

KASE CLEARING CENTER JSC

Approved

by decision of the Management Board of
KASE Clearing Center JSC

(minutes of the meeting
dated February 23, 2024 No. 12)

Effective

from February 23, 2024

METHODOLOGY

**of evaluation of risk level for security issuers
accepted for clearing servicing by the Clearing
Center**

This Methodology has been developed subject to internal documents of KASE Clearing Center JSC and establishes a procedure for evaluation of a risk level of security issuers accepted for clearing services by the Clearing Center and distribution of these securities into groups depending on the risk level of their issuers for the following purposes:

- 1) formation of a list of securities, transactions with which in the Exchange's ASTS+ trading and clearing system can be closed subject to the terms and conditions of partial collateral and with deferred settlement dates;
- 2) formation of a list of securities that the Clearing Center accepts as a collateral for exchange transactions, performing the functions of the central counterparty;
- 3) evaluation of securities and determination of individual risk parameters;
- 4) for other purposes provided for by the internal documents of the Clearing Center.

Article 1. Notions and symbols

1. For purposes of this Methodology:
 - 1) Exchange – Kazakhstan Stock Exchange JSC;
 - 2) Clearing Center – KASE Clearing Center JSC;
 - 3) Committee – the Market Risk Committee, which is a permanent collegial body under the Management Board of the Clearing Center, task of which is to analyze, monitor, identify and manage risks associated with the situation on financial markets, activities of the Clearing Center, its counterparties being clearing participants, issuers and investors, as well as preparation of recommendations to the Management Board of the Clearing Center;
 - 4) responsible subdivision – the Department for Monitoring and Supporting Clearing Participants of the Clearing House of the Clearing Center, functions of which include evaluation of a risk level of issuers of securities accepted for clearing services by the Clearing Center;
 - 5) Financial Monitoring Procedure – internal document of the Clearing Center “Procedure for evaluation of financial condition of clearing participants” as approved by the Board of Directors;
 - 6) rating – the most recent, by of the date of assignment or confirmation, credit rating of the issuer or securities assigned by the rating agency Standard & Poor's or Moody's Investors Service or Fitch or any subsidiary rating organization of one of these rating agencies;
 - 7) issuer – a legal entity that issues securities that are listed by the Exchange and accepted for clearing services by the Clearing Center;
2. Other notions and symbols used in this Methodology shall be identical to the notions and symbols defined by the laws of the Republic of Kazakhstan.
3. The notions and symbols used in this Methodology can also be used in other internal documents of the Clearing Center, in official documentation and correspondence of the Clearing Center and in other information.

Article 2. General provisions for evaluation of the risk level of issuers

1. Evaluation of the risk level of issuers (hereinafter in this Methodology – Evaluation) shall consist of determining their financial stability and creditworthiness by identifying the issuer (for example, the Ministry of Finance of the relevant country, Central Banks of the relevant country, local executive bodies, quasi-public sector company, international financial organizations and others), determining the availability of a credit rating, calculating cash flow indicators and debt burden, if necessary, applying an expert evaluation based on documents and information regarding the issuer that the Clearing Center has at its disposal.

2. Based on results of the Evaluation, securities of issuers with respect to which the Evaluation was carried out shall be distributed into groups for purposes determined in the recitals of this Methodology.
3. The Evaluation shall be carried out in relation to securities and their issuers accepted for clearing services by the Clearing Center, with the exception of:
 - 1) securities that, subject to the internal documents of the Exchange, are on the list of securities of the third class of liquidity;
 - 2) securities located in the "KASE Global" sector of the "Mixed" platform of the official list of the Exchange;
 - 3) derivative financial instruments.
4. Valuation and distribution of securities into groups shall be carried out:
 - 1) initially upon receipt by the Clearing Center of an application from an interested organization to include a security in the list of financial instruments admitted to transactions with the central counterparty subject to the terms and conditions of partial collateral (hereinafter referred to as the T+ List) and/or the list of financial instruments taken into account as a collateral for obligations under transactions with partial collateral (hereinafter referred to as the T+ Collateral List);
 - 2) on a monthly basis no later than the last business day of the month following the reporting month;
 - 3) in case that the Clearing Center receives information related to issuers and their securities, which, in the opinion of the Clearing Center, can significantly affect the Evaluation.
5. The Evaluation and distribution of securities into groups shall be carried out by the Committee on the basis of materials prepared by the responsible subdivision, subject to the terms and conditions established by article 3 of this Methodology.
6. Preparation of materials for the Committee shall be carried out by the responsible subdivision on the basis of documents and information provided by issuers of securities and/or their admission initiators, or received through information interaction between the Clearing Center and the Exchange, as well as on the basis of documents and information received by the Clearing Center from other sources, if such documents and information, in the opinion of the responsible subdivision of the Clearing Center, are reliable.
7. Content of documents and information on the basis of which the Clearing Center carries out the Evaluation shall be determined by the Clearing Center on its own and shall not be subject to agreement with issuers or initiators of admission.
8. Results of the Evaluation shall be used only for the purposes of the Clearing Center and shall not be published in mass media, including on the Internet resource of the Clearing Center, or disclosure in any other way.

