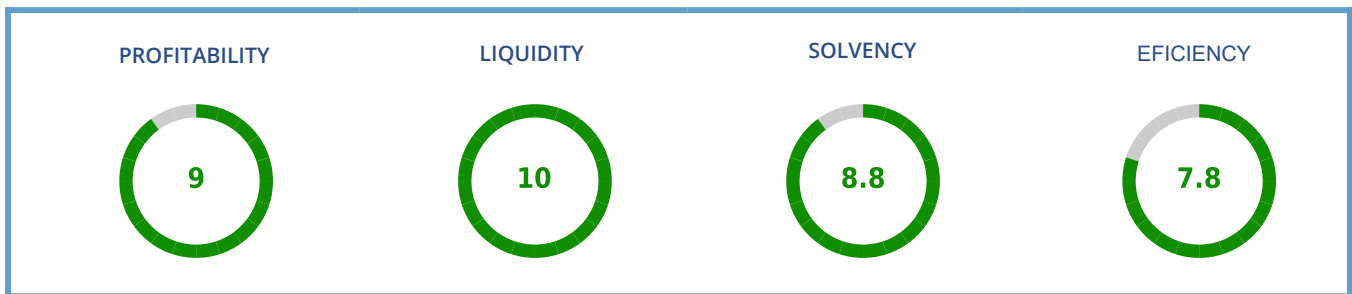
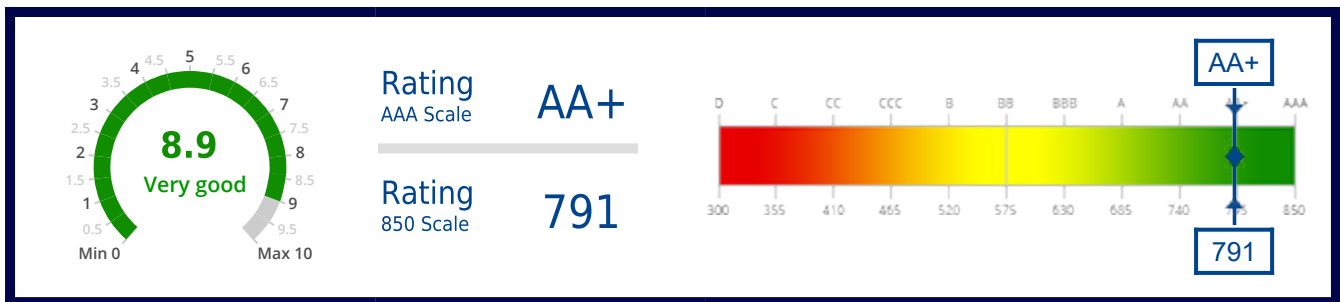




Financial Rating - ROCHESTER REINSURANCE PLC



The company has a normal financial situation. However, the profitability level and solvency ratios values cannot guarantee complete safety for the company in the following reporting period. There is a possibility that in the next 6-12 months the company could face some difficulties in the payment of dues to its trade partners. It is recommended that the situation of the company will be monitored with a certain frequency.

PROFITABILITY				
Indicator	Evaluation	2020	2021	Average
Net Profit Margin $\frac{\text{Net profit}}{\text{sales Revenues}}$	✓	-	60.2%	37.5 %
Operating Margin $\frac{\text{Operating Profit}}{\text{Sales Revenues}}$	✓	-	63.57%	11.3 %
Sales Growth $\frac{\text{Sales 2021}-\text{Sales 2020}}{\text{Sales 2020}}$	⚠	-	-	1.6 %
ROA $\frac{\text{Net Profit}}{\text{Fixed Assets}}$	✓	0%	3.26%	8.1 %
ROE $\frac{\text{Net Profit}}{\text{Equity}}$	✓	0%	4.58%	8.5 %

LIQUIDITY				
Indicator	Evaluation	2020	2021	Average
Current Ration $\frac{\text{Curent Asset}}{\text{ST Liabilities}}$	✓	21.94	4.01	1.5
Quick Ration $\frac{\text{Curr. Assets-Inventory}}{\text{ST Liabilities}}$	✓	21.94	4.01	1.35



SOLVENCY				
Indicator	Evaluatio	2020	2021	Average
Overall Debt Rate $\frac{\text{Debts\%}}{\text{Total Assets}}$	✓	-	24.83%	37 %
Financial Indebtedness $\frac{\text{Financial Debt\%}}{\text{Total Assets}}$	✓	-	3.96%	36 %
Debt Coverage $\frac{\text{Operating Profit}}{\text{Total Debts}}$	✓	-	6.92%	4 %
Interest Coverage $\frac{\text{Operating Profit\%}}{\text{Financial Expense}}$	✓	-	1.021%	5 %

EFFICIENCY				
Indicator	Evaluatio	2020	2021	Average
Days Receivable $\frac{\text{Receivables *365 days}}{\text{Sales Revenues}}$	✓	0 days	2004days	570 days
Days Payable $\frac{\text{Payables *365 days}}{\text{Operating Expenses}}$	✓	0 days	0 days	40 days
Stock Rotation Period $\frac{\text{Inventories *365 days}}{\text{Rawmat+cons+other}}$	✓	0 days	0 days	70 days
Cash Conversion Cycle Days Receivables +Inventorios- Payables)days	✓	0 days	2004 days	600 days

