate, which must be paid

semiannually, was set at 8.5%. On June 5, 2020, corporate bonds were admitted to trading on the SMT segment of the Bucharest Stock Exchange, under the symbol NRF25.

On December 16, 2024, Norofert S.A. successfully closed its second private placement of corporate bonds, raising RON 6.95 million from investors. Following the offer, Norofert issued 69,503 unsecured, non-convertible bonds with a nominal value of RON 100 each. The annual interest rate is 10% per year, payable semi-annually, with a maturity date in 2029. On January 27, 2025, the corporate bonds were admitted to trading on the SMT segment of the Bucharest Stock Exchange under the symbol NRF29.

At the time of drafting this financial report, the company is up to date with the payment of coupons related to the bond issuances.

FINANCIAL RESULTS ANALYSIS

The detailed analysis of the financial results is carried out at the consolidated level and takes into account the financial results prepared **in accordance with the RAS regulations**. For comparison, investors can also analyze the results of the period presented in accordance with the International Financial Reporting Standards (IFRS).

Selected P&L positions (RON) – consolidated RAS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	46,098,662	52,553,132	14.00%
Turnover	40,283,699	45,283,865	12.41%
Inventory variation	2,019,696	2,094,106	3.68%
Other operating revenues	3,795,267	5,175,161	36.36%
Operating expenses, of which:	46,094,959	45,480,477	(1.33)%
Material expenses	26,319,509	28,667,001	8.92%
Personnel expenses	6,572,271	5,232,204	(20.39)%
Depreciation expense and value adjustments	1,438,709	2,563,109	78.15%
Other operating expenses	11,764,470	9,018,163	(23.34)%
Operating result	3,703	7,072,655	190,897.98%
Financial income	215,656	65,382	(69.68)%
Financial expenses	4,146,786	3,521,469	(15.08)%
Financial results	(3,931,130)	(3,456,087)	(12.08)%
Total income	46,314,318	52,618,514	13.61%
Total expenses	50,241,745	49,001,946	(2.47)%
The gross result	(3,927,427)	3,616,568	n.a.
Income tax/other taxes	21,704	376,930	1,636.68%
Net result	(3,949,131)	3,239,638	n.a.

Selected P&L positions (RON) – consolidated IFRS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	41,711,105	49,208,614	17.97%
Turnover	35,866,270	45,151,590	25.89%
Inventory variation	2,019,693	2,094,109	3.68%
Other operating revenues	3,825,142	1,962,916	(48.68)%
Operating expenses, of which:	42,364,601	42,320,807	(0.10)%
Material expenses	24,023,827	28,869,769	20.17%
Personnel expenses	5,212,271	5,232,204	0.38%
Depreciation expense and value adjustments	3,227,535	3,067,168	(4.97)%
Other operating expenses	9,900,968	5,151,666	(47.97)%
Operational result	(653,496)	6,887,807	100%
Financial income	215,656	65,382	(69.68)%
Financial expenses	3,338,057	3,866,993	15.85%
Financial results	(3,122,401)	(3,801,611)	21.75%
Total income	41,926,761	49,273,997	17.52%
Total expenses	45,702,658	46,187,800	1.06%
The gross result	(3,775,897)	3,086,197	n.a.
Income tax/other taxes	21,704	(305,366)	(1,506.96)%
Deferred income tax	(110,932)	8,914	100%
Net result	(3,686,669)	2,663,565	n.a.

CLARIFICATIONS REGARDING RAS SITUATIONS

Operating income

In 2024, consolidated operating revenues reached the amount of RON 52.6 million, an increase of 14% compared to 2023.

Consolidated turnover and context 2024

The Norofert Group ended the 2024 financial year with a turnover of RON 45.28 million, an increase of 12.41% compared to the previous year.

Materials costs

At the Group level, in 2024, material expenses amounted to RON 28.66 million, an increase of 8.92% compared to 2023.

Personnel expenses

They decreased by approximately 20.40% compared to 2023, reaching RON 5.23 million. At the end of 2024, Norofert had a lower number of employees.

Depreciation and amortization expenses

They increased by 78.15% compared to 2023, reaching RON 2.56 million, mainly due to investments made in fixed assets (irrigation system, agricultural machinery).

Other operating expenses

They decreased by 23.24% compared to 2023, reaching a value of RON 9.02 million.

- **Expenses with services performed by third parties** – RON 3.3 million, compared to RON 2.8 million, an increase of RON 0.5 million compared to the previous period, due to the growth in turnover.
- **Transportation expenses** – RON 1.19 million, compared to RON 1.16 million, a slight increase of RON 0.03 million.
- **Rent expenses** – 1.6 million lei compared to 0.83 million lei, a decrease compared to the same period in 2023;
- **Advertising, publicity and protocol expenses** – RON 0.58 million;
- **Expenses with insurance premiums** – RON 0.26 million;
- **Energy and water expenses** – RON 0.20 million;
- **Machinery and car repairs** – RON 0.36 million;
- **Telecommunications** – RON 0.22 million;
- **Travel** – RON 0.22 million.

Operating result

The Group recorded an operating result of RON 7.07 million for the period between January 1, 2024, and December 31, 2024, representing an increase of

190,897.98% compared to 2023. At the individual level, Norofert S.A. registered RON 6.59 million. The growth is mainly attributed to a 111% increase in revenues from changes in inventories compared to 2023.

Financial income

They decreased by 69.68% to the amount of RON 65,382, representing positive foreign exchange differences.

Financial expenses

They decreased by 15.08% to the amount of RON 3.52 million, as a result of the partial repayment of existing loans and refinancing at more favorable costs.

Total income

The Group's total revenues reached RON 52.61 million, representing an increase of 13.61% compared to the same period in 2023.

Total expenses

They decreased by 2.47% and reached RON 49 million, with this decrease being exclusively caused by the reduction in operating expenses, particularly personnel costs.

The net result is RON 3.2 million.

The detailed analysis of the financial results is carried out at the consolidated level and takes into account the financial results prepared **in accordance with the RAS regulations**. For comparison, investors can also analyze the results of the period presented in accordance with the International Financial Reporting Standards (IFRS).

Selected balance sheet positions (RON) – consolidated RAS	31.12.2023	31.12.2024	Evolution %
Fixed assets	22,454,320	29,006,996	29.18%
Current assets, of which:	46,252,183	58,123,787	25.67%
Inventories	15,221,982	13,240,277	(13.02)%
Receivables	30,611,064	42,186,145	37.81%
Cash and cash equivalents	419,137	2,697,364	543.55%
Prepayments	64,810	692,978	969.25%
Total assets	68,771,313	87,823,761	27.70%
Current liabilities	21,404,211	39,271,096	83.47%
Long-term debt	25,000,272	23,371,191	(6.52)%
Advance income	884,616	328,483	(62.87)%
Total debts	47,289,099	62,970,769	33.16%
Equity	21,381,403	24,760,655	15.80%
Provisions	100,809	92,337	(8.40)%
Total equity and liabilities	68,771,313	87,823,762	27.70%

Selected balance sheet positions (RON) – consolidated IFRS	31.12.2023	31.12.2024	Evolution %
Fixed assets	26,348,965	33,476,841	27.05%
Current assets, of which:	45,903,070	58,599,060	27.66%
Inventories	15,222,764	13,240,277	(13.02)%
Receivables	30,261,602	42,719,150	48.10%
Cash and cash equivalents	418,704	2,639,632	530.43%
Prepayments	64,810	692,978	969.25%
Total assets	72,316,836	92,768,879	28.28%
Current liabilities	16,651,950	22,577,129	35.58%
Long-term debt	34,211,308	45,920,079	34.22%
Advance income	859,813	274,707	(68.05)%
Total debts	51,723,071	68,497,207	32.17%
Equity	20,492,956	23,904,927	16.65%
Provisions	100,809	92,337	(8.40)%
Total equity and liabilities	72,316,836	92,768,879	28.28%

CLARIFICATION OF IFRS STATEMENTS

The main adjustment in the presentation of Norofert S.A.'s activity and assets under OMFP 2488/2016 [IFRS] (previously reported under OMFP 1802/2016) is the application of IFRS 16, through the recognition of leased assets such as operational leases, rental of premises, and agricultural land leases.

As of December 31, 2024, the Balance Sheet prepared in accordance with OMFP 2844/2016 [IFRS] shows capitalized assets under IFRS 16 with a net value of RON 4,660,363 and a corresponding liability of RON 4,865,798. The total consolidated equity of Norofert reflects a negative impact of RON 196,434.

At the level of comprehensive income, the impact is RON 518,424, while EBITDA reflects a positive impact of RON 615,140.

CLARIFICATIONS REGARDING RAS SITUATIONS

Fixed assets

In 2024, the group's fixed assets increased by 29.18%, totaling RON 29 million. These assets are essential for the company's development strategy, enabling the production of a wider range of products, thus ensuring a stronger competitive position in the market.

Although they generate amortization and depreciation, which affect the net profit, the company's management will not deviate from investments, which help reduce production costs, strengthening the company's business model.

Current assets

The value of current assets reached 58.12 million RON, an increase of 25.67% compared to 2023, mainly due to the increase in cash and cash equivalents.