The procedure and results of the Evaluation shall not be subject to agreement with the issuers and/or initiators of admission.
9. Employees and officials of the Clearing Center shall not have the right to discuss results of the Evaluation with any persons not involved in the process of such evaluation and/or in the decision-making process based on such evaluation subject to the internal documents of the Clearing Center, with the exception set out in paragraph two of this clause.

In some cases, upon recommendation of the Committee or the Management Board of the Clearing Center or at the request of the issuer and/or the admission initiator and/or the Exchange member, the Evaluation can be discussed with the issuer and/or the admission initiator and/or the member of the Exchange.

Article 3. Groups of securities and their distribution

1. Based on results of the Evaluation, securities accepted for clearing services by the Clearing Center shall be distributed into the following groups:
 - Group 1 – securities with the highest level of reliability;
 - Group 2 – securities with a high level of reliability;
 - Group 3 – securities with a level of reliability above average;
 - Group 4 – securities with an average level of reliability;
 - Group 5 – securities with an acceptable level of reliability;
 - Group 6 – other securities.
2. Distribution of securities into groups shall be carried out based on results of each Evaluation of their issuer(s) carried out within the time limits established by clause 4 article 2 of this Methodology and taking into account features set out in clauses 10 – 15 of this article.
3. Group 1 (securities with the highest level of reliability) shall consist of the following securities:
 - 1) government securities issued by the Ministry of Finance of the Republic of Kazakhstan and the National Bank of the Republic of Kazakhstan;
 - 2) government securities issued by governments or central banks of states, issuer's sovereign rating of which is higher than the sovereign rating of the Republic of Kazakhstan;
 - 3) securities issued by international financial organizations, issuer's rating of which is higher than the sovereign rating of the Republic of Kazakhstan.
4. Group 2 (securities with a high level of reliability) shall consist of the following securities:
 - 1) government securities issued by local executive bodies of the Republic of Kazakhstan;
 - 2) government securities issued by governments and/or central banks of states, issuer's sovereign rating of which is equal to or no more than one notch lower than the sovereign rating of the Republic of Kazakhstan;
 - 3) securities issued by international financial organizations, issuer's rating of which is equal to or no more than one notch lower than the sovereign rating of the Republic of Kazakhstan;
 - 4) non-government securities, rating (issuer's rating) of which is not lower than the sovereign rating of the Republic of Kazakhstan;
 - 5) non-government securities, issuers of which are national companies of the Republic of Kazakhstan, as well as organizations, 75 percents or more of the total number of the issued shares or of the paid authorized capital of which belongs to the government, the National Bank of the Republic of Kazakhstan, a national holding or a national management holding;
 - 6) non-government securities issued by residents of the Republic of Kazakhstan under a guarantee of the Government of the Republic of Kazakhstan for payment of the coupon and principal amount;
 - 7) securities issued by residents of the Republic of Kazakhstan or foreign states under a guarantee of international financial organizations specified in sub-clause 3) clause 3 of this article for payment of the coupon and principal amount on these securities.
 - 8) securities issued by an index investment fund, the underlying asset of which is the main stock index, or pricing of which is linked to the main stock index (hereinafter referred to as the stock index), provided that such securities are

