



PROPOSAL AND ARGUMENTS FOR THE INCOME AND EXPENDITURE BUDGET 2020

1. Revenues

On the basis of results of previous year, of the insurance market's dynamics and the potential of collaborators' network, and last but not least on the potential consequences of the crisis we have been undergoing at present (pandemic COVID-19), we herein forecast for 2020:

We estimate that the volume of insurance premiums shall amount to **420,000,000 lei**, slight increase (approx 3%) as compared to the previous year, which means a turnover of **71,415,000 lei**

2. Expenses

The main categories of expenses were budgeted as per the following:

- expenses with collaborators- estimated percentage of 84% of the turnover
- expenses with personnel- we estimated an increase by 20% due to:
 - a. Increase of wages
 - b. Return of 2 people now in leave of absence for child raising
 - c. Development of *Corporate insurance services* department, by way of hiring new personnel
- for marketing expenses a budget of 0.7% of the turnover was budgeted
- the expenses with IT applications and necessary developments were estimated to 450,000 lei, approx 150,000 lei directed to the development of online sale IT platform

Taking into account the other categories of expenses, the total expense shall get to approx **65,654,000 lei**

The expense with the tax on profits shall consequently be **784,127 lei**

3. Profit

Bottom line, a net profit level of **4,976,873 lei** is forecasted for **2020**, at an increase by 7% as compared to 2019.

CHAIRMAN OF BOARD OF DIRECTORS

DAN NICULAE