



INVESTMENT PRESENTATION

Updated as of June 23rd, 2020



We are the leading producer of organic inputs in Romania, with ambitious plans to expand and build our position on the US market in the next years.

We are an experienced team with almost 20 years of experience in farming in agriculture and we have been producing our inputs “made in Romania” since 2015.

Since March 3rd, 2020 we are listed on the AeRO market of the Bucharest Stock Exchange under „NRF” symbol. Since June 5th, 2020, our corporate bonds are also available for trading on AeRO, under „NRF25” symbol.

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A close-up photograph of a hand holding a small amount of light-colored, granular fertilizer. To the left of the hand, a small green seedling with two leaves is growing out of a dark, rich soil. The background is a soft, out-of-focus green field.

BUSINESS OVERVIEW

ABOUT NOROFERT GROUP

Norofert Group is a leading Romanian producer of organic agricultural products and an experienced player on the local organic farming market. Established in 2000 as a family business, in the past three years the company has undergone rapid growth after developing a proprietary technology, called Bio Chain, which only uses raw vegetal, animal, bacterial materials and microorganism as ingredients of its products. Apart from fertilizers, the company also produces phytosanitary products such as insecticides and fungicides as well as seed and foliar treatments.

In August 2018, Norofert Organics launched a premiere on the Romanian market by introducing all its products in the form of an effervescent tablet. By replacing classic liquid or powder products used in agriculture with the tablet, Norofert removed completely the risk of fermentation at high temperatures, extended the product's shelf-life to between 5-10 years as well as significantly reduced storage and space need for transportation thus revolutionizing the local organic agriculture sector.

Since raising the capital through the private placement for its shares in July 2019, Norofert underwent accelerated development. In the summer of 2019, the company launched Norofert Fito – a line of products for small farmers and for gardening; in September 2019 it launched Norofert Karisma – a line for large-scale conventional farming. In the summer of 2020, Norofert introduced Norofert Horticulture line, developed specially for orchards. Same period it has also launched an online store, www.norofert.store.ro. The company is currently in the process of establishing its presence on the US market.



EVOLUTION TIMELINE

2000

Norofert SRL is established as a company specialized in import and distribution of fertilizers in Romania. Until closing in 2010, Norofert was the first company that important technologically advanced fertilizers into Romania.

2011

Vlad Popescu became involved in the family business, first delivering products only in 2013 to start working in the company's sales department, working directly with the local farmers.

2015

Following identification of attractive niche, Norofert starts producing own organic fertilizers and begins their marketing towards local farmers.

2018

Norofert launches the revolutionary effervescent tablet, a patented product that significantly reduces the size of products used and expands the shelf life.

2019

In July 2019, the company raises 7,125 million lei by selling its shares in what was the fastest private placement in BVB's history that closed in 6 hours. The capital raised was used for equipping factory and expanding production.

2020

In January 2020, Norofert raised 11 million lei during private placement for its corporate bonds. The bonds floated on AeRO on June 5th under #NRF25 symbol.

2010

In 2010, under new company Norofert Eco SRL, the owners began importing eco fertilizers from Spain, Germany and the USA. The company worked with the best producers and was the only importer specialized in the organic farming niche, which began forming in Romania in 2008.

2015

Vlad Popescu takes over the reins in the family business, recruits Mugur Ionel to join the business and helps kickstart the business under the new model. The company thus becomes producer of organic fertilizers rather than just an importer.

2018

Norofert introduces the Bio Chain line of products, offering a full spectrum of agricultural products for organic farmers necessary for the full cycle of harvesting and re-harvesting.

2019

In July 2019, Norofert introduces FITO line of 8 products for small farmers and hobby gardeners; signs partnership with RepublicaBIO.ro for online sales and RODBUN and Agrii for distribution in fitopharmacies around the country. In August 2019, Norofert introduces a new line of products for conventional agriculture, called Karisma.

