

Sample, Inc's' Financial Analysis

for the period from 01/01/2026 to 12/31/2035

1. Sample, Inc's' Financial Position Analysis
 - 1.1. Structure of the Assets and Liabilities
 - 1.2. Net Assets (Net Worth)
 - 1.3. Financial Sustainability Analysis
 - 1.3.1. Key ratios of the company's financial sustainability
 - 1.3.2. Working capital analysis
 - 1.4. Liquidity Analysis
2. Financial Performance
 - 2.1. Overview of the Financial Results
 - 2.2. Profitability Ratios
 - 2.3. Analysis of the Business Activity (Turnover Ratios)
 - 2.4. Labor productivity
3. Conclusion
 - 3.1. Key Ratios Summary
 - 3.2. Rating of the Financial Position and Financial Performance of Sample, Inc's
4. Appendix
 - 4.1. Bankruptcy Test
 - 4.2. Calculation of the Final Rating of the Financial Condition

1. Sample, Inc's' Financial Position Analysis

The analysis given below on Sample, Inc's' financial state and activity efficiency is made for the period from 01/01/2026 to 12/31/2035 based on the financial statements data prepared in accordance with standards generally accepted in the United States of America (US GAAP).

1.1. Structure of the Assets and Liabilities

Indicator	Value												Change for the period analyzed		
	in thousand USD											% of the balance total		thousand USD (col.12-col.2)	± % ((col.12-col.2) : col.2)
	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033	12/31/2034	12/31/2035	at the beginning of the period analyzed (12/31/2025)	at the end of the period analyzed (12/31/2035)		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Assets															
1. Current assets, total	5,885,677	4,371,753	13,570,846	13,977,313	14,395,478	14,842,379	15,270,969	15,728,348	16,199,458	16,684,681	18,405,473	43.5	52.9	+12,519,796	+3.1 times
Inventory	25,000	1,526,066	2,874,750	2,960,993	3,049,822	3,141,317	3,235,556	3,332,623	3,432,602	3,535,580	3,641,647	0.2	10.5	+3,616,647	+145.7 times
Receivables	37,001	66,992	107,021	110,323	113,539	116,945	120,453	124,067	127,789	131,622	1,356,571	0.3	3.9	+1,319,570	+36.7 times
Cash, cash equivalents, and short-term investments	5,053,676	2,008,695	1,624,075	1,672,797	1,722,671	1,774,671	1,827,911	1,882,748	1,939,239	1,997,407	2,057,330	37.4	5.9	-2,996,346	-59.3
2. Noncurrent assets	7,638,477	12,446,115	12,939,916	13,328,113	13,727,957	14,139,796	14,563,989	15,000,909	15,450,936	15,914,465	16,391,898	56.5	47.1	+8,753,421	+114.6
Liabilities and Equity															
1. Current liabilities	10,638,929	10,339,013	10,081,543	9,804,457	9,505,931	9,184,421	8,465,236	8,063,603	7,631,048	7,165,190	6,663,467	78.7	19.1	-3,975,462	-37.4
2. Noncurrent liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Stockholders' equity	2,885,225	6,478,855	16,429,219	17,500,969	18,617,504	19,797,754	21,369,722	22,665,654	24,019,346	25,433,956	28,133,904	21.3	80.9	+25,248,679	+9.8 times
4. Other capital (temporary equity, commitments and contingencies)	-	-	-	-	-	-	-	-	-	-	-	-	-	-2,885,225	-100
Assets; Liabilities and Equity	13,524,154	16,817,868	26,510,762	27,305,426	28,123,435	28,982,175	29,834,958	30,729,257	31,650,394	32,599,146	34,797,371	100	100	+21,273,217	+157.3

The assets structure of Sample, Inc's consisted of equal amounts of current and noncurrent assets on 12/31/2035. The assets went up from USD 13,524,154 thousand to USD 34,797,371 thousand (i. e. by 157.3%)

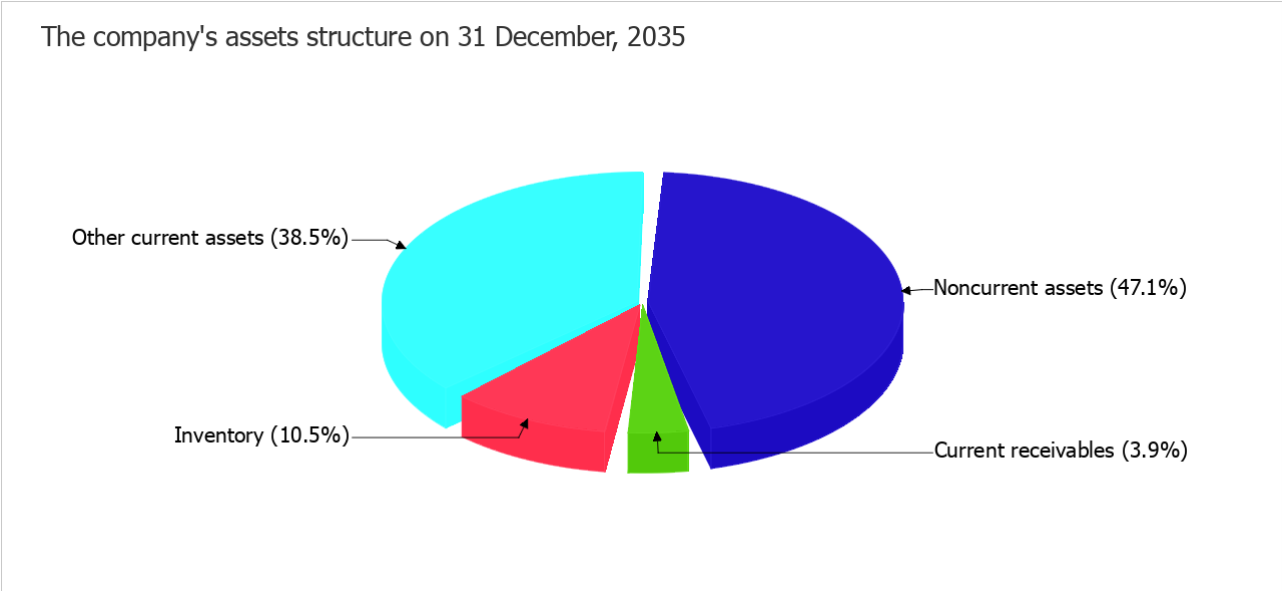
very fast for the period reviewed (31.12.25–31.12.35). Assets were observed to grow simultaneously with equity. With that, the equity has grown with outrunning rates (by +9.8 times during the last 10 years). An outrunning growth of equity is a factor with positive influence on the financial stability of Sample, Inc's.