Inventories

In 2024, the group recorded stocks worth RON 13.24 million, a decrease of 13.02% compared to 2023.

Receivables

The level of receivables increased by 37.81% compared to 2023, reaching a total of RON 42.19 million.

The degree of collection of receivables

Although there were overdue payment terms from November and December 2024, these amounts were collected after the disbursement of subsidies and through compensation with grains or products, with penalties calculated up to the payment date.

Cash position

The group ended 2024 with a cash position of RON 2.70 million, an increase of 543.55% compared to 2023.

Total assets

The total assets of the group amounted to RON 87.82 million at the end of the reporting period, an increase of 27.70% compared to the same period in 2023, a change influenced by the increase in current assets, especially receivables and cash and cash equivalents.

Current liabilities

As of December 31, 2024, the Group had current liabilities totaling RON 39.27 million, representing an increase of 83.47% compared to the same reporting period in 2023. This increase was primarily due to the reclassification of long-term liabilities into short-term liabilities.

Long-term debt

The group's long-term liabilities decreased by 6.52% compared to 2023, reaching a total of RON 23.37 million. This decline was mainly due to the reclassification of long-term liabilities into short-term liabilities.

Accounts payable to suppliers

Accounts payable to suppliers increased compared to the previous period due to delayed collection of receivables, which led to postponed payments to suppliers.

Income in advance

The group recorded advance revenues amounting to RON 0.33 million, a decrease of 62.87% compared to 2023. These revenues represent advance payments from the sale of technology packages.

Total debts

The group ended 2024 with total liabilities amounting to RON 62.97 million, an increase of 33.16% compared to the same period in 2023.

Equity

Consolidated equity amounted to RON 24.76 million as of December 31, 2024, representing an increase of 15.80% compared to the same period in 2023, mainly due to the increase in share capital of Agroprod Cev SRL.

Provisions

The name of the provision for the financial year 2024	Growth (RON)	Provision reversals (RON)	Net evolution during the financial year 2024 (RON)
Provisions for uncollected customers	186,607	43,086	143,521
Provisions for litigation			
Provisions for impairment of receivables		4,636	(4.636)

In line with its provisioning policy, Norofert will add to the provisions category all litigations, amounts provisioned for unused vacation leave. Amounts that

exceed the term and remain uncollected, according to the aging report, are proposed by the auditor to be recognized as provisions, with the amounts being adjusted from the **receivables** category. The same approach is applied to advances with overdue terms.

Retained earnings

As of December 31, 2024, at the consolidated level, no profit from the previous financial year was carried forward.

Net result

The Norofert Group recorded a consolidated net result of RON 3.2 million.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Indicators of the profit and loss account (RON) – consolidated RAS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	46,098,662	52,553,132	14.00%
Turnover	40,283,699	45,283,865	12.41%
Inventory variation	2,019,696	2,094,106	3.68%
Other operating revenues	3,795,267	5,175,161	36.36%
Operating expenses, of which:	46,094,959	45,480,477	(1.33)%
Materials expenses, of which:	26,319,509	28,667,001	8.92%
Expenditure on raw materials and materials	7,422,084	7,634,531	2.86%
Expenditure on goods	18,196,463	20,499,224	12.65%
Other material expenses	700,962	533,246	(23.93)%
Personnel expenses	6,572,271	5,232,204	(20.39)%
Depreciation expense and value adjustments	1,438,709	2,563,109	78.15%
Other operating expenses	11,764,470	9,018,163	(23.34)%
Operating result	3,703	7,072,655	190,897.98%
Financial income	215,656	65,382	(69.68)%
Financial expenses	4,146,786	3,521,469	(15.08)%
Financial result	(3,931,130)	(3,456,087)	(12.08)%
Total income	46,314,318	52,618,514	13.61%
Total expenses	50,241,745	49,001,946	(2.47)%
Gross result	(3,927,427)	3,616,568	n.a.
Income tax/other taxes	21,704	376,930	1636.68%
Net result	(3,949,131)	3,239,638	n.a.

Indicators of the profit and loss account (RON) – consolidated IFRS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	41,711,105	49,208,615	17.97%
Turnover	35,866,270	45,151,590	25.89%
Inventory variation	2,019,693	2,094,109	3.68%
Other operating revenues	3,825,142	1,962,916	(48.68)%
Operating expenses, of which:	42,364,601	42,320,807	(0.10)%
Materials expenses, of which:	24,023,827	28,869,769	20.17%
Expenditure on raw materials and materials	7,242,656	8,167,778	12.77%
Expenditure on goods	16,628,518	20,499,224	23.28%
Other material expenses	152,653	202,767	32.83%
Personnel expenses	5,212,271	5,232,204	0.38%
Depreciation expense and value adjustments	3,227,535	3,067,168	(4.97)%
Other operating expenses	9,900,968	5,151,666	(47.97)%
Operating result	(653,496)	6,887,808	n.a.
Financial income	215,656	65,382	(69.68)%
Financial expenses	3,338,057	3,866,993	15.85%
Financial result	(3,122,401)	(3,801,611)	21.75%
Total income	41,926,761	49,273,997	17.52%
Total expenses	45,702,658	46,187,800	1.06%
Gross result	(3,775,897)	3,086,195	n.a.
Income tax/other taxes	21,704	(305,366)	(1,506.96)%
Deferred income tax	(110,932)	8,914	100%
Net result	(3,686,669)	2,663,564	n.a.

NOROFERT S.A. INDIVIDUAL PROFIT AND LOSS ACCOUNT

Indicators of the profit and loss account (RON) – Norofert RAS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	41,964,518	49,297,677	17.47%
Turnover	38,920,870	41,933,085	7.74%
Inventory variation	1,644,593	3,467,423	110.84%
Other operating revenues	1,399,055	3,897,169	178.56%
Operating expenses, of which:	39,776,503	42,705,857	7.36%
Materials expenses, of which:	23,917,886	27,786,066	16.17%
Expenditure on raw materials and materials	5,093,374	7,105,953	39.51%
Expenditure on goods	18,123,613	20,147,239	11.17%
Other material expenses	700,899	532,874	(23.97)%
Personnel expenses of which:	6,233,150	4,570,970	(26.67)%
Depreciation expense and value adjustments	1,164,066	2,329,104	100.08%
Other operating expenses	8,461,401	8,019,717	(5.22)%
Operating result	2,188,015	6,591,820	201.27%
Financial income	215,656	65,382	(69.68)%
Financial expenses	4,029,883	3,412,503	(15.32)%
Financial result	(3,814,227)	(3,347,121)	(12.25)%
Total income	42,180,174	49,363,059	17.03%
Total expenses	43,806,386	46,118,360	5.28%
Gross result	(1,626,212)	3,244,699	n.a.
Income tax/other taxes	0	359,542	-
Net result	(1,626,212)	2,885,157	n.a.

Indicators of the profit and loss account (RON) – Norofert IFRS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	41,298,310	46,353,153	12.24%
Turnover	36,799,124	41,820,033	13.64%
Inventory variation	1,644,590	3,467,426	110.84%
Other operating revenues	2,854,596	1,065,694	(62.67)%
Operating expenses, of which:	39,585,467	39,928,423	0.87%
Materials expenses, of which:	23,917,886	27,986,346	17.01%
Expenditure on raw materials and materials	4,913,946	7,638,828	55.45%
Expenditure on goods	18,851,350	20,147,239	6.87%
Other material expenses	152,590	200,279	31.25%
Personnel expenses	4,873,150	4,570,970	(6.20)%
Depreciation expense and value adjustments	2,723,321	2,557,820	(6.08)%
Other operating expenses	8,071,110	4,813,287	(40.36)%
Operating result	1,712,843	6,424,730	275.09%
Financial income	215,656	65,382	(69.68)%
Financial expenses	3,470,718	3,583,206	3.24%
Financial result	(3,255,062)	(3,517,824)	8.07%
Total income	41,513,966	46,418,535	11.81%
Total expenses	43,056,185	43,511,629	1.06%
Gross result	(1,542,219)	2,906,904	n.a.
Income tax/other taxes		359,542	100%
Deferred income tax	(110,519)	938	n.a.
Net result	(1,431,700)	2,546,424	n.a.

AGROPROD CEV S.R.L. INDIVIDUAL PROFIT AND LOSS ACCOUNT

Indicators of the profit and loss account (RON) – Agroprod RAS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	4,134,144	2,772,489	(32.94)%
Turnover	1,362,829	2,867,814	110.43%
Inventory variation	375,103	(1,373,317)	(466.12)%
Other operating revenues	2,396,212	1,277,992	(46.67)%
Operating expenses, of which:	6,318,456	2,465,869	(60.97)%
Materials expenses, of which:	2,401,623	864,813	(63.99)%
Expenditure on raw materials and materials	2,328,710	512,456	(77.99)%
Expenditure on goods	72,850	351,985	383.16%
Other material expenses	63	372	490.48%
Personnel expenses	339,121	544,734	60.63%
Depreciation expense and value adjustments	274,643	234,005	(14.80)%
Other operating expenses	3,303,069	822,317	(75.10)%
Operating result	(2,184,312)	306,620	(114.04)%
Financial income	0	0	-
Financial expenses	116,903	108,966	(6.79)%
Financial result	(116,903)	(108,966)	(6.79)%
Total income	4,134,144	2,772,489	(32.94)%
Total expenses	6,435,359	2,574,835	(59.99)%
Gross result	(2,301,215)	197,654	n.a.
Income tax/other taxes	21,704	17,388	(19.89)%
Net result	(2,322,919)	180,266	n.a.

