

**JSC "UZKIMYOSANOAT"
JSC "UZKIMYOSANOATLOIKHA"**

**REPORT
ABOUT THE FINANCIAL AND ECONOMIC ACTIVITIES
OF JSC "UZKIMYOSANOATLOIKHA" FOR THE 1st HALF OF
THE YEAR 2023**

Chirchik, 2023

**ACTUAL RESULTS OF FINANCIAL AND ECONOMIC
ACTIVITIES
FOR THE 1st HALF OF 2023**

million
soums

No.	Name	According to the business	Actual results	% completed
1	Net proceeds from sales of products (works, services)	14,660.0	13,555.81	92.47
2	Cost of products sold (works, services)	9,318.17	7,724.84	82.90
3	Gross profit	5,341.83	5,830.97	109.16
4	Payroll fund	7,523.12	7,683.74	102.13
5	Expenses of the period, including:	3,103.83	2,889.31	93.09
5.1	Administrative expenses	1,817.88	1,523.63	83.81
5.2	Other operating expenses	1,285.95	1,365.68	106.20
6	Other income	17.90	43.79	244.64
7	Income from financing activities	250.00	499.47	199.79
8	Expenses from financing activities	220.0	261.30	118.77
9	Profit from general business activities	2,285.91	3,223.61	141.02
10	Net profit	1,943.02	2,719.25	139.95
11	Average salary, soum	9,571.40	9,419.70	98.41
12	Return on direct costs, %	20.85	35.20	168.82

Based on the results of the first half of 2023, net revenue from product sales is 13,555.81 million soums, or 7.53% less than the forecast. Production cost is 7,724.84 million soums, which is 17.1% lower than the forecast value. Expenses for the period amount to 2,889.31 million soums, which is 6.91% less than planned.

Other income amounted to 43.79 million soums (rent of premises, income from disposal of fixed assets) or 144.64% higher than forecast, income from financial activities amounted to 499.47 million soums (positive exchange rate difference, interest on deposit), which 99.79% exceeds the forecast value.

As a result, the Company received profit from general economic activities in the amount of 3,223.61 million soums, or 41.02% higher than the forecast figure. Net profit is 2,719.25 million soums, which is 39.95% more than the planned value. Profitability also exceeds the forecast value by 68.82%.

During the first half of 2023, the following work was completed:

1. JSC "MAXAM-CHIRCHIQ"

- Coordination of Permanent Technological Regulations: “Ammonia-water absorption refrigeration unit”; Boiler room (block 2) of the Ammonia-2 workshop; Water cycle of the Ammonia-2 workshop; Feed water preparation unit block No. 10 of the Ammonia-2 workshop; Liquid nitrogen fertilizer (UNF); Ammonia production at the ammonia liquefaction water workshop of ammonia production; Compressed air from ammonia production turbocompression station; Industrial installation for treating wastewater from heavy metals in the shop for neutralization and purification of industrial wastewater, shop No. 94; Production of ammonia from anhydrous liquefied ammonia production;
- Services for technical audit of ammonia production in the Ammonia-1 workshop.

2. JSC "NAVOIYAZOT"

- and economic calculation (TEC) for the project “Creation of an experimental research laboratory on the basis of JSC NAVOIYAZOT ”;
- Coordination of Permanent Technological Regulations: “Demineralized water station, building 607”; “Cooling station, building 603; “Source water treatment, building 602”; “Industrial wastewater treatment, building 608”; “Production of nitric acid IV -stage”; No. 12 for the production of hydrocyanic acid, workshop No. 12 for the production of organic synthesis and nitron fiber; No. 116 for ammonia production and Permanent Technological Regulations No. 117 for urea production; Addendum No. 1 to the Permanent Technological Regulations No. 22 of Shop No. 201 of the Thiourea Production Plant; No. 108 Combustion plants for exhaust gases produced from hydrocyanic acid, workshop No. 12 of organic production; No. 24 of complex 325 A of Ammonia production stage III (gas purification with liquid nitrogen, compression, synthesis);
- Review and approval of standards for the consumption of precious metals (MP) for the production of chemical products in shops No. 12, 25, 916 and Ammonia of the third stage for 2023;
- Development of a draft environmental impact statement (EIS) and environmental impact statement (EPS) for the object “Increasing the production capacity of thiourea from ammonium thiourea (technical) to 3,000 tons/year”;
- Development of a detailed design for the project “Organization of production of caustic soda rod with a capacity of 100 tons per year.”