The total growth of Sample, Inc's' assets value resulted from value growth of the following asset types (amount of change and percentage of this change relative to the total assets growth are shown in brackets):

- Prepaid expense, current - USD 10,579,925 thousand (43.5%)
- Property, plant and equipment, net - USD 8,795,132 thousand (36.2%)
- Inventory, net - USD 3,616,647 thousand (14.9%)
- Receivables, net, current - USD 1,319,570 thousand (5.4%)

The total growth of the capital and obligations value of Sample, Inc's is caused with growth of the rate "Stockholders' equity attributable to noncontrolling interest" by USD 25,248,679 thousand.

The most significantly changed items on the balance sheet for the period analyzed are "Cash, cash equivalents, and short-term investments" in assets and "Debt, Current" in sources of finance (USD -2,996,346 thousand and USD -3,975,462 thousand, respectively).



The inventory equaled USD 3,641,647 thousand on 12/31/2035. During the last 10 years, the inventory sharply rose (by 146 times).

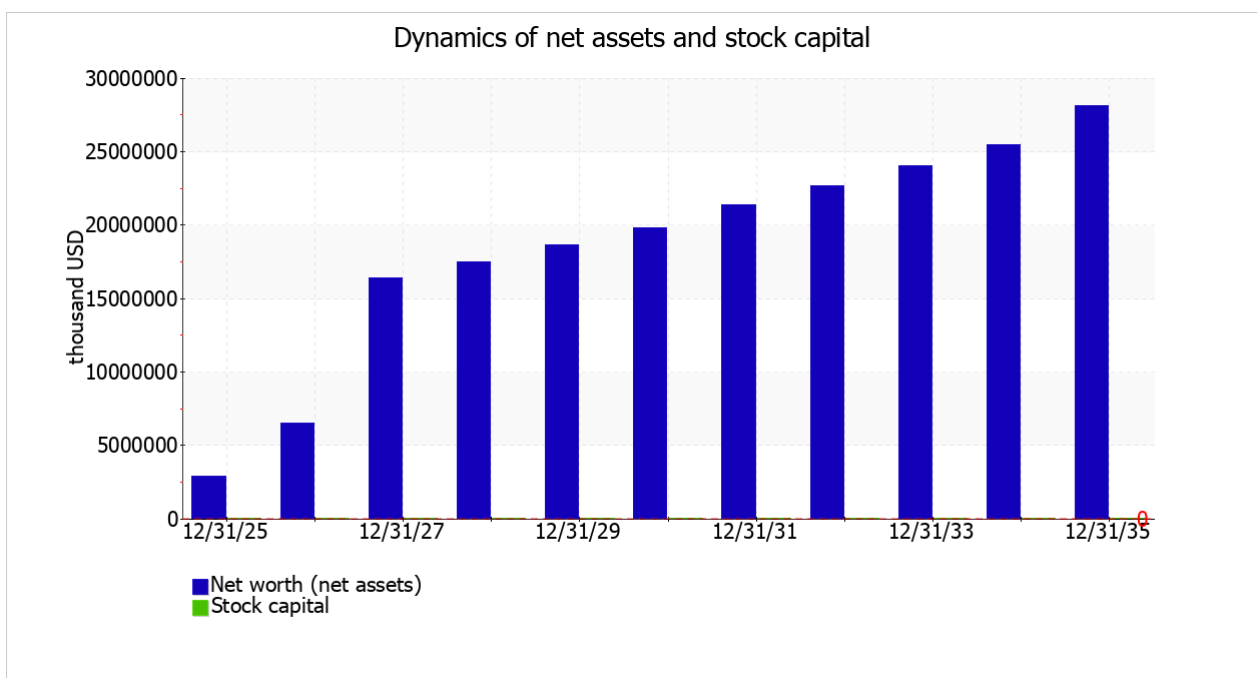
For the period reviewed (from 12/31/2025 to 12/31/2035), the current receivables were observed to grow rapidly by 37 times.

1.2. Net Assets (Net Worth)

Indicator	Value													Change	
	in thousand USD		% of the balance total											thousand USD (col.3-col.2),	%, ((col.3 -col.2) : col.2)
	at the beginning of the period analyzed (12/31/2025)	at the end of the period analyzed (12/31/2035)	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033	12/31/2034	12/31/2035		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1. Net tangible assets	2,885,225	28,133,904	21.3	38.5	62	64.1	66.2	68.3	71.6	73.8	75.9	78	80.9	+25,248,679	+9.8 times
2. Net assets (Net worth)	2,885,225	28,133,904	21.3	38.5	62	64.1	66.2	68.3	71.6	73.8	75.9	78	80.9	+25,248,679	+9.8 times
3. Stock capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Difference between net assets and stock capital (line 2 - line 3)	2,885,225	28,133,904	21.3	38.5	62	64.1	66.2	68.3	71.6	73.8	75.9	78	80.9	+25,248,679	+9.8 times

On 12/31/2035, the net tangible assets equaled USD **28,133,904** thousand. For the whole period analyzed, it was found that there was an extreme growth in the net tangible assets of **9.8** times. In this case, Sample, Inc's has no goodwill or other intangible assets. This is why amounts of net worth and net tangible assets are equal on the last day of the period analyzed.

The positive net worth (equity) of the company is a basic sign of a normal financial condition. It means that the company's owners will have assets even after meeting of all its liabilities. During the whole of the reviewed period the net worth constantly went up. The net worth (net assets) value is used as one of the tools to estimate the company's value (used together with other methods, such as discounted cash flow method, or an estimation based on shareholder's value etc.). But it is a key value in the estimation of the company's financial condition.



1.3. Financial Sustainability Analysis

1.3.1. Key ratios of the company's financial sustainability

Ratio	Value											Change (col.12-col.2)	Description of the ratio and its recommended value
	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033	12/31/2034	12/31/2035		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Debt-to-equity ratio (financial leverage)	3.69	1.6	0.61	0.56	0.51	0.46	0.4	0.36	0.32	0.28	0.24	-3.45	A debt-to-equity ratio is calculated by taking the total liabilities and dividing it by shareholders' equity. It is a key financial ratio and is used as a standard for judging a company's financial standing. Acceptable value: 1.5 or less (optimum 0.43-1).
Debt ratio (debt to assets ratio)	0.79	0.61	0.38	0.36	0.34	0.32	0.28	0.26	0.24	0.22	0.19	-0.6	A debt ratio is calculated by dividing total liabilities (i.e. long-term and short-term liabilities) by total assets. It shows how much the company relies on debt to finance assets (similar to debt-to-equity ratio). Acceptable value: no more than 0.6 (optimum 0.3-0.5).
Long-term debt to Equity	0	0	0	0	0	0	0	0	0	0	0	-	This ratio is calculated by dividing long-term (noncurrent) liabilities by equity.
Noncurrent assets to Net worth	2.65	1.92	0.79	0.76	0.74	0.71	0.68	0.66	0.64	0.63	0.58	-2.07	This ratio is calculated by dividing noncurrent assets by net worth (equity) and measures the extent of a company's investment in low-liquidity noncurrent assets. This ratio is important for comparison analysis because it's less dependent on industry (structure of company's assets) than debt ratio and debt-to-equity ratio. Acceptable value: no more than 1.25.
Capitalization ratio	0	0	0	0	0	0	0	0	0	0	0	-	Calculated by dividing noncurrent liabilities by the sum of equity and noncurrent liabilities.