Indicators of the profit and loss account (RON) – Agroprod IFRS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:	2,708,478	2,372,496	(12.40)%
Turnover	1,362,829	2,848,591	109.02%
Inventory variation	375,103	(1,373,317)	(466.12)%
Other operating revenues	970,546	897,222	(7.55)%
Operating expenses, of which:	5,074,818	2,083,633	(58.94)%
Materials expenses, of which:	2,401,625	867,301	(63.89)%
Expenditure on raw materials and materials	2,328,711	512,828	(77.98)%
Expenditure on goods	72,851	351,985	383.16%
Other material expenses	63	2,488	3849.21%
Personnel expenses	339,121	544,734	60.63%
Depreciation expense and value adjustments	504,214	509,348	1.02%
Other operating expenses	1,829,858	162,250	(91.13)%
Operating result	(2,366,340)	288,863	(112.21)%
Financial income	0	0	-
Financial expenses	(132,661)	283,787	113.92%
Financial result	132,661	(283,787)	113.92%
Total income	2,708,478	2,372,496	(12.40)%
Total expenses	4,942,157	2,367,420	(54.54)%
Gross result	(2,233,679)	5,076	n.a.
Income tax/other taxes	21,704	54,176	149.61%
Deferred income tax	(414)	7,976	n.a.
Net result	(2,254,969)	(57,075)	n.a.

NOROFERT Ag LLC INDIVIDUAL PROFIT AND LOSS ACCOUNT

* The following amounts have been consolidated at a percentage of 51%

P&L Indicators (RON) NOROFERT AG LLC - RAS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:		946,992	100%
Turnover		946,992	100%
Inventory variation			
Other operating revenues			
Operating expenses, of which:		605,393	100%
Materials expenses, of which:		31,611	100%
Expenditure on raw materials and materials		31,611	100%
Expenditure on goods			
Other material expenses			
Personnel expenses		228,432	100%
Depreciation expense and value adjustments			
Other operating expenses		345,351	100%
Operating result		341,599	100%
Financial income			
Financial expenses			
Financial result		0	
Total income		946,992	100%
Total expenses		605,393	100%
Gross result		341,599	100%
Income tax/other taxes			
Net result		341,599	100%

P&L Indicators (RON) NOROFERT AG LLC - IFRS	31.12.2023	31.12.2024	Evolution %
Operating income, of which:		946,992	100%
Turnover		946,992	100%
Inventory variation			
Other operating revenues			
Operating expenses, of which:		605,393	100%
Materials expenses, of which:		31,611	100%
Expenditure on raw materials and materials		31,611	100%
Expenditure on goods			
Other material expenses			100%
Personnel expenses		228,432	
Depreciation expense and value adjustments			
Other operating expenses		345,351	
Operating result		341,599	100%
Financial income			
Financial expenses			
Financial result		0	
Total income		946,992	100%
Total expenses		605,393	100%
Gross result		341,599	100%
Income tax/other taxes			
Net result		341,599	100%

CONSOLIDATED BALANCE SHEET

Balance sheet indicators (RON) – at consolidated level - RAS	31.12.2023	31.12.2024	Evolution %
Fixed assets, of which:	22,454,320	29,006,996	29.18%
Intangible assets	707,685	747,524	5.63%
Tangible assets	16,501,989	22,668,156	36.57%
Financial assets	5,244,646	5,591,316	6.61%
Fixed assets under investment	0	0	-
Current assets, of which:	46,252,183	58,123,786	24.55%
Inventories	15,221,982	13,240,277	(13.02)%
Raw materials and consumables	3,841,122	3,632,024	(5.59)%
Inventory items	0	65,692	-
Finished product	1,533,555	1,403,322	(8.49)%
Agricultural products	119,551	153,766	28.62%
Production in progress	2,920,020	3,053,381	4.57%
Commodities	2,983,298	1,423,977	(52.27)%
Packaging	227,173	143,078	(37.02)%
Biological assets of the nature of stocks	0	0	-
Stock purchase advances	3,597,263	3,365,037	(6.46)%
Receivables	30,611,064	42,186,144	37.81%
Trade receivables	21,918,795	27,859,785	24.93%
Receivables with affiliated companies	2,164,392	5,754,501	165.87%
Shareholder receivables	0	0	-
Other assets	6,527,877	8,571,858	31.31%
Short-term investments	0	0	-
Cash and cash equivalents	419,137	2,697,364	506.93%
Expenses registered in advance	64,810	692,978	969.25%
Total active	68,771,313	87,823,760	27.70%
Current liabilities, of which:	21,404,211	39,271,097	83.47%
Third party providers	6,806,930	11,161,695	63.98%
Debts with affiliated companies	1,150,388	116,726	(89.85)%
Bank debts	12,498,447	12,001,631	(3.98)%
Debts to shareholders	0	11,500,000	-
Financial leasing	483,716	3,358,367	594.28%

Balance sheet indicators (RON) – at consolidated level - IFRS	31.12.2023	31.12.2024	Evolution %
Fixed assets, of which:	26,348,956	33,476,841	27.05%
Intangible assets	707,685	747,532	5.63%
Tangible assets	21,036,948	27,137,993	29.00%
Financial assets	782,610	1,129,280	44.30%
Fixed assets under investment	3,821,713	4,462,036	16.75%
Current assets, of which:	45,484,366	58,599,060	27.66%
Inventories	15,222,764	13,240,277	(13.02)%
Raw materials and consumables	3,827,037	3,632,024	(5.10)%
Inventory items	14,520	65,692	352.42%
Finished product	1,521,755	1,403,322	(7.78)%
Agricultural products	179,462	153,766	(14.32)%
Production in progress	2,871,473	3,053,381	6.34%
Commodities	2,984,081	1,423,977	(52.28)%
Packaging	227,173	143,078	(37.02)%
Biological assets of the nature of stocks			
Stock purchase advances	3,597,263	3,365,037	(6.46)%
Receivables	28,844,834	41,551,852	44.05%
Trade receivables	27,157,816	39,854,094	46.75%
Receivables with affiliated companies	1,687,018	1,697,758	0.64%
Shareholder receivables			
Other assets	1,416,768	1,167,298	(17.61)%
Short-term investments			
Cash and cash equivalents	418,704	2,639,632	530.43%
Expenses registered in advance	64,810	692,978	969.25%
Total active	72,316,836	92,768,879	28.28%
Current liabilities, of which:	16,651,950	34,077,129	104.64%
Third party providers	7,247,754	12,821,935	76.91%
Debts with affiliated companies	673,008	-	(100)%
Bank debts	7,222,365	5,152,830	(28.65)%
Debts to shareholders		11,500,000	100%
Financial leasing	1,508,823	4,558,940	202.15%

Other short-term liabilities	464,730	1,132,677	143.73%
Long-term debts, of which:	25,000,272	23,371,190	(6.52)%
Bank debts	12,471,955	14,988,072	20.17%
Loans from the bond issue	11,500,000	7,182,545	(37.54)%
Financial leasing	1,028,317	1,200,573	16.75%
Provisions	100,809	92,337	(8.40)%
Advance income	884,616	328,482	(62.87)%
Total Debts	47,389,908	63,063,105	33.07%
Equity, of which:	21,381,403	24,760,655	15.80%
Subscribed and paid-up capital	6,952,686	7,252,456	4.31%
Capital premiums	14,719,163	14,719,163	0.00%
Legal reserves	1,371,830	1,409,043	2.71%
Other reserves	18,743	8,240	(56.04)%
The profit or loss reported	2,268,115	(1,841,179)	n.a.
Profit or loss for the financial year	(3,949,134)	3,239,642	n.a.
Distribution of profit	0	26,710	-
Total equity and liabilities	68,771,313	87,823,761	27.70%

Other short-term liabilities		42,423	100%
Long-term debts, of which:	34,211,308	34,420,080	0.61%
Bank debts	18,240,770	22,326,962	22.40%
Loans from the bond issue	11,500,000	6,950,300	(39.56)%
Liabilities to affiliated companies		232,245	100%
Financial leasing	4,445,734	4,856,798	9.25%
Providers and other payables	24,804	53,775	116.80%
Provisions	100,809	92,337	(8.40)%
Advance income	859,813	274,707	(68.05)%
Total Debts	51,823,880	68,497,208	32.17%
Equity, of which:	20,492,956	23,904,627	16.65%
Subscribed and paid-up capital	6,952,486	7,252,456	4.31%
Capital premiums	14,719,163	14,719,163	0.00%
Legal reserves	1,382,333	1,409,240	1.95%
Other reserves	8,240		(100)%
The profit or loss reported	(2,569,266)	523,768	n.a.
Profit or loss for the financial year			
Distribution of profit			
Total equity and liabilities	72,316,836	92,768,880	28.28%