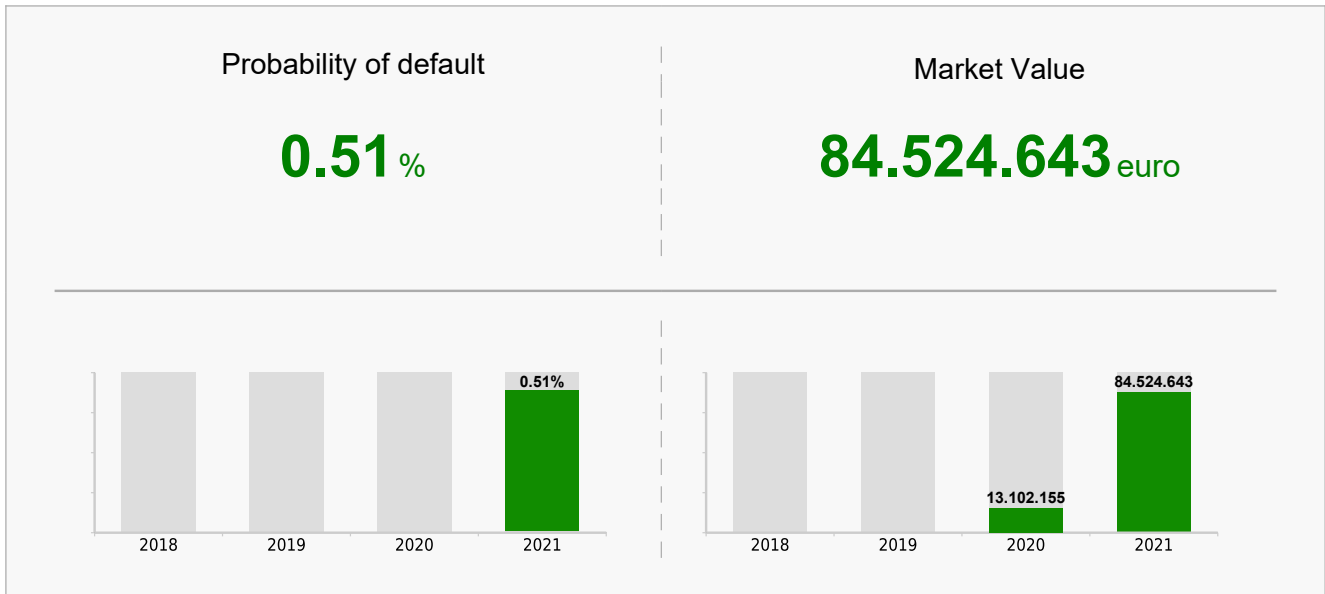
Date Financiare

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
P&L ACC.										
Sales										13.887.280
Gross premiums										155.133.578
Operational expenses										5.059.475
Profit/loss										8.369.776
Employees										
Av. no of emp.										

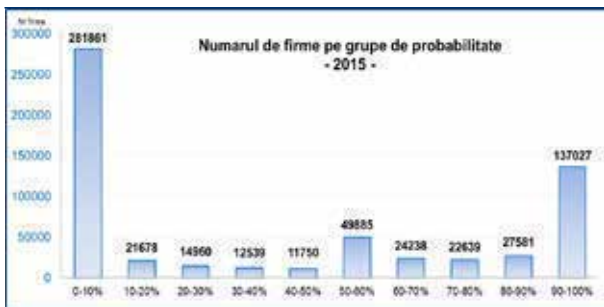
Balance sheet										
Fixed Asset									59.935	693.508
Curent asset									67.203.492	513.571.097
Inventories										
Receivable									5.177.844	152.473.225
Cash@Accounts									60.648.568	60.182.960
Shareholders funds									59.938.502	365.730.778
Share Capital									59.938.502	357.357.500
Debts									7.324.925	148.533.827
Exch.Rate										
Ron	1	1	1	1	1	1	1	1	1	1



Probability of Default - ROCHESTER REINSURANCE PLC



The Probability of Default presents the probability that a company wouldn't be able to fulfil its financial obligations to creditors, suppliers and financial institutions. A high probability indicates an increased risk for the company, but not the absolute certainty that the company will go bankrupt. The Market Value of a company presents the value by which the company could be sold to willing investors, based on its previous financial results only.



Computing methodology:

Probability of Default is computed based on the financial results of the companies, as are they published at each end of the fiscal year. Computations have been made for a number of between 600,000 and 700,000 companies, for each year in the period 2005-2014. The forecast model takes into account a large number of financial indicators from the Balance Sheet and the Income Statement, and is considered to have a predictive accuracy of about 90%, for predicting the probability of default during a period of maximum one year from the date of the financial statements. At tests made to Romanian companies, for the period 2005-2014, the probability of default prediction accuracy was of 84.3%, and the "false-negative" inconsistencies have been of 5.7%. According to Basel II and Basel III standards, RisCo algorithms used in computing the probability of default correspond to the "unstressed probability of default" methodology.

Computing methodology:

Company Value is computed based on the estimated market value of its capital, plus the company's liabilities. Last year available financial information is used to compute Company Value. Those values are adjusted by the relevant average multiples of companies, from the same industry as the company analysed, which are listed on the capital markets.