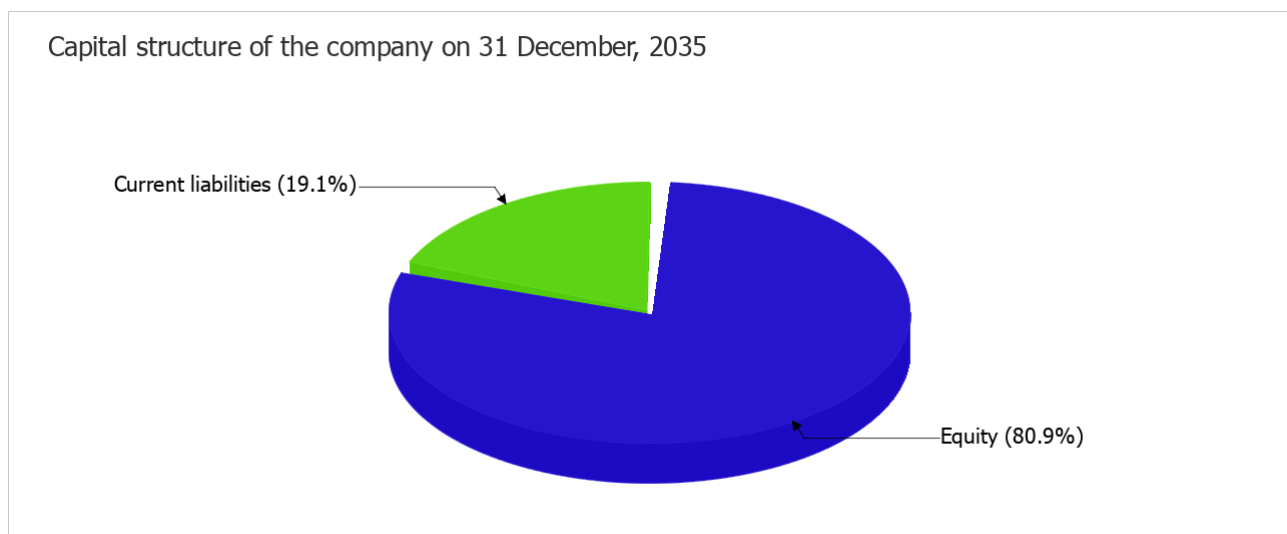
Fixed assets to Net worth	2.63	1.92	0.79	0.76	0.74	0.71	0.68	0.66	0.64	0.63	0.58	-2.05	This ratio indicates the extent to which the owners' cash is frozen in the form of fixed assets, such as property, plant, and equipment. Normal value: 0.75 or less.
Current liability ratio	1	1	1	1	1	1	1	1	1	1	1	-	Current liability ratio is calculated by dividing current liabilities by total (i.e. current and noncurrent) liabilities.

The debt-to-equity ratio and debt ratio are the main coefficients describing financial stability. The ratios are similar in their meaning and indicate a relationship between two main sources of capital: equity and borrowed capital. The difference between the ratios is that the first one is calculated as a relationship of the borrowed capital (liabilities) to equity, while the second ratio is calculated as a relationship of the liabilities to the overall capital (i.e. the sum of equity and liabilities).

At the end of the period, the debt-to-equity amounted to 0.24. The debt ratio was equal to 0.19 at the end of the period analyzed. During the period reviewed, a lessening in the debt ratio was 0.6.

According to the debt ratio, the percentage of the borrowed capital (liabilities) is significantly lower than the admissible value and makes 19.1% of overall capital on the last day of the period analyzed. On the one hand it positively describes the financial situation of Sample, Inc's. On the other hand it says about missed opportunities to use borrowed capital for the extension of activity and acceleration of development rates. The company can increase the percentage of credits and debts without damage to its' financial situation if a plan on efficient use of additional capital is available. At the beginning of the analyzed period, the debt ratio did not correspond to the norm, but later the situation changed.

The structure of the company's capital is demonstrated in the chart below: One must stress that noncurrent liabilities are not demonstrated in the chart due to their absence.

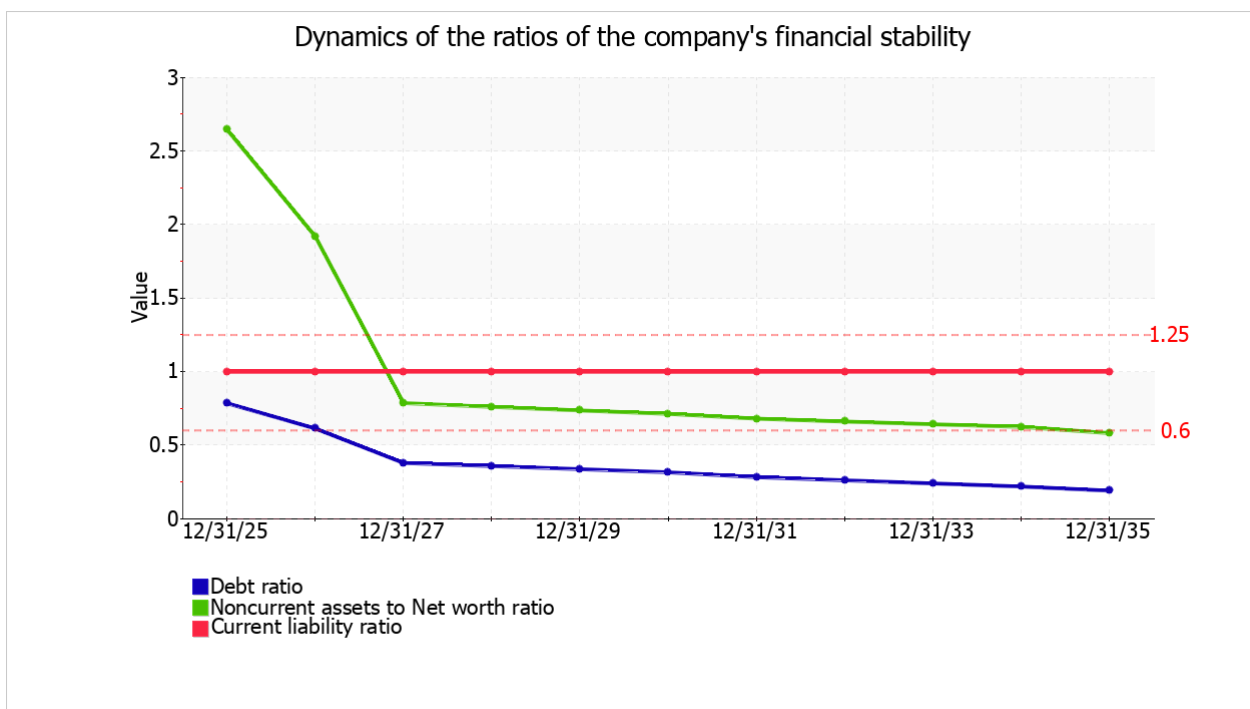


According to well known principles for stable company development, investments with the least liquid assets (noncurrent assets) should first be made with help from the most long-term sources of financing, i.e. with the help of own capital (equity). An indicator of this rule is the noncurrent assets to net worth ratio. An

