

Revenues and Expenses Budget for 2020
Norofert Group (consolidated results)

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 Rezult	7.351.750
Net Result	5.175.470
Number of Shares	2.005.985
Net result per share	2,58

The above budget was prepared taking into consideration the projected sales of products from Norofert Organics, Norofert Karisma as well as Norofert FITO on the Romanian territory. The company has adjusted its projections in terms of the revenues and net profit to be more conservative than initially intended in order to reflect the current context of COVID-19 (coronavirus) outbreak in Romania and the potential risk that the production facilities in Filiasi and/or in Filipești de Padure will have to be temporarily stopped. While at the moment of preparation of the budget, this has not yet been the case, the management is closely monitoring the situation in order to ensure the safety of its employees while, at the same time, ensuring the continuity of the business.

In January 2020, Norofert SA has attracted 11.5 million lei through an issuance of corporate bonds. The budget above does not consider the costs related to investments of capital raised through corporate bonds, which includes the following investments:

- Costs of homologation/compliance for accessing the US fertilizer and pesticide market;
- Costs of marketing and sales channels for the US market;
- Warehouse and employee costs for the US;
- Logistics and travel costs for US market;

TOTAL COST: 2.5 million RON.

Further investments, above 2.5 million lei, in the development of presence on the US market will be subject to approval in the Shareholder's Meeting. In the meantime, the capital raised through a bond issuance will be maintained by the company while a part will be used as working capital and will be directed in the purchasing of raw materials and goods.

The management of the company will perform all the necessary diligence so that the investments do not affect the cash flow of the company.

Norofert S.A.

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Capital social subscris vărsat: 802,394 RON

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