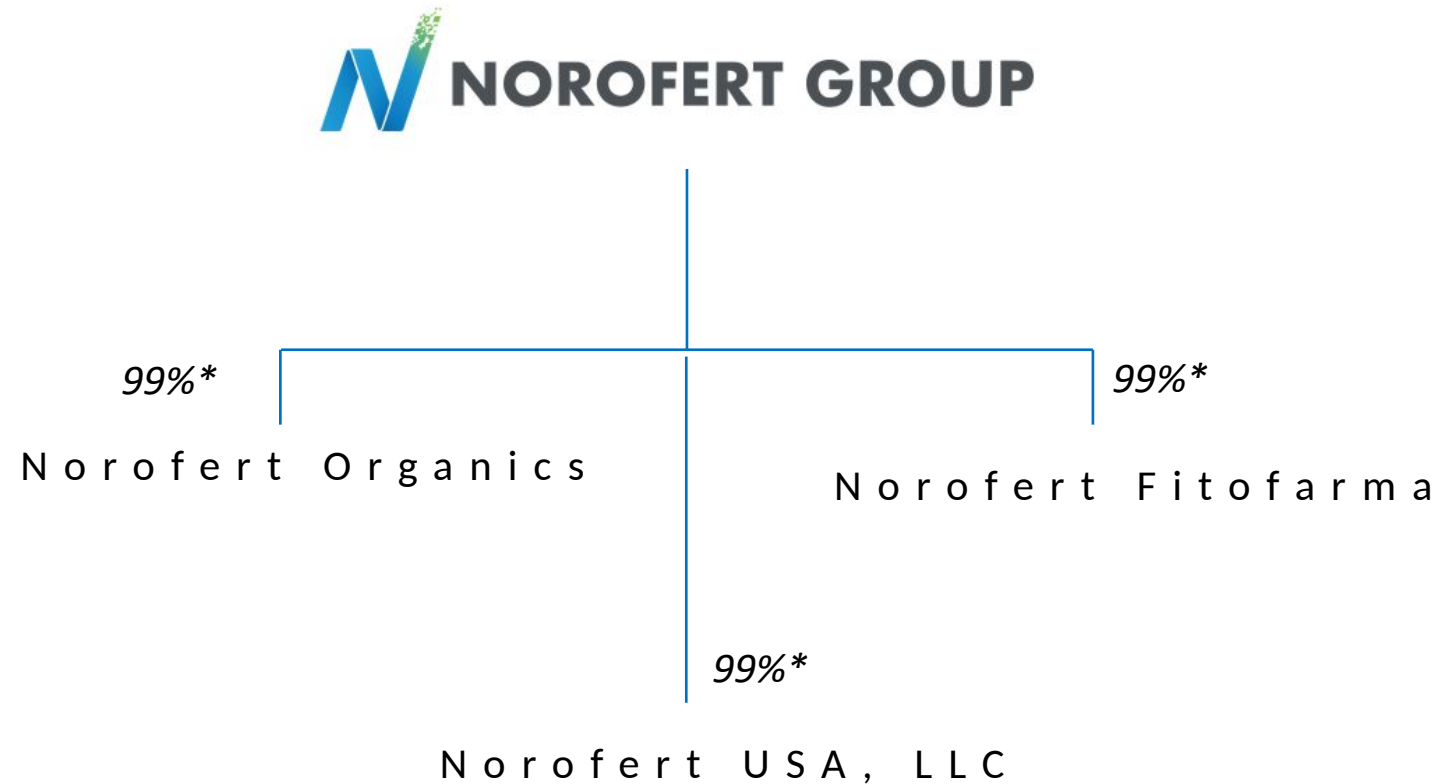
2020

On March 3rd, 2020 the company has floated on the Bucharest Stock Exchange and has been since then traded on the AeRO market under "NRF" symbol.

GROUP STRUCTURE

Until 2019, Norofert's activity was split onto 3 separate companies, each of them having the same shareholder – Vlad Popescu. Prior to raising capital, Norofert SA (former Norofert Eco SRL) has taken a 99% stake in Norofert Organics SRL and Norofert Fitofarma SRL.

In April 2020, Norofert has submitted documents in the State of Ohio to establish Norofert USA, LLC in the USA. Norofert USA is owned in 99% by Norofert SA.



*The remaining 1% is held by Vlad Popescu.

EXECUTIVE TEAM



VLAD POPESCU
CEO & President of the Board

CEO & President of the Board of Directors.



IULIA GRĂDINARU
Executive Director

Responsible for coordinating the activity of the Norofert team.