extreme decrease in the ratio of **2.07** (to **0.58**) was observed for the entire period analyzed. At the end of the period reviewed, the value of the ratio can be characterized as very good.

At the end of the period reviewed, company liabilities consisted exclusively of short-term liabilities (current liability ratio is 1). Noncurrent liabilities and equity are the main sources of long-term investments and investments in noncurrent assets. Use of only short-term liabilities can negatively influence the company's financial stability and solvency.

The following chart demonstrates the dynamics of the main ratios of financial stability of Sample, Inc's.

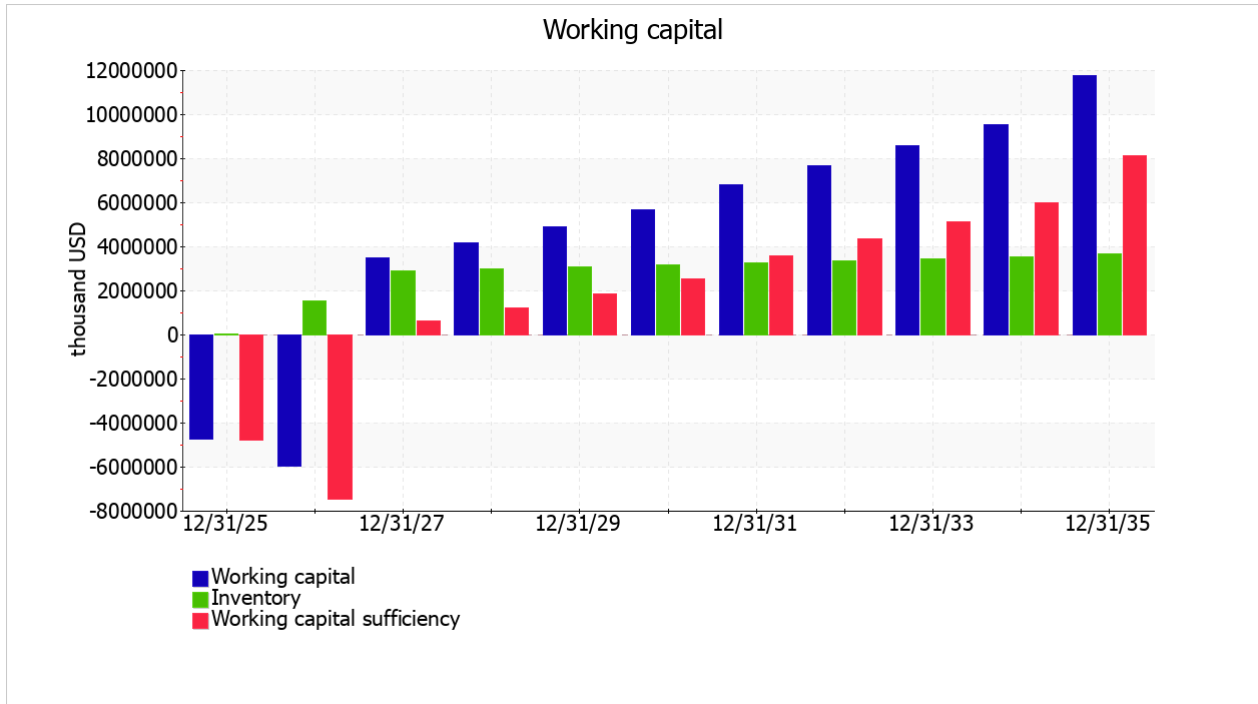


1.3.2. Working capital analysis

Indicator	Value											Change for the period analyzed	
	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033	12/31/2034	12/31/2035	(col.12-col.2)	% ((col.12-col.2) : col.2)
1. Working capital (net working capital), thousand USD	-4,753,252	-5,967,260	+3,489,303	+4,172,856	+4,889,547	+5,657,958	+6,805,733	+7,664,745	+8,568,410	+9,519,491	+11,742,006	+16,495,258	↑
2. Inventory, thousand USD	+25,000	+1,526,066	+2,874,750	+2,960,993	+3,049,822	+3,141,317	+3,235,556	+3,332,623	+3,432,602	+3,535,580	+3,641,647	+3,616,647	+145.7 times
3. Working capital sufficiency (1-2), thousand USD	-4,778,252	-7,493,326	+614,553	+1,211,863	+1,839,725	+2,516,641	+3,570,177	+4,332,122	+5,135,808	+5,983,911	+8,100,359	+12,878,611	↑
4. Inventory to working capital ratio (2:1) Normal value: 1 or less.	-0.01	-0.26	0.82	0.71	0.62	0.56	0.48	0.43	0.4	0.37	0.31	+0.32	x

The working capital grew rapidly by USD **16,495,258** thousand and equaled USD **11,742,006** thousand during the 10 years. According to calculations, working capital fully covers the inventory of the company and is deemed to be a positive factor. The inventory to working capital ratio was equal to **0.31** on 12/31/2035. It positively describes the company's financial state and says about enough long-term sources of financing, but

in some cases it can be caused with warehouse inventory that is too low.



1.4. Liquidity Analysis

One of the most widespread indicators of a company's solvency are liquidity related ratios. There are three liquidity related ratios: current ratio, quick ratio and cash ratio. Current ratio is one of the most widespread and shows to what degree the current assets of the company are meeting the current liabilities. The solvency of the company in the near future is described with the quick ratio which reflects if there are enough fund's for normal execution of current transactions with creditors. All three ratios for Sample, Inc's are calculated in the following table.

Liquidity ratio	Value											Change (col.12 - col.2)	Description of the ratio and its recommended value
	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032	12/31/2033	12/31/2034	12/31/2035		
1. Current ratio (working capital ratio)	0.55	0.42	1.35	1.43	1.51	1.62	1.8	1.95	2.12	2.33	2.76	+2.21	The current ratio is calculated by dividing current assets by current liabilities. It indicates a company's ability to meet short-term debt obligations. Normal value: 2 or more.