3. JSC "FARG'ONAAZOT"

- Review and approval of projects “Use of waste natural gas Ammonia 3”; “Expansion of the OPTG drainage rack”; “Reconstruction of cooler sections II and III, item 402”; “Improving the operation of the recycle unit of the Urea shop”; “Installation of a filter at the natural gas inlet to the Ammonia-3 workshop”; “Installation of a CO₂ cooling refrigerator”; “Installation of filter material in suction chamber 402”;

4. Review and approval of Addendum No. 3 to the Permanent Technological Regulations for the production of Ammonia with a capacity of 475,000 tons/year; Changes No. 5 to the Constant Technological Regulations for the production of non-concentrated nitric acid (AK-72M). JV LLC "Kungrad Soda Plant"

- Development of Permanent Technological Regulations: “Calcination Shop”; "Air

compression workshop"; "Boiler room (stage II)"; "Salt dissolution and purified brine preparation workshop"; "Limestone warehouse. Lime department"; "Sewage pumping station workshop"; "Water treatment workshop (reverse osmosis)"; "Water cycle".

5. JV LLC "DUNGER NAVOIY"

- Development of an integrated technical and economic calculation (UTER) for the project "Construction of a complex for the production of liquid complex fertilizers (LCF)".

6. KRICT DIREKSIYASI LLC

- Development of a draft environmental impact statement (EIS) for the object "Creation of a research and design institute - Center for Chemical Technologies" and support of the developed project documentation during the examination;

- Carrying out engineering and geological surveys for the object "Creation of a research and design institute - Center for Chemical Technologies."

7. JV CONTINAZ LLC

Development of a feasibility study (TES) for the project "Construction of the production of urea-formaldehyde concentrate (KFK-85) and technical formalin, stage 2";

- Development of a feasibility study (feasibility study) for the project "Production of caustic soda with a capacity of 150 thousand tons per year (3 stages of 50 thousand tons each)."

8. IP LLC "BIRINCHIREZINOTEXNIKA ZAVODI"

- Development of a business plan for the project "Increasing the production capacity of conveyor belts by 50.0 thousand linear meters. in year";

- Development of a feasibility study (TES) for the project "Production of tires for trucks, buses, as well as military equipment of the Ministry of the Armed Forces of the Republic of Uzbekistan";

- Development of a feasibility study (TES) for the project "Production of large-size and quarry tires for BelAZ".

9. JV OOO "KUNGRAD CARGO IMPEX"

- Introduction of changes to the design and estimate documentation for the object "International logistics center (warehouse) in the village of Elabad in the Kungrad district of the Republic of Karakalpakstan."

10. JSC "UZKIMYOSANOAT"

- Development of an enlarged technical and economic calculation for the project "Organization of pentaerythritol production."

11. LLC "YUKSAK PARVOZ QURILISH"

- Providing consulting services on the development of Terms of Reference for the project "Construction of the Jizzakh Chemical-Industrial Park"; determining the scope of work; drawing up a defect report; composition of the designed objects;

- Development of a draft environmental impact statement for the object "Construction of the Jizzakh Chemical-Industrial Park";

- Development of a working project "Construction of the Jizzakh Chemical-Industrial

Park” in Jizzakh region

- Development of a detailed design for the project “Organization of production of catalyst meshes”.

12. JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

- Adaptation of design documentation for the facility “Sulfuric acid production workshop, capacity 82.5 thousand tons per year”;

- Bringing design documentation for the project “Building a radiation shelter on the territory of JSC INDORAMA” into compliance with the standards and requirements of the Republic of Uzbekistan KOKAND FERTILIZERS & CHEMICALS ””.