NOROFERT S.A. INDIVIDUAL BALANCE SHEET

Balance sheet indicators (RON) - individual Norofert - RAS	31.12.2023	31.12.2024	Evolution %
Fixed assets, of which:	21,040,196	27,726,750	31.78%
Intangible assets	707,685	747,524	5.63%
Tangible assets	15,087,865	21,387,910	41.76%
Financial assets	5,244,646	5,591,316	6.61%
Fixed assets under investment	0	-	-
Current assets, of which:	41,513,945	53,087,429	27.88%
Inventories	12,696,483	11,619,876	(8.48)%
Raw materials and consumables	3,697,972	3,521,534	(4.77)%
Inventory items	0	65,692	--
Finished product	1,522,191	1,403,322	(7.81)%
Agricultural products	119,551	119,551	0.00%
Production in progress	999,966	2,380,114	138.02%
Commodities	2,685,153	1,371,977	(48.91)%
Packaging	227,173	143,078	(37.02)%
Biological assets of the nature of stocks	0	-	-
Stock purchase advances	3,444,477	2,614,608	(24.09)%
Receivables	28,430,220	38,982,429	37.12%
Trade receivables	21,378,671	24,791,640	15.96%
Receivables with affiliated companies	1,687,012	6,427,509	281.00%
Shareholder receivables	0	-	-
Other assets	5,364,537	7,763,280	44.71%
Short-term investments	0	-	-
Cash and cash equivalents	387,242	2,485,124	541.75%
Expenses registered in advance	59,245	658,089	1,010.79%
Total active	62,613,386	81,472,268	30.12%
Current liabilities, of which:	16,266,485	33,847,345	108.08%
Third party providers	3,052,132	7,264,048	138.00%
Debts with affiliated companies	477,380	116,726	(75.55)%
Bank debts	12,173,388	10,952,483	(10.03)%
Debts to shareholders	0	11,500,000	-

Balance sheet indicators (RON) - individual Norofert – IFRS	31.12.2023	31.12.2024	Evolution %
Fixed assets, of which:	23,509,015	29,985,700	27.55%
Intangible assets	707,685	747,532	5.63%
Tangible assets	17,556,684	23,646,852	34.69%
Financial assets	5,244,646	1,129,280	44.30%
Fixed assets under investment	-	4,462,036	16.75%
Current assets, of which:	38,909,550	50,707,801	30.32%
Inventories	12,697,267	11,620,659	(8.48)%
Raw materials and consumables	3,698,409	3,521,534	(4.78)%
Inventory items	-	65,692	100%
Finished product	1,521,755	1,403,322	(7.78)%
Agricultural products	168,098	119,551	(28.88)%
Production in progress	951,419	2,380,114	150.16%
Commodities	2,685,936	1,371,977	(48.92)%
Packaging	227,173	143,078	(37.02)%
Biological assets of the nature of stocks	-	-	-
Stock purchase advances	3,444,477	2,614,608	(24.09)%
Receivables	24,420,569	35,447,017	45.15%
Trade receivables	22,733,551	33,076,251	45.50%
Receivables with affiliated companies	1,687,018	2,370,766	40.53%
Shareholder receivables	-	-	-
Other assets	1,404,472	1,155,002	(17.76)%
Short-term investments	-	-	-
Cash and cash equivalents	387,242	2,485,124	541.75%
Expenses registered in advance	59,245	658,089	1,010.79%
Total active	62,477,810	81,351,590	30.21%
Current liabilities, of which:	9,027,325	26,415,443	192.62%
Third party providers	1,020,049	5,755,338	464.22%
Debts with affiliated companies	-	-	-
Bank debts	7,222,365	5,152,830	(28.65)%
Debts to shareholders	-	11,500,000	100%

Financial leasing	278,485	3,178,462	1041.34%
Other short-term liabilities	285,100	835,626	193.10%
Long-term debts, of which:	23,478,381	22,433,853	(4.45)%
Bank debts	11,471,955	14,654,740	27.74%
Loans from the bond issue	11,500,000	6,950,300	(39.56)%
Financial leasing	506,426	828,813	63.66%
Provisions	100,809	92,337	(8.40)%
Advance income	884,616	328,482	(62.87)%
Total Debts	40,730,291	56,702,017	39.21%
Equity, of which:	21,883,095	24,770,252	13.19%
Subscribed and paid-up capital	6,952,486	6,952,486	0.00%
Capital premiums	14,719,163	14,719,163	0.00%
Legal reserves	1,371,830	1,390,497	1.36%
Other reserves	8,240	8,240	0.00%
The profit or loss reported	457,588	(1,166,627)	n.a.
Profit or loss for the financial year	(1,626,212)	2,885,160	n.a.
Distribution of profit	0	18,667	-
Total equity and liabilities	62,613,386	81,472,269	30.12%

Financial leasing	784,911	4,007,275	410.54%
Other short-term liabilities			
Long-term debts, of which:	30,824,327	30,399,648	(1.38)%
Bank debts	16,915,711	20,944,482	23.82%
Loans from the bond issue	11,500,000	6,950,300	(39.56)%
Financial leasing	2,383,812	2,451,091	2.82%
Providers and other payables	24,804	53,775	116.80%
Provisions	100,809	92,337	(8.40)%
Advance income	859,813	274,707	(68.05)%
Total Debts	40,812,274	57,182,135	40.11%
Equity, of which:	21,665,536	24,169,447	11.56%
Subscribed and paid-up capital	6,952,486	6,952,486	0%
Capital premiums	14,719,163	14,719,163	0%
Legal reserves	1,371,830	1,398,737	1.96%
Other reserves	8,240	-	(100)%
The profit or loss reported	(1,386,183)	1,099,061	n.a.
Profit or loss for the financial year			
Distribution of profit			
Total equity and liabilities	62,477,810	81,351,582	30.21%

AGROPROD CEV S.R.L. INDIVIDUAL BALANCE SHEET

Balance sheet indicators (RON) – individual Agroprod CEV - RAS	31.12.2023	31.12.2024	Evolution%
Fixed assets, of which:	1,414,124	1,184,079	(16.27)%
Intangible assets			
Tangible assets	1,414,124	1,184,079	(16.27)%
Financial assets			
Fixed assets under investment			
Current assets, of which:	4,378,238	4,623,255	(2.43)%
Inventories	2,525,499	1,614,311	(36.08)%
Raw materials and consumables	143,150	104,400	(27.07)%
Inventory items	0		-
Finished product	11,364		(100.00)%
Agricultural products		34,215	-
Production in progress	1,920,054	673,267	(64.93)%
Commodities	298,145	52,000	(82.56)%
Packaging			
Biological assets of the nature of stocks			
Stock purchase advances	152,786	750,429	391.16%
Receivables	2,180,844	2,821,996	29.40%
Trade receivables	540,124	2,686,426	397.37%
Receivables with affiliated companies	477,380	(673,008)	n.a.
Shareholder receivables			
Other assets	1,163,340	808,578	(30.50)%
Short-term investments			
Cash and cash equivalents	31,895	186,948	486.14%
Expenses registered in advance	5,565	34,889	526.94%
Total active	6,157,927	5,842,223	(5.13)%
Current liabilities, of which:	5,137,726	5,320,943	3.57%
Third party providers	3,754,798	3,838,262	2.22%
Debts with affiliated companies	673,008		n.a.
Bank debts	325,059	1,049,148	222.76%
Debts to shareholders			
Financial leasing	205,231	179,905	(12.34)%

Balance sheet indicators (RON) – individual Agroprod CEV - IFRS	31.12.2023	31.12.2024	Evolution %
Fixed assets, of which:	3,480.264	3,394,974	(2.45)%
Intangible assets			
Tangible assets	3.480.264	3,394,974	(2.45)%
Financial assets			
Fixed assets under investment			
Current assets, of which:	3,574.897	3,814,678	6.71%
Inventories	2.525.498	1,614,311	(36.08)%
Raw materials and consumables	128.629	104,400	(18.84)%
Inventory items	14.520	0	(100)%
Finished product			
Agricultural products	11.364	34,215	201.08%
Production in progress	1.920.054	673,267	(64.93)%
Commodities	298.145	52,000	(82.56)%
Packaging			
Biological assets of the nature of stocks			
Stock purchase advances	152.786	750,429	391.16%
Receivables	1.005.641	2,731,862	171.65%
Trade receivables	1.005.641	2,731,862	171.65%
Receivables with affiliated companies			
Shareholder receivables			
Other assets	12.296	12,296	0%
Short-term investments			
Cash and cash equivalents	31.462	129,216	210.70%
Expenses registered in advance	5.565	34,889	526.94%
Total active	7,060.726	7,244,540	2.60%
Current liabilities, of which:	4.206.001	3,894,615	(7.40)%
Third party providers	2.809.081	3,342,950	19.01%
Debts with affiliated companies	673.008	0	(100)%
Bank debts	0		%
Debts to shareholders			
Financial leasing	723.912	551,665	(23.79)%