2. Quick ratio (acid-test ratio)	0.48	0.2	0.17	0.18	0.19	0.21	0.23	0.25	0.27	0.3	0.51	+0.03	The quick ratio is calculated by dividing liquid assets (cash, cash equivalents and short-term investments, current receivables) by current liabilities. It is a measure of a company's ability to meet its short-term obligations using its most liquid assets (near cash or quick assets). Normal value: no less than 1.
3. Cash ratio	0.48	0.19	0.16	0.17	0.18	0.19	0.22	0.23	0.25	0.28	0.31	-0.17	Cash ratio is calculated by dividing absolute liquid assets (cash, cash equivalents and short-term investments) by current liabilities. Acceptable value: 0.2 or more.

At the end of the period reviewed, the current ratio was equal to **2.76**. For the last 10 years, the current ratio was observed to grow very fast by **2.21**. On 31 December, 2035, the ratio shows an excellent value. Despite the fact that at the beginning of the analyzed period, the value of the current ratio did not correspond to the norm, later it became acceptable.

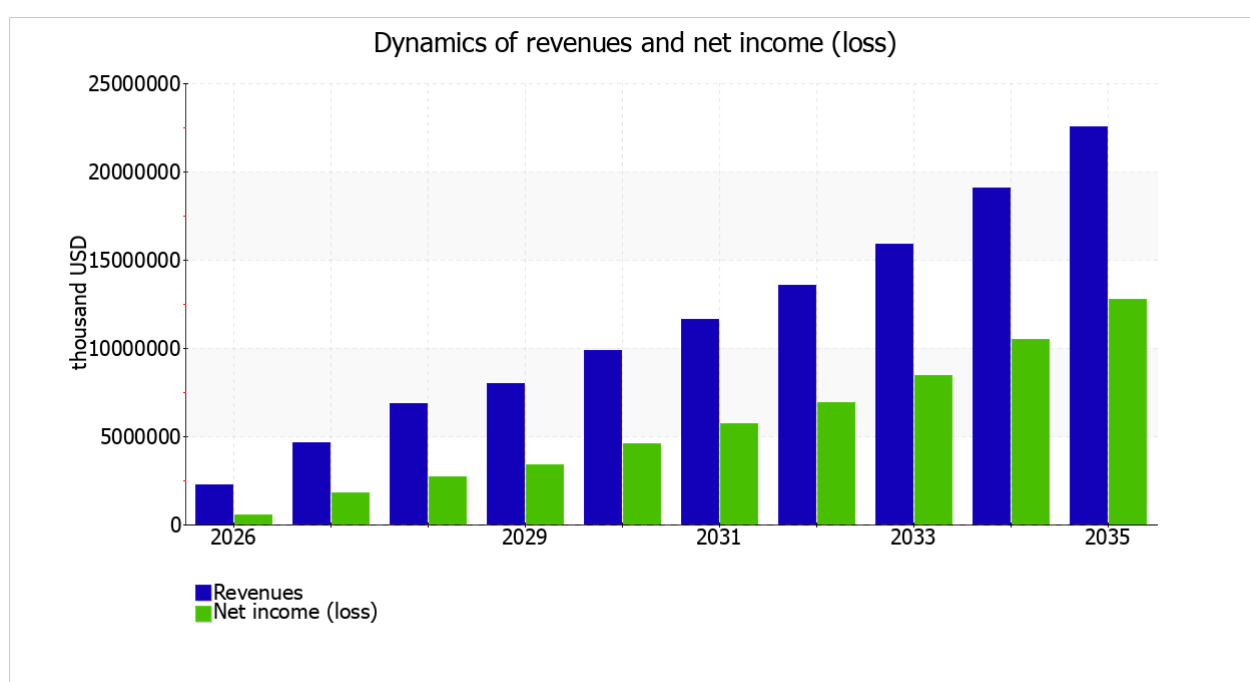
On 12/31/2035, the quick ratio was equal to **0.51**, while on 12/31/2025 the quick ratio equaled **0.48** (i.e. and increased by **0.03**). In the analyzed period, a growth of the ratio followed after a fall. The quick ratio shows an unacceptable value at the end of the period. It means that Sample, Inc's does not have enough assets which can be transferred to monetary funds in a very short time to meet current liabilities.

On 12/31/2035, the cash ratio demonstrates an excellent value of **0.31**. The cash ratio was equal to **0.31** on 12/31/2035. The cash ratio decreased by **0.17** during the period analyzed (from 31 December, 2025 to 31 December, 2035).

10. Net income (loss) (8+9)	524,133	1,782,454	2,689,524	3,367,056	4,581,545	5,702,104	6,930,379	8,424,806	10,469,043	12,731,036	+12,206,903	+24.3 times	5,720,208
11. Comprehensive income (loss), attributable to parent	524,133	1,782,454	2,689,524	3,367,056	4,581,545	5,702,104	6,930,379	8,424,806	10,469,043	12,731,036	+12,206,903	+24.3 times	5,720,208

For the year 2035, the revenue was equal to USD 22,520,666 thousand, while the revenue was USD 2,216,902 thousand for the period from 01/01/2026 to 12/31/2026 (i.e. it went up by 10.2 times). During the whole of the period, a stable growth in the revenue was verified. The chart below demonstrates the change in revenue and net income (loss) including portion attributable to noncontrolling interest for Sample, Inc's. The gross profit amounted to USD 15,330,352 thousand for the last year. During the period analyzed (from 31 December, 2025 to 31 December, 2035), the increase in the gross profit was USD 13,819,295 thousand.

During the last year, the company posted a gross profit and earnings before interest and taxes (EBIT), which was USD 12,731,036 thousand. The net income of Sample, Inc's (including portion attributable to noncontrolling interest) showed USD 12,731,036 thousand in total during the year 2035.