CRISTIAN VASILE
Chief Business Development

Responsible for developing Norofert's business abroad.

BOARD OF DIRECTORS

The Board of Directors of Norofert SA consists of 3 members.



VLAD POPESCU
President of the Board

Vlad Popescu became involved in agriculture in 2011, when he started working at Norofert, which was his family business. Being a fresh graduate, he began by delivering products to the farmers, getting acquainted with the agri-business. In 2013, he took over the sales position for the company and has overlooked all the sales processes in Norofert. In 2015, he took over the business from his father and decided to restructure it as well as opened the production facility and hired the team of researchers in order to be able to locally produce organic fertilizers of the highest quality. Under Vlad's management, Norofert successfully shifted its business model, introduced a rich line of organic products as well as launched the revolutionary product on the European market, the effervescent tablet, which helped the company reach revenues of RON 9 million, and a 34% profitability margin in 2018.



ZUZANNA KUREK
Board Member

Zuzanna Kurek is the co-founder and Partner at Cornerstone Communications, the first pan-European investor relations and financial communication firm, with offices in Bucharest, Romania and Warsaw, Poland. Lawyer by education, Zuzanna has 6+ years of experience in working in Romanian capital markets and has assisted local entrepreneurs as well as listed companies in many aspects related to implementing highest investor relations and communications standards. Prior to starting Cornerstone Communications, she held the position of Business Development & Marketing Director at the Bucharest Stock Exchange (2016-2018), where she was entrusted with projects intended to promote Romanian capital markets to entrepreneurs as well as improving corporate governance and IR standards within listed companies.



IULIAN MUȘAT
Independent Board Member

Iuliana Mușat has over 20 years of experience in the capital markets and financial domain. She has assisted both state-owned as well as private companies in IPOs and major transactions on the Bucharest Stock Exchange. She currently holds the position of Investment Banking Senior Director at Raiffeisen Bank Romania, having previously served as the CFO and COO at Raiffeisen Capital & Investment. Between 2000 and 2014, she has also sat on the Board of Directors of the same institution. Iuliana Mușat brings broad experience and knowledge in financial management, reporting and control systems, as well as in the implementation of procedures and standards for efficiency and risk management.



PRODUCTS

BUSINESS LINES



NOROFERT FITO

Produced since: July 2019

Products: fully organic line for hobby gardeners and small farmers (up to 1HA land), cultivating vegetables, fruits and flowers.

Line: 8 products sold in 100ml and 250ml bottles.

Sales: online through [Norofert Store](#), RepublicaBio.com and directly in 200+ fitopharmacies around the country, through partnership with distributors (such as: Semplus, Agrii).

NOROFERT ORGANICS

Produced since: 2015

Products: organic inputs for professional farmers of big crops

Line: 18 products available both in the form of effervescent tablet as well as liquid fertilizer.

In H1 2020 Norofert expanded the Organics line by introducing 11 new products specially designed for Horticulture.

Sales: direct, through sales people located around the country, through distributors and through online shop [Norofert Store](#).

Norofert KARISMA

Produces since: August 2019

Products: line for conventional farming (big crops)

Line: 6 products with the possibility to expand it gradually

Sales: direct, through sales people located around the country, through distributors and through online shop [Norofert Store](#).

NOROFERT ORGANICS

The following types of agricultural inputs are produced under Norofert Organics brand:

- **Fertilizers** – materials, that are applied to agricultural soil or to plant tissues to supply one or more plant nutrients essential to the growth of plants.
- **Insecticides** – substances that are used to kill insects.
- **Fungicides** – organisms used to eliminate parasitic fungi or their spores, protecting the crops from rotting.
- **Seed Treatments** – chemical dressing, typically antimicrobial or fungicidal, in which seeds are treated prior to planting. Environmentally friendly because they allow significantly lowering the amount of pesticides used.
- **Foliar treatments** – process of feeding the plants by applying fertilizer, directly to their leaves, allowing them to absorb essential elements or speed up the decomposition process.
- **Other products** that, for example, help plants synthesize rapidly and eliminate harmful heavy metals.

Additionally, Norofert has capacity to produce custom products, based on specific requests coming from farmers.