Other short-term liabilities	179,630	253,628	41.19%
Long-term debts, of which:	1,521,891	705,092	(53.67)%
Bank debts	1,000,000	333,332	(66.67)%
Loans from the bond issue			
Financial leasing	521,891	371,760	(28.77)%
Provisions			
Advance income			
Total Debts	6,659,617	6,026,035	(9.51)%
Equity, of which:	(501,692)	(183,812)	(63.36)%
Subscribed and paid-up capital	200	299,970	149.885.00%
Capital premiums			
Legal reserves		18,546	
Other reservations	10,503		n.a.
The profit or loss carried forward	1,810,527	(674,552)	n.a.
Profit or loss for the financial year	(2,322,922)	180,267	n.a.
Distribution of profit		8,043	-
Total equity and liabilities	6,157,927	5,842,223	(5.13)%

Other short-term liabilities			
Long-term debts, of which:	3.386.982	3,788,186	11.85%
Bank debts	1.325.060	1,382,480	4.33%
Loans from the bond issue			
Financial leasing	2.061.922	2,405,706	16.67%
Provisions			
Advance income			
Total Debts	7.592.983	7,682,801	1.18%
Equity, of which:	(532.257)	(438,260)	(17.66)%
Subscribed and paid-up capital	200	299,970	149.885.00%
Capital premiums			
Legal reserves	10.503	10,503	0%
Other reserves			
The profit or loss reported	(542.959)	(748,733)	37.90%
Profit or loss for the financial year			
Distribution of profit			
Total equity and liabilities	7.060.726	7,244,541	2.60%

NOROFERT Ag LLC INDIVIDUAL BALANCE SHEET

*The following amounts have been consolidated in a percentage of 51%

Balance sheet indicators (RON) – individual Norofert Ag LLC - RAS	31.12.2023	31.12.2024	Evolution%
Fixed assets, of which:		188,563	
Intangible assets			
Tangible assets	0	188,563	
Financial assets			
Fixed assets under investment			
Current assets, of which:		810,004	
Inventories	0	11,942	
Raw materials and consumables		11,942	
Inventory items			
Finished product			
Agricultural products			-
Production in progress			
Commodities			
Packaging			
Biological assets of the nature of stocks			
Stock purchase advances			
Receivables	0	748,469	
Trade receivables		748,469	
Receivables with affiliated companies			
Shareholder receivables			
Other assets			
Short-term investments	0	0	
Cash and cash equivalents		49,593	
Expenses registered in advance			
Total active		998,566	
Current liabilities, of which:	0	201,586	
Third party providers		116,442	
Debts with affiliated companies			

Balance sheet indicators (RON) – individual Norofert Ag LLC - IFRS	31.12.2023	31.12.2024	Evolution %
Fixed assets, of which:		188,563	100%
Intangible assets			
Tangible assets		188,563	100%
Financial assets			
Fixed assets under investment			
Current assets, of which:		810,004	100%
Inventories		11,942	
Raw materials and consumables		11,942	
Inventory items			
Finished product			
Agricultural products			
Production in progress			
Commodities			
Packaging			
Biological assets of the nature of stocks			
Stock purchase advances			
Receivables		748,469	100%
Trade receivables		748,469	100%
Receivables with affiliated companies			
Shareholder receivables			
Other assets			
Short-term investments		0	
Cash and cash equivalents		49,593	100%
Expenses registered in advance			
Total active		998,566	100%
Current liabilities, of which:		201,586	100%
Third party providers		116,442	
Debts with affiliated companies			100%

Bank debts		
Debts to shareholders		
Financial leasing		
Other short-term liabilities	85,144	
Long-term debts, of which:	0	455,382
Bank debts		
Loans from the bond issue	455,382	
Financial leasing		
Provisions		
Advance income		
Total Debts	0	656,967
Equity, of which:	0	341.599
Subscribed and paid-up capital		
Capital premiums		
Legal reserves		
Other reservations		.
The profit or loss carried forward		
Profit or loss for the financial year	341,599	
Distribution of profit	0	-
Total equity and liabilities	0	998,566

Bank debts		
Debts to shareholders		
Financial leasing		
Other short-term liabilities	85,144	
Long-term debts, of which:	455,382	
Bank debts		
Loans from the bond issue	455,382	
Financial leasing		
Provisions		
Advance income		
Total Debts	656,967	100%
Equity, of which:	341.599	100%
Subscribed and paid-up capital		
Capital premiums		
Legal reserves		
Other reserves		
The profit or loss reported		
Profit or loss for the financial year	341,599	100%
Distribution of profit	0	
Total equity and liabilities	998,566	100%

MAIN ECONOMIC-FINANCIAL INDICATORS NOROFERT S.A.

Indicators Norofert S.A. - RAS	December 31, 2023	December 31, 2024
1. Liquidity indicators		
Current liquidity indicator (Current assets/Short-term liabilities)	2.55	1.57
Immediate liquidity indicator (Current assets-inventories/Short-term liabilities)	1.77	1.23
2. Risk indicators		
General borrowing rate (Total liabilities/Total assets)*100	65%	70%
Indebtedness indicator (Borrowed Capital/Equity)*100	107%	90.57%
Indebtedness indicator (Borrowed capital/Employed capital)*100	52%	47.53%
3. Activity indicators		
Fixed asset turnover rate (Turnover/Fixed assets)	1.85	1.51
Total assets turnover rate (Turnover/Total assets)	0.62	0.52
4. Profitability indicators		
Return on capital employed	0.08	0.14
Gross margin rate on sales	5.62	15.72

INTRA-GROUP TRANSACTIONS

Intra-group transactions (RON)	31.12.2023	31.12.2024
Balances with Norofert Fitofarma		
Liabilities	0	
Receivables	0	
Loans	0	1,409
Transactions with Norofert Fitofarma		
Income	0	
Expenses	7,622	0
Balances with Norofert AG LLC		
Liabilities	0	
Receivables	0	367,696
Loans	0	484,724
Transactions with Norofert AG LLC		
Income	0	
Expenses	0	
Balances Norofert Do Brasil LTDA		
Liabilites	0	
Receivables	0	
Loans	0	199,025
Transactions with Norofert Do Brasil LTDA		
Income	0	
Expenses	0	
Balances with Norofert USA LLC		
Liabilities	0	
Receivables	374,912	36,439
Loans	324,855	324,855
Transactions with Norofert USA LLC		
Income	0	
Costs	0	
Balances with AGROPROD CEV		

Liabilities	477,380	116,726
Receivables	3,896,003	3,780,988
Loans	705,513	705,514

Transactions with Agroprod CEV

Income	2,193,153	511,682
Expenses	0	

Total according to the values presented above

Liabilities	477,380	116,726
Receivables	4,270,915	4,185,123
Loans	1,030,368	1,715,118
Income	2,193,153	511,682
Expenses	7,622	0

CASH FLOW NOROFERT S.A.

CASH FLOW SITUATION	December 31, 2023	December 31, 2024
Operational activities:		
(Loss)/Net Profit	(1,626,209)	2,885,157
Adjustments for reconciliation of net result with the net cash used in operating activities:		
Adjustment of the value of tangible and intangible assets (depreciation and value adjustment)	1,832,099	2,187,502
Remuneration of shareholders (shares)	1,360,000	-
Interest income	(157)	(870)
Interest expense	3,447,386	3,297,525
Tax	0	359,542
Profit from the sale of tangible assets	(16,886)	(74,790)
Customer value adjustment	384,360	(138,885)
Value adjustment resulting from litigation	0	0
Net exchange rate difference on available	(614,277)	(127,045)
Increase/(decrease) in operating cash before changes in working capital	4,766,315	8,388,135
Changes in working capital:		
(Increase)/Decrease in balances of trade receivables and other receivables	10,539,963	(11,059,068)
(Increase)/Decrease in inventory balances	(4,259,397)	1,076,607
Increase/(Decrease) in trade payables and other payables balances	(4,465,175)	7,784,382
Net cash flow generated by operating activities	6,581,706	6,190,059
Cash flows from operating activities:		
Net cash flow generated from operating activities		
Interest received	157	870
Interest paid	(3,447,386)	(3,300,168)
Profit tax paid	0	(719,084)
Net cash flow generated by operating activities	3,134,477	2,171,677
Cash flows from investment activities:		
Cash payment for the purchase of fixed assets	(2,902,656)	(8,536,995)
Purchases of participation titles	0	(299,770)
Proceeds from the sale of fixed assets	94,344	84,400
Net cash flow used for investment activities	(2,808,312)	(8,752,365)
Cash flows from financing activities:		
(Decrease)/net increase in bank liabilities	(834,575)	5,816,862
(Decrease)/net increase in lease liabilities	75,455	3,222,364
(Decrease)/net increase in debts within the Group	477,380	(360,654)
Net (decrease)/increase in customer guarantees		
Increase of social capital through cash contribution dividends	(1,200,000)	0
Net cash flow generated by financing activities	(1,481,740)	8,678,571

Cash flows – total	(1,155,575)	2,097,883
Changes in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	1,542,816	387,242
Cash and cash equivalents at the end of the period	387,242	2,485,124

ELEMENTS OF PERSPECTIVE 2025

Norofert S.A. and Agroprod Cev S.R.L.:

Profit & Loss Account Indicators	Amount [RON]
Turnover	53,500,000
Operating expenses	46,545,000
Operating profit	6,955,000
Financial expenses	3,300,00
Gross result	3,655,000
Net result	3,070,200
Number of shares	17,381,215
Net earnings per shares	0.18
EBITDA	9,155,000

We observe that the volatility in the European agricultural market is far from over. We remind you that this situation is generated by many factors that are difficult to manage, namely the general lack of liquidity caused by the difficult financial situation of Romanian farmers after two extremely challenging years in the field. All these factors make 2025 a year in which prudence and limiting exposure will make the difference. Special attention must also be given to the level of indebtedness in agriculture, which has reached a record high, and the Government Emergency Ordinances from the fall of 2024 have only prolonged an already difficult situation for some farmers. The deadline of August 1, 2025, for the exemption from enforcement for farmers who have not fulfilled their obligations to banks and distributors will likely bring a wave of insolvencies in the sector.