- listed and admitted to trading on a foreign stock exchange, which is an international stock exchange (hereinafter referred to as the international stock exchange) and is established as a legal entity in a state, issuer's sovereign rating of which is not lower than "A-" on the Standard & Poor's scale or a similar level on the Moody's Investors Service or Fitch scale;
- 9) securities issued by an investment fund, the assets of which, according to the reporting submitted to the Exchange and/or information available to the Exchange, for 75 percents or more are represented by the securities set out in sub-clauses 1)-8) of this clause, and also provided that such securities of the investment fund are listed and admitted to trading on a foreign stock exchange, which is an international stock exchange and established as a legal entity in a state, issuer's sovereign rating of which is not lower than "A-" on the Standard & Poor's scale or a similar level according to the Moody's Investors Service or Fitch scale.
5. Group 3 (securities with a level of reliability above average) shall consist of the following securities (with the exception of securities included in Groups 1 and 2 subject to this Methodology):
- 1) government securities issued by governments or central banks of states issuer's sovereign rating of which is not lower than "BB-" on the Standard & Poor's scale or a similar level on the Moody's Investors Service or Fitch scale;
 - 2) securities issued by international financial organizations, issuer's rating of which is not lower than "BB-" on the Standard & Poor's scale or a similar level on the Moody's Investors Service or Fitch scale;
 - 3) non-government securities, rating (issuer's rating) of which is not lower than "BB-" on the Standard & Poor's scale or a similar level on the Moody's Investors Service or Fitch scale;
 - 4) non-government securities issuers being organizations where 50 or more percents of the total number of their issued shares or of the paid authorized capital belongs to the government, the National Bank of the Republic of Kazakhstan, a national holding, a national management holding or a national company;
 - 5) non-government securities issued by organizations that are members of the Exchange and clearing participants rated "B" subject to the Financial Monitoring Procedure;
 - 6) securities issued by an investment fund, assets of which, according to the available statements, in the aggregate for 50 percents or more are represented by cash, money on current accounts and securities specified in sub-clauses 1)–4) of this clause, and also provided that the manager of such fund is a member of the Exchange and its clearing participant with a rating of at least "B" subject to the Financial Monitoring Procedure.
 - 7) non-government securities located on the "Main" platform of the official list of the Exchange, financial stability of the issuer determined subject to article 4 of this Methodology, has a positive value and is characterized by achieving the recommended values established in table 2 of the annex to this Methodology for the main indicators DSCR1 and DSCR2.
 - 8) securities issued by an index investment fund, the underlying asset of which is the underlying stock index, or the pricing of which is linked to the underlying stock index, provided that such securities are listed and admitted to trading on a foreign stock exchange that is an international stock Exchange and established as a legal entity in a state, issuer's sovereign rating of which is not lower than the sovereign rating of the Republic of Kazakhstan;
 - 9) securities issued by an investment fund, the assets of which, according to the reporting submitted to the Exchange, in the aggregate for 75 percents or more are represented by cash, money on current accounts and securities set

- out in sub-clauses 1)–4) of this clause, as well as provided that such securities of the investment fund are listed and admitted to trading on a stock exchange, which is an international stock exchange subject to the requirements of the authorized body of the Republic of Kazakhstan and established as a legal entity in a state, issuer's sovereign rating of which is not lower than the sovereign rating of the Republic of Kazakhstan.
6. Group 4 (securities with an average level of reliability) shall consist of the following securities (with the exception of securities included in Groups 1-3 subject to this Methodology):
 - 1) non-government securities, rating (issuer's rating) of which is not lower than "B-" on the Standard & Poor's scale or a similar level on the scale of Moody's Investors Service or Fitch, located on the "Main" platform;
 - 2) non-government securities issued by organizations which are clearing participants rated "B" subject to the Financial Monitoring Procedure;
 - 3) non-government securities, financial stability of issuer of which as determined subject to article 4 of this Methodology, has a positive value..
 7. Group 5 (securities with an acceptable level of reliability) shall consist of the following securities (with the exception of securities included in Groups 1-4 subject to this Methodology):
 - 1) securities, rating (issuer's rating) of which is not lower than "B-" on the Standard & Poor's scale or a similar level on the Moody's Investors Service or Fitch scale;
 - 2) non-government securities issued by organizations that are clearing participants rated "C" subject to the Financial Monitoring Procedure;
 - 3) non-government securities, financial stability of the issuer of which as determined subject to article 4 of this Methodology has a conditionally positive value..
 8. Group 6 (other securities) shall consist of securities subject to distribution into groups under this Methodology and not classified as Groups 1-5, taking into account specifics set out in clause 11 of this article.
 9. If securities simultaneously meet the criteria of two or more groups, distribution of these securities shall be made to a lower group.
 10. Distribution of securities into groups shall be made without making any decisions by the bodies of the Clearing Center in case of inclusion of government securities issued by the Ministry of Finance of the Republic of Kazakhstan and the National Bank of the Republic of Kazakhstan, which establishes Group 1 (securities with the highest level of reliability).
 11. Issuer's securities can't be distributed into Group 6 (other securities) if one or more of the following factors are identified in its activities:
 - 1) the issuer fails to discharge its obligations in timely manner;
 - 2) the responsible subdivision has at its disposal negative information that gives grounds to believe that a significant deterioration in the financial position of the issuer is possible (application of sanctions by supervisory authorities, initiation of criminal cases against the directors and managers of the issuer, other information);
 - 3) as of the last reporting date there is an overdue debt on received loans, deposits and other funds raised, a queue of orders not executed on time, violation of deadlines for discharge of obligations to clients, presence of overdue obligations to the budget and extra-budgetary funds;
 - 6) repeated violation of the equity capital adequacy standard;