TAILORED FERTILIZERS

Apart from standardized organic formulations, Norofert is also specialized in the area of production and research of organic inputs. Norofert's experts help farmers maximize their production with the help of their customized formulas that take into consideration the specificities of the individual crops as well as the soil components, atmospheric conditions and other factors, including rodents or pests that are endangering the harvest in the given time period and area.

The process of preparing customized fertilizers consists of the following steps and is based on specific requests:

- Soil analysis, collected by Norofert experts and inspected at the company's laboratories;
- Detailed analysis of what the specific plant / crop needs in order to grow and develop;
- Analysis of the atmospheric conditions as well as the local environment;
- Preparation of the unique formulation and its production either in the tablet or liquid form;
- Delivery of the ready to use products to the client, together with application instructions.

Norofert takes care of the whole process, from environmental research to actual product delivery and first application. Additionally, Norofert's experts have the capability to assist the farmers with the organic farming regulations in specific countries, in order to ensure that the fertilizers administered to the crops are fully compliant with all the applicable national regulations on organic farming. All Norofert products are by default compliant with EU regulations on organic farming.

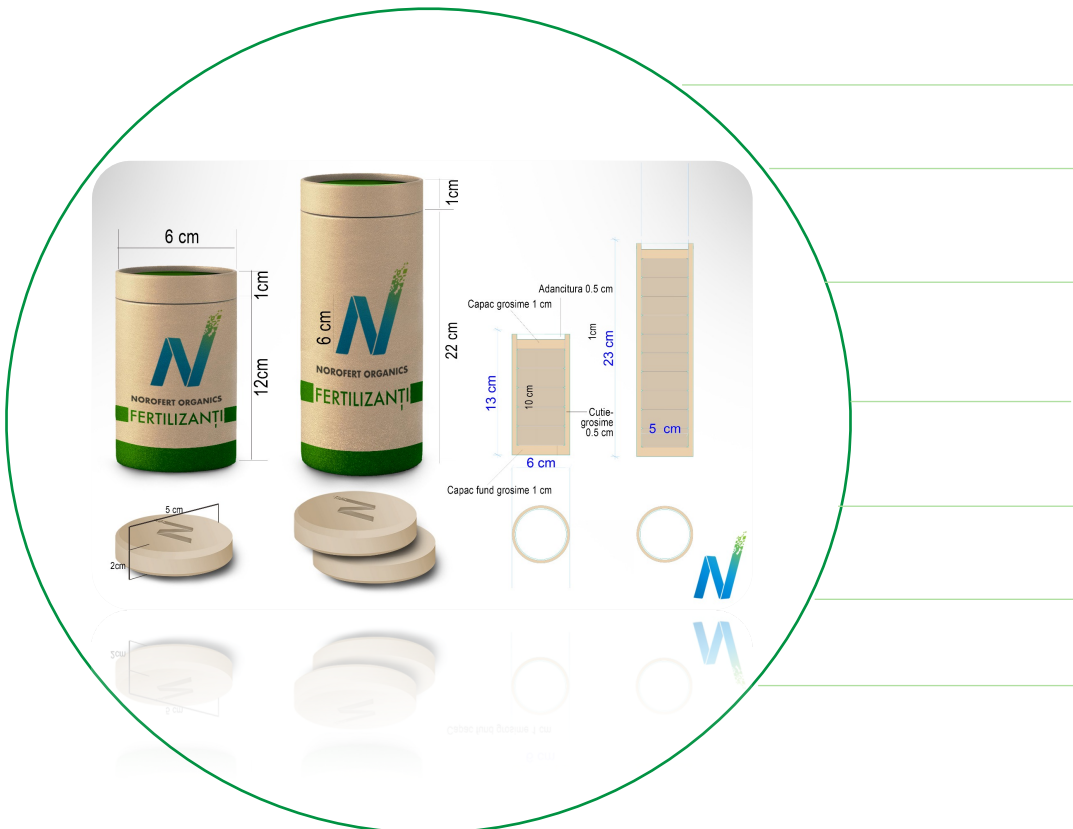
With the introduction of Karisma line, the business line for developing tailored fertilizers also expanded onto conventional farming products.