The Consolidated Budget of Revenues and Expenses for 2025 is based on the following objectives:

- Maintaining a receivables collection rate of at least 97%. This objective has been achieved in previous years through rigorous scoring of the farms we finance and ensuring the receivables portfolio.
- Maintaining a manageable level of indebtedness. The investments Norofert has made over the years have been partly financed through bank loans, and the early repayment of some credit facilities allows us to close investment cycles more quickly. This trend will continue in 2025.
- Expanding the customer base by promoting new products in the portfolio. The Power range, aimed at conventional agriculture, entered the market this spring, and the growth potential is considerable as it targets a larger market, the conventional agriculture sector.
- Increasing the activity of Norofert Ag LLC in South Dakota, USA. The company's first year of operation yielded very good results, and expansion through an increased sales team and geographical consolidation are priorities for 2025.

Investments:

- Investments in laboratory technology at the Filipeștii de Pădure factory. The success of the research and microorganism multiplication laboratory is measurable by the reduction in production costs for fertilizers and bioprotection products based on bacteria, with very good results observed in 2024.
- Investments in irrigation. At the Zimnicea farm, we have completed pivot irrigation systems for an area of approximately 500 hectares. The next step is to implement a new irrigation system on 200 hectares. The goal is to transform the Zimnicea farm into a business line that generates predictable cash flow each year, regardless of weather conditions.

Income and Expenditure Budget of **Norofert Ag LLC** for the year 2025:

Income Statement	Amount [RON]
Turnover	2,500,000
Operating expenses	1,250,000
Financial expenses	15,000
Net result	1,235,000

- The budget for Norofert Ag LLC is based on the organic growth of the business through sales to distributors and end customers, driven by the efforts of the sales team. No additional investments are planned for the production facility, with the majority of the budget focused on ensuring broad geographic coverage through dedicated sales agents and regional distributors.
- The USA subsidiary no longer requires financing from Romania, having achieved self-sustainability through sales in Q1 2025 — a clear indication that the company has quickly become profitable and capable of supporting its own growth.

Budget of Revenues and Expenses for **Norofert Do Brasil LTDA** for the year 2025:

Income Statement	Amount [RON]
Turnover	1,250,000
Operating expenses	750,000
Financial expenses	35,000
Net result	465,000

- The budget for Norofert do Brasil LTDA is based on sales estimates provided by the company's sales team for the agricultural season running from May to December, during which the main crops are corn, soy, and wheat.
- The expenditure estimates are based on the agreed budget required for the efficient operation of a five-person sales team, supported by a coordinator and a technical director. For the production facility in Chapecó, Santa Catarina state, two workers have been budgeted for production activities.

RISKS

PRICE RISK – this represents the risk that the market price of the products sold by the company will fluctuate to such an extent as to make existing contracts unprofitable. Since the company is a producer of agricultural inputs, it has the unique advantage of setting the price of the products it sells, of course in line with the prices of other producers active in the market. In the agricultural sector, it is customary for producers of agricultural inputs to set a relatively high standard price list, which allows for a significant profit margin, and then offer discounts according to each individual customer, taking into account the payment term and of the quantity of products purchased. Having a high level price list allows the company to have a flexible pricing policy, manage pricing risks and adapt to changing market prices from day to day, from customer to customer. Even with significant reductions, the company still manages to maintain a healthy ratio of production costs to selling costs, which also include indirect expenses. Regarding the prices for the raw materials used for the production of fertilizers, it is important to emphasize that in general there are no large price fluctuations and they are relatively low considering the final selling price of the products. Therefore, since the issuer does not engage in distribution activity, which involves significant price risk, its exposure to price risk is relatively small. The only exception where the company is exposed to price risk is when it purchases seeds or third-party products. However, products purchased from third parties are never sold separately, but only in specially designed packages that include the issuer's own products, thus helping to mitigate the risk. Being included in the package, any margin losses from third-party products are covered by the high margin from other products in the package, which are own products.

LIQUIDITY RISK – liquidity risk is associated with the holding of fixed or financial assets and their transformation into liquid assets.

The company does not hold any financial assets other than shares in subsidiaries, but it does hold fixed assets, most of which are the equipment

needed to run the day-to-day activities at the company's two manufacturing facilities. The company does not intend to sell these assets, as they are necessary to ensure the current business.

CREDIT RISK – The risk that the Group may incur a financial loss, because of a client failing to meet contractual obligations, which mainly arises from trade receivables or the potential failure to fulfil obligations under financial instruments. The company is exposed to credit risk given that the nature of its activity and business model involves extending credit to customers for periods exceeding 180 to 360 days. To reduce exposure to the risk of uncollectible receivables specific to this sector, Norofert has implemented a policy of careful customer selection, excluding small farmers without a history of good payment, and has focused on large farmers in both organic and conventional agriculture. The company Risk Department conducts a thorough assessment of each client submitted for approval by the field sales team. Following this evaluation, creditworthy clients are granted a credit limit, which they can use to purchase products from Norofert's portfolio.

The non-executive members of the Board of Directors of Norofert SA wish to inform shareholders that a large portion of the debts are secured by the company's assets and, concurrently, by promissory notes personally guaranteed by the Chairman of the Board, Mr. Vlad Andrei Popescu, and his family. We consider this information important because Norofert's debts help the company grow and strengthen its economic and commercial position, and the fact that they are also personally guaranteed by the majority shareholder demonstrates that there is prudence and responsibility in incurring debt for the benefit of the other shareholders through the company's development.

CURRENCY RISK - the possibility of recording losses from international commercial contracts or other economic relationships, due to the change in the exchange rate of the currency in the period

between the conclusion of the contract and its maturity.

CASH-FLOW RISK – this represents the risk that the company will not be able to honor its payment obligations when due. The periods of the year when the company is exposed to cash-flow risk are the months before harvest (June for canola, July for wheat and October for sunflower and corn). A prudent cash-flow risk management policy involves maintaining a sufficient level of cash, cash equivalents and the availability of financing through appropriately contracted credit facilities. The Company monitors the level of forecasted cash inflows from the collection of trade receivables, as well as the level of forecasted cash outflows for the payment of trade and other payables. The cash-flow risk is limited through factoring operations on eligible customers and marketing campaigns that encourage the advance payment of some products in exchange for higher discounts.

THE RISK ASSOCIATED WITH INTEREST RATES AND FINANCING SOURCES - In the event of deterioration of the economic environment in which the issuer operates, it could find itself unable to contract a new loan under the conditions it previously benefited from, a fact that could lead to an increase in financing costs and negatively affect the financial situation of the company.

COUNTERPARTY RISK – this is the risk that a third party natural or legal person will not meet their obligations under a financial instrument or under a customer contract, thus leading to a financial loss. The company's exposure to counterparty risk is limited because the company does not sell products that it does not have in stock. In order to optimize costs, any type of third-party products are bought in advance at the beginning of the season to ensure sufficient stock. While this limits the company's counterparty risk, it increases the risk to the company's assets, which is explained in detail above.

RISK RELATING TO COMPANY-OWNED ASSETS AND DEPRECIATION OF INVENTORIES - As of December 31, 2024, Norofert's inventory of current assets included goods comprising wheat seeds, nitrogen fertilizers, and soil fertilizers produced by a third party, which were purchased by Norofert for inclusion in technology packages. The risk that the wheat seeds may deteriorate for various reasons (such as weather, storage conditions, or just to

mention a few) and not be in optimal condition for resale is considered insignificant.

RISK ASSOCIATED WITH POLITICAL AND SOCIAL INSTABILITY IN THE REGION – Political and military instability in the region, such as the war in Ukraine, can lead to deeply unfavorable economic conditions, social unrest or, in the worst case, military confrontations in the region. The effects are largely unpredictable but may include a decline in investment, significant currency fluctuations, increases in interest rates, reduced credit availability, trade and capital flows, and increases in energy prices. These and other unforeseen adverse effects of the crises in the region could have a material adverse effect on the Group's business, prospects, results of operations and financial position.

GENERAL ECONOMIC RISKS - the issuer's activities are sensitive to business cycles and general economic conditions. Both international financial crises and the unstable economic environment can have significant negative effects on the issuer's business, operating results and financial position. Socio-political turmoil can also impact the business of the company.

The international financial markets felt the effects of the global financial crisis that started in 2008. These effects were also felt on the Romanian financial market in the form of the low liquidity of the capital market, as well as through an increase in medium-term financing interest rates, because of the global liquidity crisis. In the future, such a scenario could be repeated and the possible significant losses suffered by the international financial market, with major implications on the Romanian market, could affect the Issuer's ability to obtain new loans or financing, under sustainable conditions.