- 7) repeated violation of any prudential and other mandatory standards established by the applicable laws;
 - 8) suspension or deprivation by the authorized body of a license to carry out core professional activity.
12. If any of the factors specified in clause 11 of this article are identified in relation to any issuer, the responsible subdivision shall submit to the Committee the issue of changing the Evaluation group to group 6.
 13. Upon identification of the factors set out in clause 11 of this article, the responsible subdivision shall have the right to request from the issuer additional information about the reasons for occurrence of these factors.
 14. Upon distribution of securities into groups, an expert evaluation may be applied, which will have an impact on reducing the securities valuation group.

An expert evaluation shall be offered to the Committee by the responsible subdivision, taking into account the terms and conditions set out in article 5 of this methodology. The decision to use the result of an expert evaluation of a particular issuer shall be made by the Committee.
 15. The exclusion of securities from the groups defined by this article shall be carried out without making any decisions by the bodies of the Clearing Center when these securities are removed from the clearing services by the Clearing Center.

Article 4. Evaluation of financial stability of issuers

1. Evaluation of the financial stability of issuers shall be carried out in relation to issuers subject to Evaluation under clause 3 of article 2 of this Methodology and securities of which cannot be assigned to any group from those specified in article 3 of this Methodology depending on the type of issuer, its rating, ownership structure or availability of guarantee.
2. Evaluation of the financial stability of issuers shall be carried out by calculating cash flow and debt load indicators. Decision on the level of financial stability of the issuer shall be made by the Committee on the basis of materials prepared by the responsible subdivision in the manner prescribed by this article.
3. In order to evaluate financial stability of the issuer, three main indicators and three supporting indicators of the cash flow and debt load of the issuer shall be calculated.
4. Key indicators of cash flow and debt burden:
 - 1) Debt service coverage ratio, which is a leading indicator and shows the ability of the company to service debts at the expense of current operating profit – DSCR1 (Debt Service Coverage Ratio);
 - 2) Debt service ratio, which shows the ability of the company to service debts using current cash flows – DSCR2 (Debt Service Coverage Ratio);
 - 3) Coverage ratio of all debt obligations, which allows determine ability of the company to service all its debt obligations at the expense of current operating profits – TDR (Total debt ratio).
5. Main indicators of cash flow and debt burden shall be calculated using the following formulas:
 - 1) $DSCR1 = EBITDA / DP$, where
EBITDA – Earnings before Interest, Taxes, Depreciation and Amortization – an annual profit received by the organization, from which related expenses, including interest on liabilities, depreciation, taxes, have not been deducted;
DP – Debt Payments – annual payments of interest and principal..
 - 2) $DSCR2 = CFO / DP$, where