EFFERVESCENT TABLET

Effervescent tablet is Norofert's innovative product launched in 2018. Effervescent tablet replaces the classic liquid or powder products used in agriculture, thus completely removing the risk of fermentation at high temperatures, extending the shelf life as well as reducing the storage and transportation space. The tablet, which can combine between 4 to 6 active substances, dissolves almost instantly (within 60 seconds), without leaving any deposits or residues. All Norofert products (fertilizers, insecticides, etc) can be provided to the Clients in the liquid or tablet form, also the future products from the Karisma line for conventional farming.

The key advantages of Norofert's effervescent tablet:



Similar to Norofert's liquid fertilizers, effervescent tablet applies BioChain technology of Norofert.

The tablet dissolves completely within maximum 60 seconds.

The tablet dissolves completely, without leaving any deposits or residues.

One tablet can contain between 4 to 6 active substances.

The bag or container of 1,2 kilo transforms into a 250 g (0,25kg) tablet, thus significantly reducing storage and transport space.

The tablet does not pose any risk of fermentation at high temperatures.

There is no risk of segregation or alternation of the product or its active ingredients.

The shelf life of the tablet is extended to 5 years.

NOROFERT FITO

In July 2019, Norofert launched Norofert FITO – a line designed specially for small farmers and hobby gardeners who cultivate vegetables, fruits and flowers in small, non-commercial quantities (up to 1 hectare of land per crop). The line consists of 8 organic products and includes bio fertilizers, insecticides as well as well fungicides that can be followed through the whole plant cycle, in order to ensure its full health.

FITO is Norofert's first line of products that is available for purchasing to the general public, in quantities ranging between 100-250 ml per product. Similar to Organics line, all products from the FITO line are produced using raw vegetal, animal, bacterial materials and microorganisms as ingredients and were approved for use in organic farming across the EU in accordance with the applicable regulation. Norofert is the first local producer to attack the hobby gardening niche.

The full line of Norofert Fito products is available for purchase on the Norofert Store at www.norofert.store.ro. For the purpose of promoting and distributing the Fito line, the company has signed partnership agreements with RepublicaBIO.ro for online sales as well as has a national distribution agreement signed for selling Fito line in over 200 phytopharmaceutical stores around Romania (fitofarmacii).



NOROFERT KARISMA

In August 2019, Norofert introduced a new product line for conventional agriculture, called Karisma, which consists of fertilizers and inputs, produced both in liquid form and in the form of effervescent tablets. With the Karisma line, Norofert has entered the conventional agricultural market, which has a current size of 9 million hectares of arable land in Romania. The launch of the Karisma line was a strategic move for Norofert, as it helps the company build relationships with important farmers who are currently growing conventional but who, in the medium term, can convert to organic farming and become customers for the Norofert Organics line.

Following the very good results obtained by farmers in conventional agriculture with Norofert's organic products, the company has decided to create a hybrid technology that combines the organic element with the chemical one, thus materialized in a new line of products, which was based on classic formulas currently found in the market.

In addition to the portfolio of 5 foliar fertilizers, Norofert also launched, in the second half of 2019, KARISMA IF, an insecto-fungicide, a product destined for large crops under conventional system, with a new and different mode of action compared to the conventional pesticides on market. Also, considering the formulation of the KARISMA IF product, large volumes of sales are expected for this product because it is not part of the neonicotinoid class, meaning it can be sold even during the flowering period of the crops, when most chemical insecticides are prohibited. Another important aspect of Karisma IF is that it does not affect bees.

The direction of development towards conventional agriculture using raw materials of natural origin is a trend just at the beginning, but with very good results due to the different mode of action versus the classic pesticides, to which diseases and pests have developed resistance over the years.



HORTICULTURE LINE

In June 2020, in the response to the market needs, Norofert launched a much anticipated line of organic inputs for trees and viticulture. The line was launched soon after a groundbreaking decision that banned the use of neonicotinoids in agriculture.

The new product line covers all the needs of farmers specialized in viticulture, horticulture and in growing the trees. The line takes into account the European rules uncross-compliance and environmental protection.