THE RISK DUE TO THE SPECIFIC ACTIVITY – The company operates in the field of agriculture in the niche of products intended especially for organic farming. As a result of the strategy at the level of the European Union and Romania, farmers benefit every year from subsidies that significantly support the activity of farmers. Although no information is known in this regard, if in the future this strategy undergoes adjustments/changes in the direction of decreasing subsidies, it may also have a negative impact on the company's customers, with a potential impact on the collection side of

receivables and/or new product orders to Norofert but also of the subsidies received by Norofert SA and Agroprod Cev SRL (subsidiary).

THE RISK OF ATTACHMENT OF THE ISSUER'S ACCOUNTS -

Account garnishment is an enforcement measure that can be applied to a company. Thus, the issuer's accounts can be blocked as a result of the attachment, if the issuer's creditors request this measure to recover their claims. The attachment of the issuer's accounts results in the blocking of the amounts in the attached accounts and may lead to difficulty or impossibility for the company to honor its subsequent obligations, in the agreed terms.

OPERATIONAL RISK - The Romanian agricultural cycle is divided into two main seasons, each having a different influence on the company's financial performance:

February-May, with peak activity in March-April, is the season for sowing sunflower and corn crops as well as applying treatments for fall sown wheat and canola seeds that have come out of the winter (i.e. germinated and survived the season of winter). For the cultivation and treatment of these crops, Norofert sells its own products that have the highest profit margin. Thus, in the first half of each year, the company generates most of its total profit.

August to October, with peak activity from mid-September to late October, it is the season for sowing wheat and canola crops. During this campaign, Norofert primarily sells specially designed packages containing seeds, herbicides and fertilizers. These packages, along with Norofert products, also include other products (wheat seeds, herbicides and nitrogen fertilizers) that are not produced by Norofert, thus causing a lower profit margin. For this reason, in the second half of the year, Norofert generally registers high revenues but lower profits compared to the first half of the year. Depending on weather conditions, the cycles may extend over the period specified above, thus affecting the company's sales.

RISK OF LOSS OF REPUTATION - it is an inherent risk of the issuer's activity, reputation being particularly important in the business environment, especially if the company wants to expand its activity to other markets. The ability to expand its portfolio, in order to develop the activity, depends on the recognition of the issuer's brand and the imposition of the products on the target markets.

THE RISK ASSOCIATED WITH THE BUSINESS DEVELOPMENT PLAN - the company aims for a

sustainable growth, as strategic directions for the development of the main activity, Norofert proposes to increase the market share and the sales volume in Romania against the background of the intensification of the absorption of the market for ecologically certified inputs and the reorientation towards distribution predominantly through large distributors. However, it is not excluded that the line of development chosen by the issuer in order to expand the activity is not at the level of expectations and estimates, in this case it could generate negative effects on the financial situation of the company.

THE RISK ASSOCIATED WITH ACHIEVING FINANCIAL FORECASTS - financial forecasts start from the

premise of fulfilling the business development plan. The company aims to periodically issue forecasts regarding the evolution of the main economic and financial indicators in order to provide potential investors and the capital market with a true and complete picture of the current situation and the future plans envisaged by the company, as well as current reports detailing the comparative elements between the forecasted data and the actual results obtained. The forecasts will be part of the annual and half-yearly reports, and the forecast policy is published on the company's website at the following [link](#).

Forecasts will be made in a prudent manner, but there is a risk of their non-fulfilment, therefore, the data to be reported by the company may be significantly different from those forecasted or estimated, as a result of factors that were not previously foreseen or whose negative impact could not be counteracted or anticipated.

RISK ASSOCIATED WITH KEY PERSONS - the company, active in a niche industry of organic agriculture, in an expanding market, carries out an activity that requires high knowledge and specialization. The Company depends on the recruitment and retention of management personnel and qualified employees. The medium and long-term profitability of the company depends, to a large extent, on the performance of qualified employees, staff and executive management, which are particularly important for the future development of the Norofert group. Therefore, there is a possibility that, in the future, the

company may not be able to retain its executive directors or key personnel involved in the company's activities or may not be able to attract other qualified members of the management team or key persons, which would affect the market position such as and its future development. Thus, both the loss of management and key employees could have a material adverse effect on the company's business, financial position and operating results.

RISK OF LITIGATION - In the context of its operations, the issuer is subject to litigation risk, among other things, due to changes and developments in legislation. The issuer may be affected by other contractual claims, complaints, and litigation, including from counterparties with whom it has contractual relationships, clients, competitors, or regulatory authorities, as well as any negative publicity that such an event may attract.

Both directly and indirectly, through the companies in which it holds stakes, the Issuer is involved in legal proceedings that have arisen in the normal course of its activities. As of the date of drafting this financial report, the company is involved in the following ongoing litigations:

Case No. 2294/89/2021 – Opening of the insolvency proceedings for Valea Teiului. The case is at the first instance stage. The next court date is set for October 5, 2023. Norofert SA has filed a request for registration at the creditor's table as a creditor.

Case No. 707/88/2021 – Opening of the insolvency proceedings for Bio Consulting. The case is at the Tulcea Tribunal. A request for registration on the creditor's table has been submitted by Norofert SA, as the creditor with the highest position on the creditor's table.

Case No. 35027/3/2022 – The case concerns claim filed by Norofert. Defendant: SV Organix GMBH. The case is at the first instance stage, in the regularization procedure, at the Bucharest Tribunal."

Case No. 325/327/2023 – The case concerns claim filed by Norofert. Defendant: Agrobio Rodnic SRL. The case is at the first instance stage, in the regularization procedure, at the Tulcea Tribunal.

TAX AND LEGAL RISK - the issuer is governed by Romanian legislation and even if Romanian legislation has been largely harmonized with EU legislation, subsequent changes may occur, i.e. new laws and regulations may be introduced, which may have effects on the company's activity. Legislation in Romania is often unclear, subject to

different interpretations and implementations and frequent changes. Both the modification of fiscal and legal legislation, as well as possible events generated by their application, can materialize in possible fines or lawsuits filed against the company, which can impact the activity of the issuer.

RISKS RELATED TO INVESTMENTS IN ROMANIA, IN AN ECONOMIC AND POLITICAL CONTEXT - the Romanian economy is vulnerable in conditions of regional or international recession, financial and economic problems at a general level can be felt more acutely in certain markets or sectors. Political and social changes can also be an unpredictable factor. Romania does not possess all the business, legal and regulatory infrastructure that would exist in a developed economy. The legislation is subject to varying interpretations and is frequently amended.

RISK OF DROUGHT - Drought affects Norofert indirectly, as farmers to whom Norofert has sold products may lose their crops, leading to the possibility that they may not be able to fulfill their contractual obligations and pay outstanding receivables. The company is exposed to credit risk, given that the specific nature of its activity and business model involves extending credit to customers for a period ranging from 180 to 360 days. To reduce exposure to the risk of non-payment of receivables specific to the sector, Norofert has adopted a careful customer selection policy, excluding small farmers without a history of good payment, and instead focusing on large farmers in both organic and conventional agriculture. Following the evaluation conducted, clients can benefit from a credit limit, which they can use to purchase products from Norofert's portfolio. This evaluation activity is carried out by Norofert's Risk Department, which was established in July 2019.

OTHER RISKS - investors should consider that the risks presented above are the most significant risks of which the company is aware at the time of writing the document. However, the risks presented in this section do not necessarily include all those risks associated with the activity of the issuer, and the company cannot guarantee that it includes all relevant risks. There may be other risk factors and uncertainties of which the company is not aware at the time of writing and which may change the actual results, financial

conditions, performance and achievements of the issuer in the future and may lead to a decrease in the price of the company's shares. Investors

should also undertake the necessary due diligence in order to make their own assessment of the investment opportunity.

PRINCIPLES OF CORPORATE GOVERNANCE

Declaration on alignment with BVB's Corporate Governance principles for the Multilateral Trading System - AeRO market.