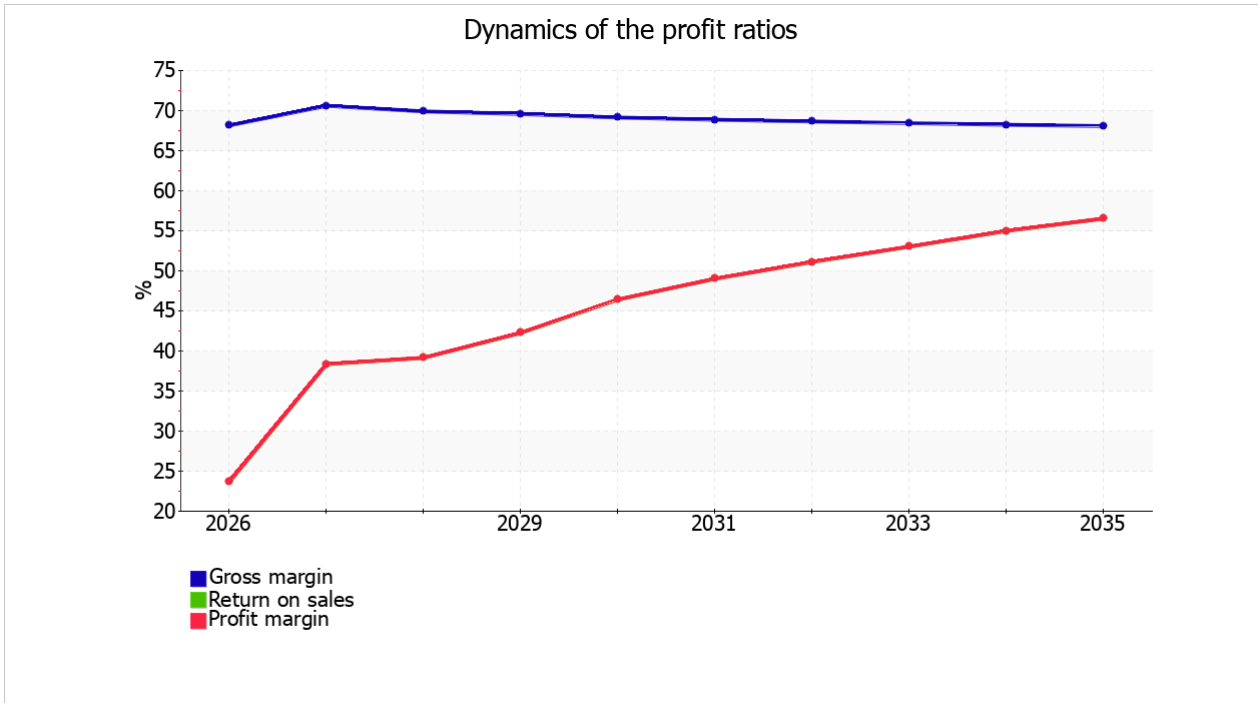
2.2. Profitability Ratios

Profitability ratios	Value in %										Change (col.11 - col.2)
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
1	2	3	4	5	6	7	8	9	10	11	12
1. Gross margin.	68.2	70.6	69.9	69.6	69.1	68.9	68.6	68.4	68.2	68.1	-0.1
2. Return on sales (operating margin).	23.6	38.4	39.1	42.3	46.4	49	51.1	53	55	56.5	+32.9
3. Profit margin.	23.6	38.4	39.1	42.3	46.4	49	51.1	53	55	56.5	+32.9
<i>Reference:</i> Interest coverage ratio (ICR). Acceptable value: 1.5 or more.	-	-	-	-	-	-	-	-	-	-	-

During the period from 01/01/2035 to 12/31/2035, the company gained gross profit and profit from operational and financial activities, which became a reason for positive values of all three profitability ratios given in the table for this period. The gross margin was equal to 68.1% during the last year. During the entire

period reviewed, it was observed that the gross margin decreased slightly.

The profitability calculated by earnings before interest and taxes (Return on sales) is more important from a comparative analyzes point of view. The return on sales (ROS) went up during the whole of the analyzed period. For the last year, the return on sales was 0.57 (or 56.5% per annum), and profitability calculated by net profit was 56.5% per annum.



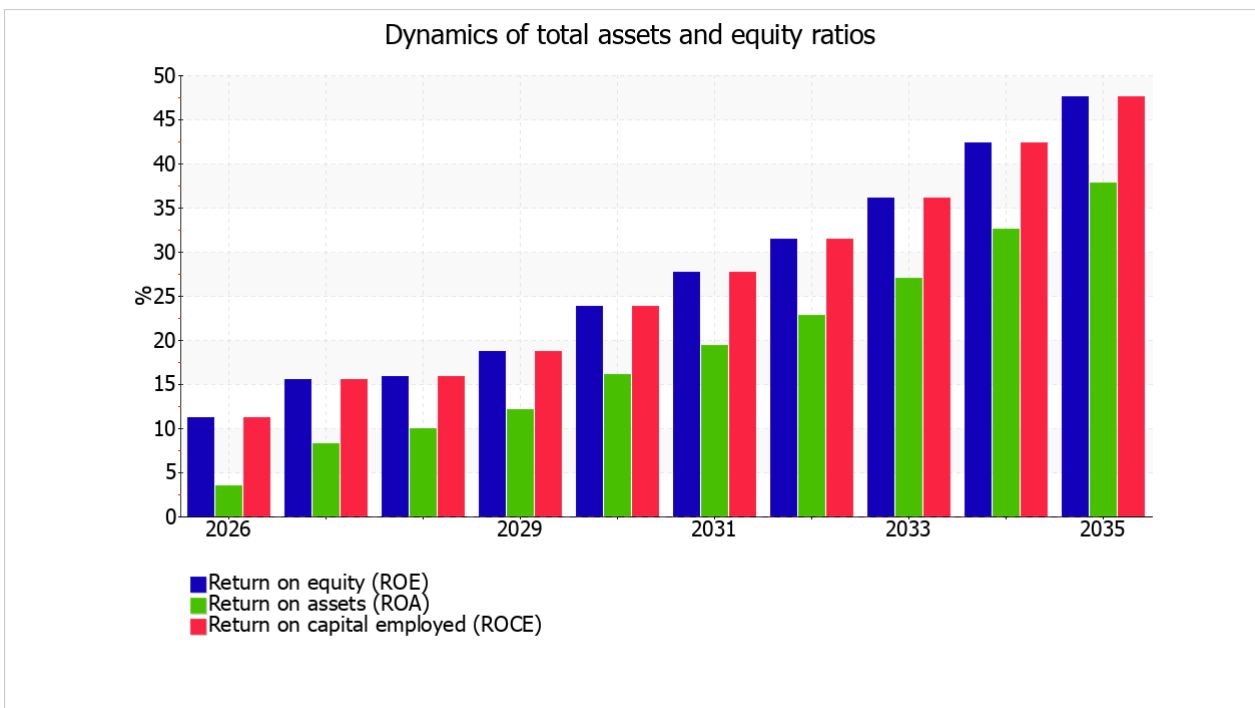
Profitability ratios	Value, %										Change (col.11 - col.2)	Description of the ratio and its reference value
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
1	2	3	4	5	6	7	8	9	10	11	12	13
Return on equity (ROE)	11.2	15.6	15.8	18.6	23.9	27.7	31.4	36.1	42.3	47.5	+36.3	ROE is calculated by taking a year's worth of earnings (net income or loss) and dividing them by the average shareholder equity for that period, and is expressed as a percentage. It shows the companies ability to generate profits before leverage, rather than by using leverage. Acceptable value: 12% or more.
Return on assets (ROA)	3.5	8.2	10	12.1	16	19.4	22.8	27	32.6	37.8	+34.3	ROA is calculated by dividing net income by total assets, and displayed as a percentage. Acceptable value: 6% or more.