The line consists of:

- mineral horticultural oil formulated from active substances allowed to be used in organic farming that have proven to be extremely effective against pests and diseases, the main role of mineral horticultural oil remaining equally important;
- fungicide, with a broad spectrum of control of the main diseases of fruit trees, fruit bushes and vine;
- long-acting insecticide capable of fighting over 400 types of insects of the classes diptera and lepidoptera;
- foliar fertilizer made from organic amino acids from plant origin (minimum 80% free amino acids);
- single-dose innovation fertilizer formulated on the basis of amino acids, humic acids, fungi and beneficial bacilli with a protective and biostimulatory role.

The whole range of products can be used in both organic and conventional agriculture, with spectacular results. The products are made of the highest quality raw material and superior NON-GMO genetic material.





GROWTH

ORGANIC AGRICULTURE MARKET

The principal goal of organic production is to develop enterprises that are sustainable and harmonious with the environment while providing beneficial, healthy and safe food to the people. According to the world renowned federation, IFOAM, organic agriculture can be defined as follows:



Organic agriculture is an integrated farming system that strives for sustainability, the enhancement of soil fertility and biological diversity whilst, with rare exceptions, prohibiting synthetic pesticides, antibiotics, synthetic fertilizers, genetically modified organisms, and growth hormones.

In the EU, in order to produce crops that can be considered as organic, the farmers need to comply with the provisions of European Commission Regulation No 889/2008 of 5 September 2008, laying down detailed rules for the implementation of Council Regulation No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control. Norofert provides European farmers with bio inputs that comply with all the European as well as national regulations in force on organic farming.

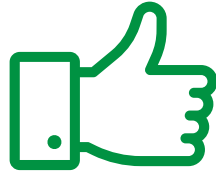
Globally, between 2016 and 2021, the organic food market is projected to grow at a CAGR of over 14% on the account of rising disposable income coupled with growing awareness among consumers about health benefits of consuming organically produced food. Organic farming represents a global shift rather than just a consumer trend and Norofert wishes to assume the role the precursors of this movement in Romania.

In Romania, currently only estimated 1,8% of harvested lands are organic. According to the Eurostat data, only 150.000 hectares of land are cultivated in Romania in organic fashion while in Hungary or in Bulgaria, countries smaller in terms of size as well as population, have respectively 100.000 hectares and 107.000 hectares. Norofert's mission is to promote organic farming in Romania, outlining its benefits for the farmers as well as the consumers.

BENEFITS OF ORGANIC FARMING

Organic farming has many benefits, not only for the end-consumer, but also for the farmers, who apart from many subventions from the EU, can also benefit from significantly higher returns on their crops.

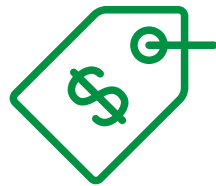
Global trends suggest that the demand for healthy and organic food will continue growing, together with consumers' education and change of habits.



While the food produced under the organic model tastes the same as the non-organic food, it is free of pesticides residue and therefore much healthier for the consumers.



When farmers use chemicals (instead of applying organic farming methods), they kill all the beneficial micro-organisms. The only way to keep the soil alive while ensuring that the crops are not destroyed by the pests, is by using organic products.



For farmers, organic farming is more profitable as organic products retail for more. Therefore, even though conventional farming generates estimated 10-15% higher crop production, in case of organic farming this loss is compensated with estimated 30-40% higher returns obtained on the crops.



Globally, a shift in the consumers preference towards healthier and more organic food, has been observed. Between 2016 and 2021, the organic food market is projected to grow at a CAGR of over 14% on the account of rising disposable income coupled with growing awareness among consumers about health benefits of consuming organically produced food.

INVESTMENT ATTRACTIVENESS

SECTOR: AGROTECH

- investment sector with great potential and sustainability on the medium- to long- run
- research and innovation driven growth and development
- „defensive” and „growth” stock
- business model adjusted to changing preference of the end consumer who globally and regionally is becoming more educated and as a result, is consuming more responsibly

ISSUER: NOROFERT SA

- steep positive trends for all important historical and forecasted economic and financial data
- highly innovative and innovation-oriented
- experienced pioneer and leader on the market
- starting from 2019, exporter on European markets through partnerships with important distributors
- ambitious development plans, which are not only limited to the organic farming market, thus allowing gaining further and unlimited market share locally and abroad
- professional and experienced management
- potential for growth locally and abroad