- CFO – Cash Flow – cash flow from operating activities for the period;
DP – Debt Payments – total debt (interest and principal) for the same period.
- 3) $TDR = \text{MAX}(\text{EBITDA}; \text{CFO}) / \text{TD}$, where
MAX (EBITDA;CFO) – maximum value of EBITDA and CFO values;
TD – Total Debt – debt obligations.
6. Maintenance of indicators of cash flow and debt burden:
- 1) Net current liability coverage ratio, which demonstrates the ability of the company to service all its current debts at the expense of current operating profit – NDSCR (Net Debt Service Coverage Ratio);
- 2) Debt load ratio characterizing the amount of time required to service current obligations at the expense of current operating profit – LE (Liabilities to EBITDA);
- 3) Net debt to EBITDA ratio which determines the period that the company will need to close its net debt obligations at the expense of current operating profit – NDE (Net Liabilities to EBITDA).
7. Maintenance indicators of cash flow and debt burden shall be calculated using the following formulas:
- 1) $\text{NDSCR} = \text{MAX}(\text{EBITDA}; \text{CFO}) / \text{ND}$, where
ND – Net Liabilities.
- 2) $\text{LE} = \text{L} / \text{MAX}(\text{EBITDA}; \text{CFO})$, where
L – Liabilities – current liabilities;
- 3) $\text{NDE} = \text{ND} / \text{MAX}(\text{EBITDA}; \text{CFO})$.
8. Evaluation of the financial stability of the issuer according to the formulas specified in clauses 5 and 7 of this article shall be carried out taking into account provisions of table 1 of the annex to this Methodology. Financial stability of the issuer shall be characterized as:
- positive;
 - conditionally positive;
 - negative.
9. Financial stability of the issuer shall be characterized as positive if the coefficients DSCR1 and DSCR2 are greater than or equal to the recommended values established in table 2 of the annex to this Methodology. In this case, the TDR coefficient or all supporting coefficients shall correspond to the recommended values established in table 2 of the annex to this Methodology.
10. Financial stability of the issuer shall be characterized as conditionally positive if one of the coefficients DSCR1 and DSCR2 is greater than or equal to the recommended value established in table 2 of the annex to this Methodology. In this case, the TDR coefficient or all supporting coefficients shall correspond to the recommended values established in table 2 of the annex to this Methodology.
11. Financial stability of the issuer shall be characterized as negative if the main and supporting indicators of cash flow and debt load do not correspond to the recommended values established in table 2 of the annex to this Methodology.
12. The Committee shall make a decision on financial stability of the issuer of securities, taking into account its characteristics determined subject to clauses 9-11 of this article.

Article 5. Application of expert evaluation

1. Distribution of securities into groups shall be made by the Committee taking into account the expert evaluation prepared by the responsible subdivision, as well as other materials and recommendations provided by other structural subdivisions of the Clearing Center and the Exchange.
2. Expert evaluation shall be carried out on the basis of the entire set of available financial and non-financial information about the issuer, essential for distribution of its securities into groups.
3. In order to ensure objectivity of the expert evaluation, the responsible subdivision shall have the right to send to structural subdivisions of the Clearing Center or the Exchange a request about availability at their disposal of information essential for the Evaluation.
4. In order to form an expert evaluation, the responsible subdivision shall have the right to initiate sending to the issuer and/or the initiator of the admission a request for additional information related to its activities.
5. Upon formation of an expert evaluation, the following factors regarding the issuer can be taken into account:
 - 1) ownership structure;
 - 2) size and structure of the customer base;
 - 3) degree of concentration of assets and liabilities;
 - 4) presence of signs of a systemically important or systemically important organization;
 - 5) dynamics of trading in securities of which it is an issuer;
 - 6) organization of a risk management system;
 - 7) reputation of the issuer and/or its shareholders/founders;
 - 8) risks of applying sanction restrictions in relation to the issuer and/or its shareholders/founders;
 - 9) political risks of the country of residence of the issuer and/or its shareholders/founders;
 - 10) other factors significant for evaluation activities.
6. Upon distribution of securities, the level of business reputation of the issuer may be considered, namely presence or absence of the following factors:
 - 1) publications in the media about the issuer, its owners or top management that can improve or limit the competitive position of the issuer;
 - 2) expansion or reduction of the issuer's production or customer base;
 - 3) corruption scandals, theft, withdrawal of funds by the owners or management of the issuer;
 - 4) conduct of investigation measures (searches, seizure of documents) by the law enforcement agencies in relation to the issuer;
 - 5) suspicions of involvement of the owners and/or top management of the issuer in criminal structures;
 - 6) bringing the owners and/or top management of the issuer to criminal liability;
 - 7) owner or top manager of the clearing participant is wanted as part of criminal prosecution;
 - 8) existence of enforcement proceedings to seize the property of the issuer or its owners or presence of current unresolved lawsuits and proceedings involving the issuer that are significant for its activities (as a result of which equity capital of the issuer may be reduced by more than 10%);

- 9) existence of corporate conflicts between the owners of the issuer, which could potentially negatively affect the creditworthiness of the issuer;
- 10) in the auditor's report, the auditor gave a negative opinion or the auditor refused to express its opinion;
- 11) presence of cases of failure to discharge obligations by the issuer to security holders or creditors;
- 12) frequent changes of owners and/or management of the issuer, which damages business reputation of the issuer, as well as negative business reputation of past owners and/or management;
- 13) an excessively deconcentrated ownership structure (none of the ultimate owners owns a share of more than 10% of the capital) and/or the absence of owners of the issuer among the officials;
- 14) existence of cases of a failure to discharge obligations by the issuer;
- 15) existence of limited measures of influence and sanctions on the part of the authorized body;
- 16) availability of messages about decisions taken to bring the issuer/ or its officials to administrative liability for a failure to comply with the requirements of the laws on anti-money laundering and counter-terrorism financing;
- 17) existence of facts of violation of the internal documents of the Clearing Center and/or the Exchange;
- 18) other information that could affect the stability and creditworthiness of the issuer.