13. IP LLC "DECONEXT CORP"

- Development of a detailed design for the facility “Production of DBSP”.

14. Lab & Production Solutions LLC

- Development of a detailed design and draft Environmental Impact Statement for the facility “Storage and bottling of precursors, solvents and toxic substances.”

15. LLC "NANO CHEMICALS TRADE"

- Development of a detailed design for the facility “Production of ion exchange resins (cation exchangers) with a capacity of 9,000 t/year and waste disposal (sulfuric acid) by producing simple superphosphate with a capacity of 66,000 t/year.”

16. LLC "NAVOIY KIMYO TEXNOPARKIDIREKSIYASI"

- Development of a draft environmental impact statement (EIS) for the object “Organization of new production of ammonia, urea, nitric acid and ammonium nitrate in the technological cluster of the NAVOI CHEMICAL TECHNOPARK.”

17. LLC "QIZILQUM FOSFORIT KOMPLEKSI"

- Development of a detailed design for the objects “Installation of a scrubber”, “Installation of firing based on a Horizontal furnace”.

18. JV LLC "INDORAMA AGRO"

- Development of design and estimate documentation for the facility “Installation for processing mineral fertilizers.”

19. LLC "EASY860"

- Development of a detailed design and a draft environmental impact statement for the facility “Organization of production of chemical reagents for water treatment.”

20. LLC "FARG'ONA NITROSELL YULOZA ZAVODI"

Development of a draft environmental impact statement for the object “Organization of production of gunpowder and colloxilin in the Republic of Uzbekistan.”

21. SE "NAVOIYURAN"

- Development of tender documentation for a feasibility study (TES) of the project “Increasing the production capacity of the sulfuric acid workshop.”

22. Heerim Architects & Planners Co. , Ltd.

- Consulting services for construction documentation for the project “Creation of a research and design institute - Center for Chemical Technologies.”

23. IN WAS INDUPLAN CHEMIE GES.MBH

- Providing consulting services for adaptation of the Basic Design.

Major transactions concluded in the main current activities.

During the first half of 2023, Uzkimyosanoatloyikha JSC concluded the following major transactions:

- Development of a detailed design and author’s support for the project “Organization of the production of gunpowder and colloxilin in the Republic of Uzbekistan” - 2,436,893.4 thousand soums;

- Development of a detailed design and author’s support for the project “Construction of the Jizzakh Chemical-Industrial Park” in the Jizzakh region - 1,000,507.5 thousand soums;

- Development of a feasibility study (feasibility study) of the project “Increasing the production capacity of the sulfuric acid workshop” - 1,658,141.7 thousand soums.

The total amount for major transactions is **5,095,542.6** thousand soums.

Export

During the first half of 2023, within the framework of the concluded export Contract with the Heerim Company Architects & Planners Co., Ltd for the provision of sub-consulting services for the project “Creation of a research and design institute - Center for Chemical Technologies”, a detailed project was completed in the amount of 254,770 US dollars and construction documentation in the amount of 95,539 US dollars.

Also within the framework of the export Contract with BOWAS INDUPLAN CHEMIE GES . M. B. H. for the provision of consulting services for the adaptation of the Basic and Detailed Projects, adaptation of the Basic Project was carried out in the amount of 275,000 EUROS.

Information on accounts receivable and payable

Accounts receivable as of 07/01/2023 amount to 8,857.064 million soums. Accounts receivable increased by 3,162,459 million soums compared to the figure at the beginning of the reporting period. The growth of the indicator is due to an increase in the volume of work performed.

The company is constantly carrying out pretentious work to reduce accounts receivable. For all debt there are acceptance certificates for completed work, reconciliation acts, and for overdue debt there are court decisions.