NRF ON BVB

ABOUT NOROFERT

Symbol: NRF

Market: AeRO of BVB

Free-float: 28.5%

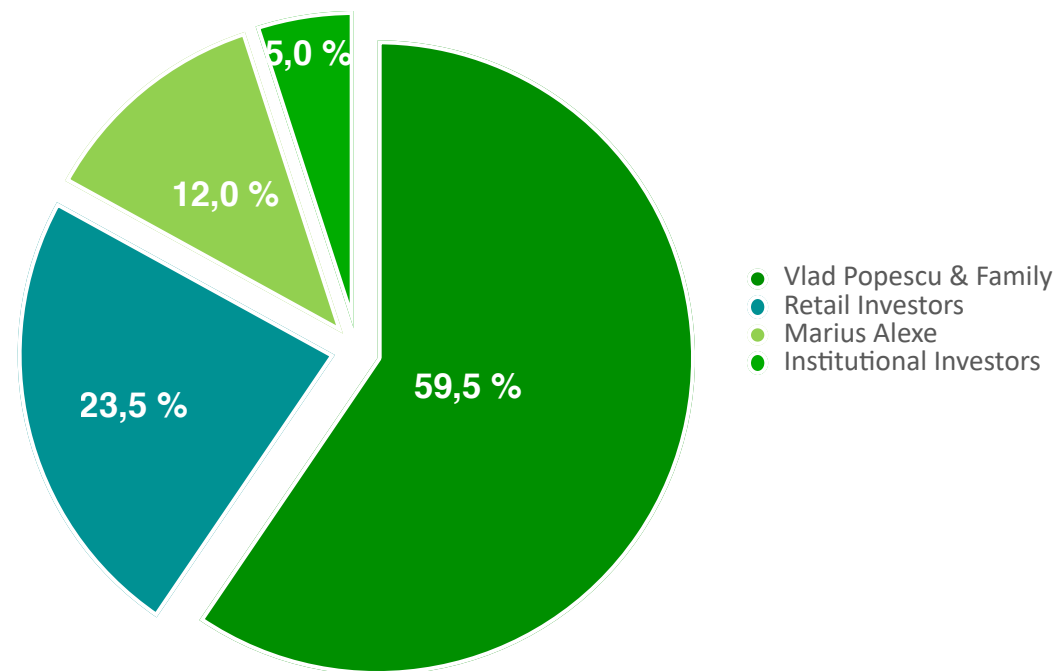
Market Capitalization: 45,535,860 RON

PER (individual): 15.56

PER (consolidated): 9,85

Dividend policy: capitalization of profits and distribution of free shares to the investors in the form of “stock dividend”