Return on capital employed (ROCE)	11.2	15.6	15.8	18.6	23.9	27.7	31.4	36.1	42.3	47.5	+36.3	ROCE is calculated by dividing EBIT by capital employed (equity plus noncurrent liabilities). It indicates the efficiency and profitability of a company's capital investments.
-----------------------------------	------	------	------	------	------	------	------	------	------	------	-------	---

The return on assets was equal to 37.8% during the year 2035. For the period analyzed (from 31 December, 2025 to 31 December, 2035), the return on assets was seen to increase quickly by 34.3%, in addition, the same tendency is proven by a linear trend during the period. Growth in the return on assets was seen during the whole of the period. At the beginning of the analyzed period, the return on assets was not normal, but later it was.

A key indicator of business profitability is the return of equity (ROE), i.e. return from money invested by the owners. During the year 2035, a return on equity was 47.5% per annum. It is a high rate, but it is influenced not only with factors inside the company, but also the economic environment where the company is located (inflation rate, interest rates, etc).

The following chart demonstrates the dynamics of the main rates of return on total assets and equity of Sample, Inc's during the entire period reviewed.



2.3. Analysis of the Business Activity (Turnover Ratios)

In the following table, the calculated rates of turnover of assets and liabilities describe how fast prepaid assets and liabilities to suppliers, contractors and staff are effected. Turnover ratios have strong industry specifics and depend on activity. This is why an absolute value of the ratio does not permit making a qualitative assessment. When assets turnover ratios are analyzed, an increase in ratios (i.e. velocity of circulation) and a reduction in circulation days are deemed to be positive dynamics. There is no well-defined interaction for accounts payable and capital turnover. In any case, an accurate conclusion can only be made only after the reasons that caused these changes are considered.

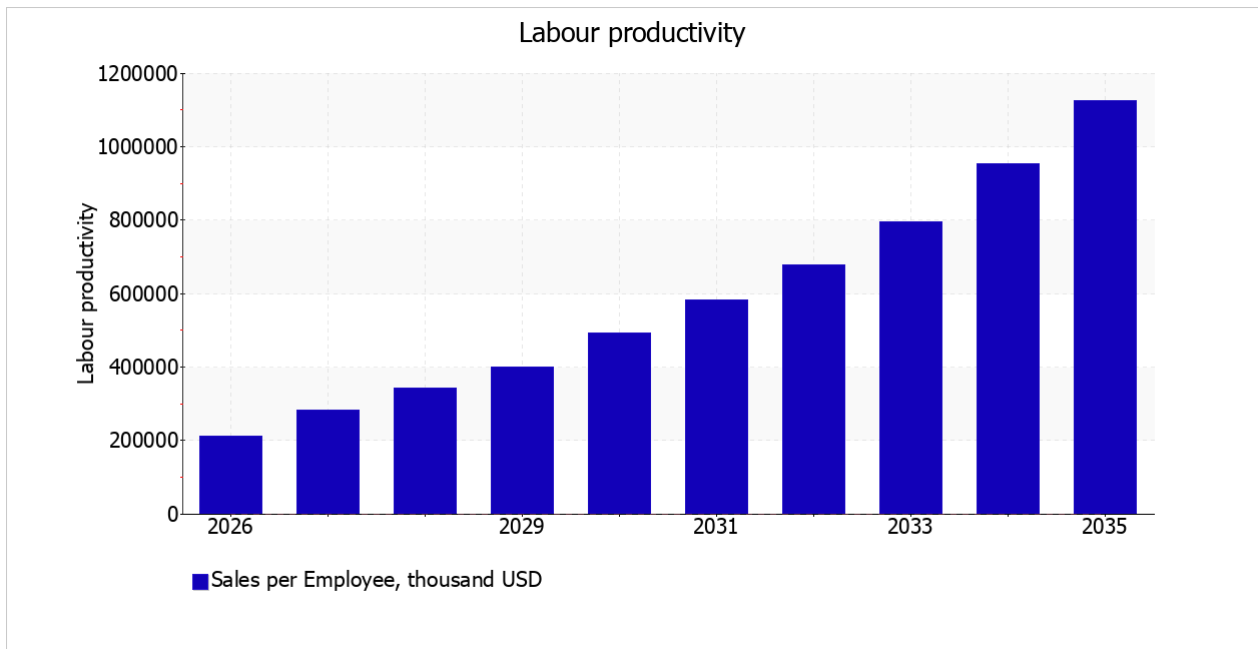
Turnover ratio	Value, days										Ratio 2026	Ratio 2035	Change, days (col.11 - col.2)
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035			
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Receivables turnover (days sales outstanding) (average trade and other current receivables divided by average daily revenue*)	9	7	6	5	4	4	3	3	2	12	42.6	30.3	+3
Accounts payable turnover (days payable outstanding) (average current payables divided by average daily purchases)	0	0	0	0	0	0	0	0	0	0	-	-	-
Inventory turnover (days inventory outstanding) (average inventory divided by average daily cost of sales)	401	588	516	453	371	321	283	246	210	182	0.9	2	-219
Asset turnover (average total assets divided by average daily revenue)	2,498	1,702	1,433	1,270	1,056	923	817	716	616	546	0.1	0.7	-1,952
Current asset turnover (average current assets divided by average daily revenue)	844	705	734	650	541	472	418	367	315	284	0.4	1.3	-560
Capital turnover (average equity divided by average daily revenue)	771	900	904	827	710	646	594	536	474	434	0.5	0.8	-337
<i>Reference:</i> Cash conversion cycle (days sales outstanding + days inventory outstanding - days payable outstanding)	410	595	522	458	375	325	286	249	213	194	x	x	-216

* Calculation in days. Ratio value is equal to 365 divided by days outstanding.

For the year 2035, the average collection period (Days Sales Outstanding) was 12 days and the average days payable outstanding was 0 days as shown in the table. The rate of asset turnover means that Sample, Inc's gains revenue equal to the sum of all the available assets every 1158 days (on average during the last 10 years).

2.4. Labor productivity

The graph below shows the dynamics of labor productivity during the period analyzed, calculated as the ratio of sales revenue for one year to the average number of staff over the same period.



For the period 01.01-12/31/2035, the labor productivity equaled 1,126,033 thousand USD/employee; that is 914,899 thousand USD/employee higher than the level for the year 2026. During the whole of the analyzed period the labor productivity constantly grew.