CODE	PROVISIONS THAT MUST BE RESPECTED	FULLY COMPLY	DOES NOT COMPLY	ADDITIONAL INFORMATION
SECTION A – RESPONSIBILITIES OF THE BOARD OF DIRECTORS (BOARD)				
A1.	The company must have an internal Board bylaw that includes terms of reference regarding the Board and the company's key management functions. The management of conflict of interest at Board level must also be addressed in the Board's regulations	YES		The Issuer fully complies with this provision.
A2.	Any other professional commitments of the members of the Board, including the position of executive or non-executive member of the Board in other companies (excluding subsidiaries of the company) and non-profit institutions, will be brought to the attention of the Board before the appointment and during the term of office.	YES		The Issuer fully complies with this provision.
A3.	Each member of the Board shall inform the Board of any connection with a shareholder who directly or indirectly holds shares representing no less than 5% of the total number of voting rights. This obligation includes any kind of connection that may affect the respective member's position on issues related to the Council's decisions.	YES		The Issuer fully complies with this provision.
A4.	The annual report will inform whether an evaluation of the Board has taken place under the chairmanship. The annual report must contain the number of meetings of the Council.	YES		During 2024, 15 meetings of the Board of Directors took place.
A5.	The procedure regarding the cooperation with the Authorized Consultant for a period in which this cooperation is applicable shall contain at least the following:	YES		The Issuer signed a contract with SSIF Goldring SA regarding the provision of Authorized Consultant services, post-listing, for a period of 12 months.
A.5.1.	Liaison person with the Authorized Consultant	YES		
A.5.2.	The frequency of meetings with the Authorized Consultant, which will be at least once a month and whenever new events or information require the	YES		

submission of current or periodic reports so that the Authorized Consultant can be consulted;

A.5.3.	The obligation to inform the Bucharest Stock Exchange regarding any dysfunction arising in cooperation with the Authorized Consultant, or the change of the Authorized Consultant.	YES	
SECTION B – CONTROL / INTERNAL AUDIT			
B1.	The Board shall adopt a policy so that any transaction of the Company with a subsidiary representing 5% or more of the Company's net assets, according to the most recent financial reporting, shall be approved by the Board	YES	
B2.	The internal audit must be carried out by a separate organizational structure (the internal audit department) within the company or through the services of an independent third party, which will report to the Board, and within the company, will report directly to the General Manager.	YES	The internal audit of the Issuer is done by Contexpert.
SECTION C – FAIR REWARDS AND MOTIVATION			
C1.	The Company will publish in the annual report a section that will include the total income of the members of the Board and the CEO and the total value of all bonuses or any variable compensation, including key assumptions and principles for their calculation.	YES	The issuer undertakes to publish this information in the annual report.
SECTION D – BUILDING VALUE THROUGH INVESTOR RELATIONS			
D1.	In addition to the information provided in the legal provisions, the company's website will contain a section dedicated to Investor Relations, both in Romanian and English, with all relevant information of interest to investors, including:	YES	Norofert complies with all rules regarding the IR function, as detailed below. The company has a dedicated section for relations with investors on the website www.norofert.ro , which is available in both English and Romanian.
D1.1	The main regulations of the company, in particular the articles of incorporation and the internal regulations of the statutory bodies	YES	Norofert 's key regulations can be found on the issuer's website.
D1.2	The CVs of the members of the statutory bodies	YES	The CVs and biographies of the company's management personnel can be found on the Norofert website as well as in the annual reports.
D1.3	Current reports and periodic reports;	YES	All current and periodic reports of Norofert are available on the issuer's website.
D1.4	Information regarding general meetings of shareholders: agenda and related materials; the decisions of the general meetings;	YES	All information related to the Norofert S.A. GMS are available on the issuer's website.
D1.5	Information regarding corporate events such as the payment of	YES	IF applicable, this information will be published by the

	dividends or other events that result in obtaining or limiting the rights of a shareholder, including the deadlines and principles of such operations;		company on the Norofert website, as well as through a current report sent to BVB.
D1.6	Other information of an extraordinary nature that should be made public: cancellation/ modification/ initiation of cooperation with an Authorized Consultant; signing/ renewing/ terminating an agreement with a MM.	YES	IF applicable, this information will be published by the company on the Norofert website, as well as through a current report sent to BVB.
D1.7	The company must have an Investor Relations function and include in the section dedicated to this function, on the company's website, the name and contact details of a person who has the ability to provide, upon request, the relevant information	YES	Contact details for Norofert's IR department can be found on the company's website, in the "Investors" section.
D2.	The company must have adopted a company dividend policy, as a set of guidelines regarding the distribution of net profit, which the company declares that it will respect. The principles of the dividend policy must be published on the company's website.	YES	The company's dividend policy is available on the Norofert website, in the "Investors" section.
D3.	The company must have a policy in place regarding forecasts and whether or not they will be provided. Forecasts are the quantified conclusions of studies aimed at determining the total impact of a list of factors relating to a future period (the so-called hypotheses). The policy must provide for the frequency, the period covered and the content of the forecasts. Forecasts, if published, will be part of annual, semi-annual or quarterly reports. The forecast policy must be published on the website.	YES	Norofert's policy on forecasts is available on the company's website, in the "Investors" section.
D4.	The company must set the date and place of a general meeting in such a way as to allow the participation of as many shareholders as possible.	YES	Norofert organizes and will continue to organize AGMs on weekdays or weekends, in Bucharest or in other big cities in the country, as well as online through the eVote platform.
D5.	The financial reports will include information in both Romanian and English, regarding the main factors influencing changes in sales, operating profit, net profit or any other relevant financial indicator.	YES	Norofert issues all information for investors, including financial reports, bilingually, in English and in Romania.
D6.	The Company will hold at least one meeting/conference call with analysts and investors every year. The information presented on these occasions will be published in the IR section on the company's website, at the time of the respective meeting/conference calls.	YES	Norofert organizes at least once a year the "NRF Investor Day" as well as at least one annual videoconference to present the financial results recorded by the company.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

CLEAR SEPARATION BETWEEN CA AND EXECUTIVE MANAGEMENT - According to the company's Articles of Incorporation and the executive appointments made during 2024, Norofert benefits from a clear separation of responsibilities between the board and the executive management. The Chairman of the Board promotes open discussions, while the other two members are responsible for constructive debates, strategic advice, professional opinions, and interact with management to assess the company's progress and convey shareholders' expectations in accordance with the decisions of the General Shareholders' Meeting. Although one board member is involved in major projects, they are considered independent for the company, as they do not contribute operationally but provide professional expertise to complement the company's human resources.

CONFLICTS OF INTEREST - There is a clear way of working to manage conflicts of interest, with leadership positions appropriate for the current size of the company. The board of directors is entrepreneurial, efficient, professional and can carry out its duties to bring long-term sustainable success to the company, generate added value and contribute to society in general. The three board members are committed to the company, have defined the goals, values and strategy in a way that is aligned with the culture of meritocracy promoted within the company. The management of Norofert ensured that the company has the necessary resources to achieve the objectives and to measure the performance, through prudent and effective control methods. The company's employees consider the internal feedback procedure to be effective and the members of the CA to be approachable, as evidenced by the fact that there is honest and safe communication with them.

BoD MEMBER COMMITMENTS - All board member commitments were transparently discussed. Marius Alexe is a member of the Board of Directors in the companies Norofert SA, Bonas Import Export SA, both listed on the BSE, and Prime Dash Development SA, an unlisted company. All three members of Norofert SA's Board of Directors are associated together with other investors in Ultragreens SRL, where they do not hold management positions or operational duties. According to an internal analysis, there is no possibility of a conflict of interest due to the functions and private investments in the above mentioned companies.

HOLDINGS OVER 5% - The three shareholders who, at the time of writing this financial report, hold more than 5% of the company's capital are Vlad Popescu (36.13%),

Ileana Popescu (14.80%) and Marius Alexe (12.29%). Apart from them, the company has no shareholders that exceed a 5% holding, either individually or who have declared that they act jointly, thus there are no unannounced connections with shareholders that hold more than 5% of the share capital.

ANNUAL EVALUATION - The annual self-assessment of Norofert's Board for 2024 was completed by each individual member, with the result being positive for each member and for the procedures related to the board. The external assessments for corporate governance provided by Sustainalytics Morningstar and VEKTOR by ARIR resulted in a very good outcome.

INTERNAL CONTROL SYSTEM - Transactions with the involved parties are based on advantage and the board has powers to approve significant transactions either with subsidiaries or with other economic agents. The company benefits from internal audit.

REMUNERATION - Norofert SA has a remuneration policy approved by the AGM, transparent and concise, published in the fundamental notes for the AGM dated 11.11.2022. The Chairman of the Board of Directors has a fixed monthly remuneration plus an allocation of free shares through the incentive plan (Stock Option Plan - SOP). The other two members of the CA were not remunerated neither for the mandate of administrators nor for that of consultants (the advisory board was abolished in 2021), their activity being continuous from 2020. These two members are remunerated in free shares through plans of Incentive and not a fixed one so as not to put a financial pressure on the company. The executive director, Mircea Fulga, has a monthly remuneration and also benefits from free shares through the incentive plan. For the year 2024, the company will not implement SOP.

INVESTORS RELATION - Norofert has demonstrated a solid presence in the capital market and has made constant efforts to improve communication with investors. The company has established a dedicated department for Investor Relations, publishes reports in Romanian and English. It has established clear dividend policies, provides forecasts, organizes General Shareholders Meetings in several cities in Romania, as well as Investor Day and teleconferences to present the recorded financial results. The company scored 10 on the VEKTOR by ARIR indicator for its efficient and transparent communication with investors, both in 2023 and 2022. Norofert publishes financial results according to both RAS and IFRS from H1 2023.

MANAGEMENT STATEMENT

The undersigned, **Vlad Andrei Popescu**, as President of the Board of Directors of Norofert S.A., I declare, according to the best available information, that the audited financial statements for the financial year 2024 show a correct and true picture of the assets, liabilities, financial position and the situation of Norofert's revenues and expenses and that the Report prepared for the period between January 1, 2024 and December 31, 2024 provides a correct and factual picture of the important events that took place during the financial year 2024 and their impact on the financial statements of the company.

Vlad Andrei Popescu
President of the Board of Directors



BALANCE SHEET 2024

BALANCE SHEET NOTES 2024

AUDITOR'S REPORT