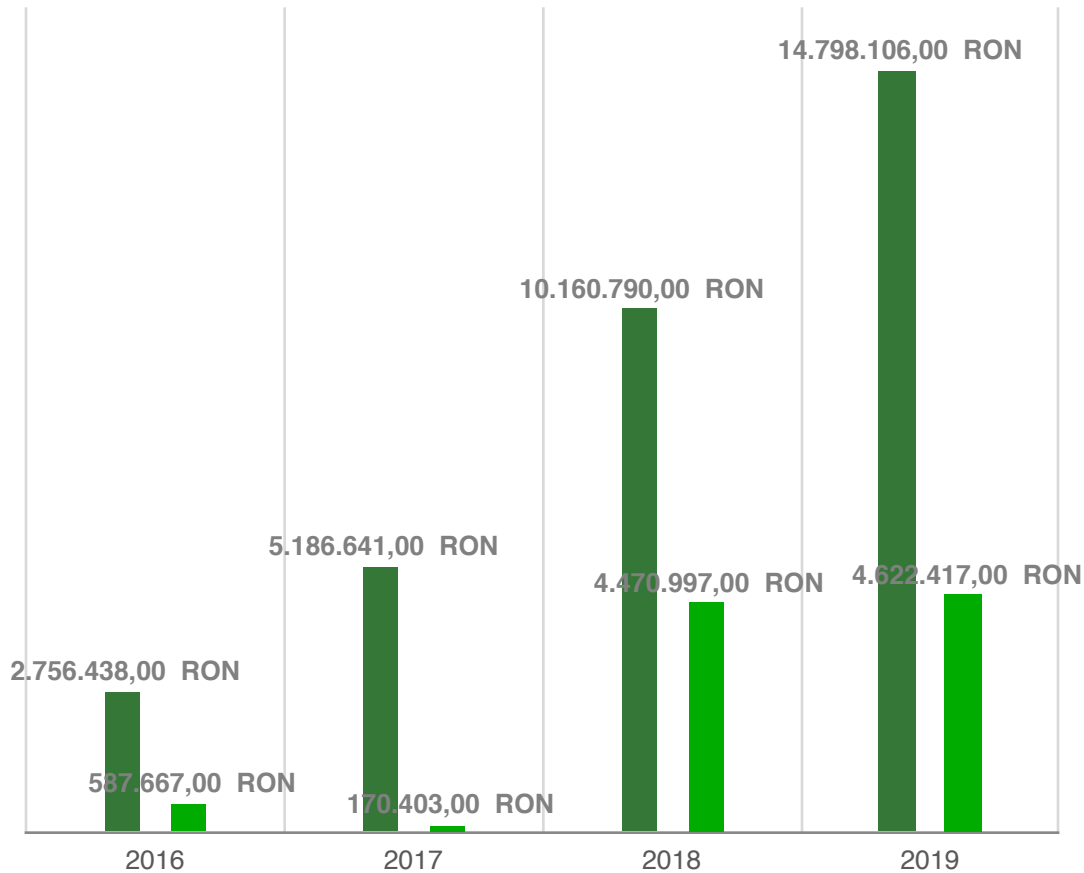
In July, 2019, Norofert SA successfully closed a private placement of its shares having raised 7,12 million lei from 71 investors amid a significant oversubscription. In January 2020, it has raised additional 11 million lei by issuing corporate bonds, which floated on AeRO in June 2020.



FINANCIAL PERFORMANCE

Consolidated Results

■ Revenues ■ Net Profit



For more details about the financial performance, we recommend Norofert's 2019 Full Year Financial Report, available at: <https://norofert.ro/investors/financial-results/>

Profitability indicators as of 31.12.2019 (consolidated)

Indicator	Formula	31.12.2018	31.12.2019
operating profit margin	Operational result / Revenue * 100	51.6%	35.6%
net profit margin	Net Profit / Revenue * 100	49.4%	31%
financial profitability margin	Net Profit / Equity * 100	99.9%	29.2%
Return on Capital Employed	Net Profit / Capital Employed * 100	95.7%	27.4%

NRF ON AeRO MARKET

Norofert SA shares floated on AeRO market on March 3rd, 2020. Since the debut, the shares have undergone an unparalleled evolution, despite the context of COVID-19 pandemic which had a negative impact on the valuation of companies listed on local as well as global exchanges.

Since the debut, Norofert has doubled its market capitalization and has been consistently the most traded company on the AeRO market of BVB. On some days recorded higher liquidity than some of the blue chips listed on BVB's Main Market. Between 03.03.2020 and 22.06.2020, NRF shares worth 13.34 million lei have changed their owner.



NRF25 ON AeRO MARKET

In January 2020 Norofert carried out a 11 million lei private placement for its corporate bonds. The NRF25 bonds, with 5 –years maturity 8,5% p.a. interest rate payable half yearly floated on the ATS-Bonds market on June 5th, 2020.

Since listing, the bonds caught the attention of the investors as in 12 days of listing (5.06 – 23.06), 287 trades in the total value of 886,003 lei were carried out with NRF25 bonds. Since listing, the bonds are traded above the nominal value.



2020 FORECASTS

In line with the Revenues and Costs budget for 2020, approved by the shareholders in General Meeting of Shareholders from April 28th, 2020, Norofert expects the following consolidated results in 2020:



Profit & Loss Account	Amount [RON]
Turnover	13.380.000
Operating Expenses	5.022.000
Operating Profit	8.358.000
Financial Expenses	1.006.250
Gross Result	7.351.750
Net Result	5.175.470
Number of shares*	8,023,940
Net result per share*	0.645

**Number of shares following the planned distribution of free shares in July 2020.*

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