3. Conclusion

3.1. Key Ratios Summary

The main financial state indicator values and Sample, Inc's' activity results are classified by qualitative assessment according to the results of the analysis for the period reviewed and are given below.

The analysis discovered the following *very good* financial indicators:

- on the last day of the period analyzed (12/31/2035), the value of the noncurrent assets to net worth ratio (0.58) can be specified as very good;
- the current ratio (2.76) completely corresponds to the standard criteria for this rate;
- the cash ratio is 0.31 on 12/31/2035 (a high cash in hand required for current payments);
- high return on equity (47.5% per annum);
- high return on assets, which was 37.8% for the last year;
- growth of equity for the period reviewed (31.12.25-31.12.35) occurred with outrunning rates compared with a total growth of the company's assets;
- working capital has a normal value in comparison with inventory owned by the company;
- During the last year, earnings before interest and taxes (EBIT) showed USD 12,731,036 thousand, at the same time, a positive dynamics compared with the data for the year 2034 (USD +12,206,903 thousand) was observed.

Such indicators describe the financial condition of Sample, Inc's relative *an acceptable* standard:

- the debt-to-equity ratio and debt ratio demonstrate good values, but say about too cautious attitude of Sample, Inc's to use of the borrowed capital, which is only 19.1% of the total balance of the company;
- positive net worth (i.e. the company has equity of USD 28,133,904 thousand);
- the income from financial and operational activities (net income, including portion attributable to

noncontrolling interest) was USD 12,731,036 thousand for the last year.

The following indicator *negatively* describes Sample, Inc's financial state – a quick ratio was 0.51 (while the acceptable value is 1).

3.2. Rating of the Financial Position and Financial Performance of Sample, Inc's

Financial performance for the period analyzed (01.01.26–31.12.35)	Financial position on 12/31/2035									
	AAA	AA	A	BBB	BB	B	CCC	CC	C	D
Excellent (AAA)	.	.	V
Very good (AA)			.							
Good (A)			.							
Positive (BBB)			.							
Normal (BB)			.							
Satisfactory (B)			.							
Unsatisfactory (CCC)			.							
Adverse (CC)			.							
Bad (C)			.							
Critical (D)			.							

Final rating of the financial condition of Sample, Inc's (period analyzed: from 01/01/2026 to 12/31/2035 analysis step - year):

AA
(very good)

The following conclusions were made based on a qualitative assessment of the ratios at the end of the period analyzed, their dynamics during the period and the forecast for the next year. Scores of the financial position and activity results for Sample, Inc's were +0.85 and +2, respectively, i.e. the financial position is characterized as good; the financial results are described as excellent for the entire period analyzed. These two scores were used to calculate the final rating score of the company's financial condition, which made **AA** (very good condition).

An "AA" rating shows a very good financial condition of a company and its' capability to meet their likely current and noncurrent liabilities. Such companies refer to the category of reliable borrowers with high creditworthiness.

4. Appendix

4.1. Bankruptcy Test

The Altman Z-score is one of the values predicting the company's bankruptcy in the near future and is calculated in the following manner (a 4-factor model for a private non-manufacturer is taken for Sample, Inc's):

$$Z\text{-score} = 6.56T_1 + 3.26T_2 + 6.72T_3 + 1.05T_4, \text{ where}$$

Ratio	Calculation	Ratio value on 12/31/2035	Weighting factor	Product (col. 3 x col. 4)
1	2	3	4	5
T ₁	Working Capital / Total Assets	+0.34	6.56	+2.21
T ₂	Retained Earnings / Total Assets	0	3.26	0

T ₃	Earnings Before Interest and Taxes / Total Assets	+0.37	6.72	+2.46
T ₄	Equity / Total Liabilities	+4.22	1.05	+4.43
Altman Z-score:				+9.11

Discrimination ranges:

- 1.1 or less - "Distress" zone
- from 1.1 to 2.6 - "Grey" zone
- 2.6 or more - "Safe" zone

Sample, Inc's' Z-score was 9.11 on 31 December, 2035. It means that the probability of Sample, Inc's' bankruptcy is insignificant.

Another bankruptcy forecast algorithm is Taffler Model, which has the following formula:

$$Z = 0,53X_1 + 0,13X_2 + 0,18X_3 + 0,16X_4 , \text{ where}$$

Ratio	Calculation	Ratio value on 12/31/2035	Weighting factor	Product (col. 3 x col. 4)
1	2	3	4	5
X ₁	Profit before tax / Current liabilities	1.91	0,53	1.01
X ₂	Current assets / Total liabilities	2.76	0,13	0.36
X ₃	Current liabilities / Total assets	0.53	0,18	0.1
X ₄	Revenue from sales / Total assets	0.65	0,16	0.1
Taffler Z-score:				1.57

Function values are interpreted as follows:

- Z less 0,3 - high probability of bankruptcy risk;
- Z more 0,2 - low bankruptcy risk.

Final score according to Taffler Model is 1.57. So there is a low probability of bankruptcy risk.

4.2. Calculation of the Final Rating of the Financial Condition

Ratio	Weighting factor	Score			Average score (col.3 x 0.25 + col.4 x 0.6 + col.5 x 0.15)	Weighted average score (col.2 x col.6)
		past	present	future		
1	2	3	4	5	6	7
I. Rating of the company's financial position						
Debt ratio	0.3	+2	+1	+1	+1.25	+0.375
Noncurrent assets to net worth	0.15	+1	+2	+2	+1.75	+0.263
Current ratio	0.2	-1	+2	+2	+1.25	+0.25
Quick ratio	0.2	-2	-1	-2	-1.4	-0.28
Cash ratio	0.15	+1	+2	+1	+1.6	+0.24
Total	1	Final score (in total col.7 : col. 2):				+0.848
II. Rating of the company's financial performance						
Return on equity (ROE)	0.5	+2	+2	+2	+2	+1

Return on assets (ROA)	0.3	+2	+2	+2	+2	+0.6
Sales growth	0.2	+2	+2	+2	+2	+0.4
Total	1	Final score (in total col.7 : col. 2):				+2

Final rating score for Sample, Inc's' financial condition: $(+0.848 \times 0,6) + (+2 \times 0,4) = +1.31$ (AA - very good)

Reference: Financial condition scale

Total score		Sign	The qualitative assessment of a financial condition
from	to (inclusive)		
2	1.6	AAA	Excellent
1.6	1.2	AA	Very good
1.2	0.8	A	Good
0.8	0.4	BBB	Positive
0.4	0	BB	Normal
0	-0.4	B	Satisfactory
-0.4	-0.8	CCC	Unsatisfactory
-0.8	-1.2	CC	Adverse
-1.2	-1.6	C	Bad
-1.6	-2	D	Critical

Note: Report prepared with the assistance of ReadyRatios Software.
Date: 06-01-2025 23:04