Accounts payable as of 07/01/2023 amount to 7,564,743 million soums. Accounts payable increased by 3,135,599 million soums compared to the figure at the beginning of the reporting period due to the expansion of the order portfolio and an increase in the amount of transferred advances under newly concluded contracts for design and survey work.

**LIST of
main key performance indicators**

No.	Index	Specific - gravity	Predicted - value for I half of 2023	Actual value for the first half of 2023	Completion percentage	KPI
	A	B	C	D	E	F=ExB/100
1	Return on assets	10	0.155	0.264	170.32	17.03
2	Absolute liquidity ratio	10	0.747	0.314	42.03	4.20
3	Financial Independence Ratio	10	1.419	0.835	58.84	5.88
4	Accounts payable turnover in days	13	57,284	80.07	71.54	9.30
5	Accounts receivable turnover in days	13	64,378	97,150	66.27	8.61
6	Coverage ratio (solvency)	13	2,096	1.654	78.91	10.26
7	Earnings before interest, taxes, depreciation and amortization (EBITDA), thousand soums	17	2,333,509	3,231.193	138.47	23.54
8	Cost-Income Ratio (CIR)	12	0.847	0.783	108.17	12.98
9	Receivables reduction indicator	2	-29.496	-55.534	-188.28	-3.77
Total:		100				88.03

LIST
of additional key performance indicators

No.	Index	Specific - gravity	Forecast - value for the first half of 2023	Actual value for the first half of 2023	Completion percentage	bullpen
	A	B	C	D	E	F=ExB/100
1	Depreciation rate of fixed assets	20	0.53	0.65	81.54	16.31
2	Productivity , thousand soums	40	89,910.11	104,275.47	127.30	50.92
3	Capital productivity	20	9.34	13.18	141.11	28.22
4	Staff turnover rate	20	1,000	0.832	120.19	24.04
Total:		100				119.49

The integral efficiency coefficient for the main and additional key performance indicators is **103.76%**.

According to the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated July 28, 2015 No. 207 “On the introduction of criteria for assessing the performance of joint-stock companies and other business entities with a state share”

“By decision of the authorized management body of the organization, the effectiveness of the executive body is recognized:

unsatisfactory - if the IEC value was less than 40 percent;

low - if the IEC value was from 40 to 60 percent;

insufficient - if the ICE value was from 60 to 80 percent;

medium - if the IEC value was from 80 to 90 percent;

sufficient - if the IEC value was from 90 to 100 percent;

high - if the IEC value exceeded 100 percent.”

Consequently, the effectiveness of the executive body based on the results The first half of 2023 can be assessed as high.

General business activities

During the reporting period, in order to improve the quality of design and survey work, as well as to transition the execution of work using BIM modeling, the following office equipment was purchased:

- computers for 3D modeling i 9 - 1 pc.;
- computers for 3D modeling i 7 - 5 pcs.;
- upgraded to i5 - 10 pcs.

In order to create favorable conditions for work, the assembly hall (2nd floor) of the project building was renovated; office furniture is being updated, the laboratory (1st floor) is being renovated, and the issue of updating the biometric access control system is being considered.

Information on personnel work based on the results I half of 2023

As of 07/01/2023, the number of personnel of the Company is 143 people, of which:

- administrative and managerial staff - 18 people;
- production personnel - 107 people;
- support staff - 18 people.

For the period from 01/01/2023 to 30.06.2023, 22 specialists were hired by the Company, 3 were fired.

During the reporting period, two employees received a bachelor's degree, and one specialist graduated from the Tashkent University of Architecture and Civil Engineering, four employees continue their studies at the expense of the Company.

In order to introduce and apply BIM technologies, as well as digitalize design processes, the Company's management organized several trips to international forums for professional communication and exchange of experience:

- "White Nights CAD: Construction" to the Russian Federation, the city of St. Petersburg;
- "International petroleum youth forum" to the Republic of Tatarstan, the city of Almetevsk.

Also, during the first half of 2023, six specialists of the Company underwent advanced training at the Kontexnazorato'quv training center on the topic "Industrial Safety".

CEO



Tashmetov F.