Article 6. Activities of the responsible subdivision

1. The responsible subdivision shall process reports and other documents and information of issuers received by the Clearing Center through information interaction between the Clearing Center and the Exchange, or received by the Clearing Center from other sources, necessary to carry out the Evaluation.
2. Based on the reporting of issuers and other information specified in clause 1 of this article, the responsible subdivision shall carry out the Evaluation by making calculations and carrying out other procedures provided for by this Methodology, and prepare information on financial stability of the issuer(s) for distribution of securities into groups.
3. The responsible subdivision shall carry out mandatory verification of the quality of data and accuracy of calculations to determine financial stability of the issuer.
4. The responsible subdivision shall ensure storage and updating of information related to the Evaluation and distribution of securities into groups.
5. The responsible subdivision shall prepare and submit to the Committee materials for study for approval of the expert evaluation and a draft distribution of securities into groups.

Article 7. Activities of the Committee and its special powers of the Committee

1. In order to carry out the Evaluation and distribution of securities into groups, the Committee shall make the following decisions:
 - 1) about level of financial stability of issuers of securities subject to Evaluation;
 - 2) about composition of the groups of securities specified in article 3 of this Methodology;
 - 3) about assignment of securities of any name to a particular group.
2. In some cases, if it is impossible to evaluate any issuer of securities subject to this Methodology due to the specifics of its activities or the reports it prepares, the

Committee, when preparing a decision on the level of financial stability of such issuer, shall have the right to deviate from or refuse to use the procedure for evaluation of financial stability of the issuer provided for by this Methodology, and make a decision on such issuer based on expert evaluation.

3. When making decisions on composition of groups of securities and/or on assignment of securities of any name to a particular group, the Committee shall take into account information about issuers of such securities specified in clauses 5 and 6 of article 5 of this Methodology. In this case, securities of any denomination may be assigned to a lower group despite meeting the criteria of a higher group..

Article 8. Final provisions

1. Responsibility for timely introduction of changes and/or additions (update of) to this Methodology shall be vested in the responsible subdivision.
2. This Methodology shall be updated as necessary, but at least once every three years.
3. This Methodology shall not be posted on the Internet resource of the Clearing Center or disclosed to an unlimited number of persons in any other way.

Chairperson of the Management Board

N. Khoroshevskaya

Annex

to the Methodology of
evaluation of risk level for
security issuers accepted for
clearing servicing by the
Clearing Center

PARAMETERS
to determine financial stability of security issuers

Table 1. Determination of financial parameters and calculation rules.

Parameter	Calculation rules	Data source
1	2	3
EBITDA	Adjustments to calculate EBITDA include other income and expenses included in the operating income. In this case, income is included in the adjustment with a "-" sign, and expenses – with a "+" sign. Other adjustments can be made to the EBITDA calculation based on the audit report.	Data from a profit and loss statement are used to calculate EBITDA
CFO	Net cash flow from operating activities subject to adjustments similar to EBITDA	Data from a cash flow statement are used to calculate CFO
DP	Total debt includes principal and interest paid over a similar period of time during which operating cash flow is generated	Data from a cash flow statement are used to calculate DP
TD	Debt obligations include all loans (short-term and long-term), issued securities, other credit obligations of the company	Data from a statement of financial position are used to calculate TD
LE	Current liabilities represent the total of short-term liabilities of the company	Relevant value from a statement of financial position is used as LE
ND	Net debt includes current liabilities of the company minus a portion of its current assets. Current assets are taken into account given impairment. The percentage of impairment of current assets is adjusted taking into account data from the auditor's report. In the absence of relevant data in the auditor's report, current assets are adjusted according to the following rules: highly liquid assets, namely cash and cash equivalents, securities, deposits are taken into account at 100%; other assets (including finished products, inventories, accounts receivable, quickly salable property and other short-term assets) are accounted for at a 50% discount;	Data from a cash flow statement are used to calculate ND

Table 2. Recommended values

Parameter	Recommended value
1	2
DSCR1	=> 1
DSCR2	=> 1
TDR	=> 0.3
NDSCR	=> 1
LE	<= 4
NDE	<= 3