

At the General Meeting of Shareholders of  
"Indorama Kokand Fertilizers and Chemicals" JSC  
on July 27, 2024

"CONFIRMED"

JSC "Indorama Kokand Fertilizers and Chemicals"

# **BUSINESS PLAN FOR 2024 YEAR**

General Director:



Awinash Kumar

Deputy Director of  
Finance and Commerce:

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T.Сайдуллаева

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Коканд 2024

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# 1. GENERAL INFORMATION ABOUT "INDORAMA KOKAND FERTILIZERS AND CHEMICALS" JSC

## 1.1. Community requisites

The full name of the company is "Indorama Kokand Fertilizers and Chemicals" joint stock company. (hereinafter - Society)

Location and postal address of the joint-stock company: 100011, Republic of Uzbekistan, 150700, Fergana region, Kokan city, Davronbek street 87.

The main direction is the production and sale of mineral fertilizers

Official website of the company: [www.indoramakokandfertilizer.com](http://www.indoramakokandfertilizer.com)

Community email address: [ikf@uz.indorama.com](mailto:ikf@uz.indorama.com)

Contact information: 8 373-543-90-00

Tashkent office address: 11/1, Amir Timur Avenue, Mirobod District, Tashkent, Republic of Uzbekistan.

Tel: 99871-202-69-69

## 1.2. History of the Company

JSC "Indorama Kokand Fertilizers and Chemicals" was launched in 1935 under the name of "Kukon superphosphate plant" OJSC.

In 1956, in connection with the increase in the production of superphosphate mineral fertilizer, the sulfuric acid plant was reconstructed with an increase in production volume.

In 1964, the production technology of ammoniated superphosphate according to a new scheme was introduced. (ammonia - drying - sorting - crushing)

By the order No. 91k-PO dated May 30, 1997 of the State Property Management and Entrepreneurship Support Committee of the Republic of Uzbekistan, "Ko'kan superphosphate plant" OJSC was transformed into "Ko'kankimyo" OJSC through privatization.

"Kokankimyo" OJSC was changed to "Kokon superphosphate plant" JSC by the decision of the general meeting of shareholders on May 21, 1999.

According to the Law of the Republic of Uzbekistan dated 05.06.2014 No. 370 "On Amendments and Amendments to the Law on Joint-Stock Companies and the Protection of Shareholders' Rights", the organizational legal form of the company was changed from OJSC to JSC, and on July 9, 2014, the register No. I-1749 was re-registered as a joint-stock company with order no.

In accordance with the requirements of the decision of the President of the Republic of Uzbekistan dated 04.03.2019 No. 4265 "On further reform of the chemical industry and measures to increase its investment attractiveness", a total of 95.54% of the share package of JSC "Kokand Superphosphate Plant" was transferred to Indorama Holdings B.V. was sold as an investment to the company.



By the decision of the EGM of the company's shareholders held on 14.08.2019, the name of the company was changed from "Kokand superphosphate plant" JSC to "Indorama Kokand Fertilizers and Chemicals" JSC and was registered in the state register at the State Services Center on 20.08.2019.

"Indorama Kokand Fertilizers and Chemicals" JSC is the legal successor of "Kokand Superphosphate Plant" JSC, which was previously registered with the state register on 07.06.2014 under number I-1749.

"Indorama Kokand Fertilizers and Chemicals" JSC operates on a commercial basis.

The purpose and type of activity of the company is the production and sale of mineral fertilizers and other types of goods.

### ***1.3. Objectives and tasks of prospective development of Company.***

The goals and activities of the society are as follows:

- purchase and processing of Rock Phosphate, sulfuric acid, ammonia and other types of raw materials, semi-finished products on the basis of agreements within the republic and in countries outside the republic;
- production and sale of mineral fertilizers, consumer goods and other types of goods;
- engaging in foreign economic activity;
- Engaging in other activities not limited by law.

Pursuant to the decision of the President of the Republic of Uzbekistan "On measures to further reform the chemical industry and increase investment attractiveness" dated April 3, 2019 PQ-4265, 95.54% of the share package of the society belongs to the state and "Uzkiyosanoat" JSC "Indorama Holding B.V." It was sold to a foreign company (Netherlands) with the condition of investing a total of 70.0 million US dollars in 2019-2024.

In accordance with the investment agreement, in 2019-2021 (stage 1), an investment of 38.7 million.\$ was made for the modernization of superphosphate production. Phase-1 of the Investment project has been successfully completed.

A total of 31.3 million US dollars is planned to be invested in the 2nd stage of the investment project. After the end of the Phase-2, the production of Sulfuric acid, Potassium sulfate and Ammonium chloride production projects will be launched.

This has a positive effect on the creation of new types of goods in the Company, the increase in turnover and the expansion of market share.

## **2. TYPES OF PRODUCTS PRODUCED**

<b>№</b>	<b>Name of product</b>	<b>unit</b>	<b>Annual production capacity</b>
1.	<u>SSP</u>	Ton	350,000
2.	<u>ASSP</u>	Ton	290,000
3.	<u>NPK (granular)</u>	Ton	90,000
4.	<u>NPK WS</u>	Ton	2,500
5.	Sulfuric acid (H <sub>2</sub> SO <sub>4</sub> )	Ton	82,500
6.	SOP	Ton	20,000
7.	NH <sub>4</sub> cl	Ton	10,000



## Ammoniated superphosphate (OLTIN ASSP)

Superphosphate is the cheapest and most common phosphorus fertilizer in our country.

OLTIN ASSP fertilizer naturally responds to crop demand to provide phosphate, along with nitrogen and magnesium (N-1%, P-17% with S-10% C-28% M-0.5%), benefitting crops with efficient nutrient control and uptake for higher yield.

Ammoniated superphosphate fertilizer is produced by ammoniating ordinary superphosphate.

### **Purpose of ammonia:**

- 1) If the storage period is long, to prevent rotting of the covered product and to maintain the quality of the product;
- 2) Significant reduction of product crushing period;
- 3) Improving the form and quality of granules;
- 4) Nitrogen (N) is added as additional nutrients, albeit in small amounts;

Phosphorous fertilizer is considered the most preferred by farmers due to the specific characteristics of the soil in Uzbekistan and its cost-effectiveness.

Offered under the "OLTIN" brand and the nutritional content and other properties are personally verified by Indorama:

### **Nutritional composition:**

1) The amount of nitrogen is at least, percent:	1.0
2) Amount of phosphorus R <sub>2</sub> O <sub>5</sub> , minimum percentage:	17.0
3) Amount of sulfur SO <sub>4</sub> , minimum percentage:	11.0
4) The minimum amount of calcium in the form of CaO:	18.0
5) Mass density, Square meter:	961
6) Critical relative humidity, at 30C, percent:	93.7

OLTIN ASSP manufactured by "Indorama Kokand Fertilizers and Chemicals" JSC is produced in granule form in 50 kg high density polyethylene bags. In addition, large quantities are delivered to large farms and clusters of Uzbekistan in unpackaged form.

## NPK (granular)

NPK complex mineral fertilizer is in granular form, its nutritional composition consists of nitrogen (N), phosphorus (P<sub>2</sub>O<sub>5</sub>), potassium (K).

### **Useful features:**

- 1) Suitable for all types of soil and plants;
- 2) Nitrogen and phosphorus are in a balanced state;
- 3) It helps the seeds to germinate.
- 4) Rich in water-soluble phosphorus.
- 5) Improves soil health through balanced application of nutrients.





## NPK WS

NPK WS mineral fertilizer is in powder form, and its nutritional composition consists of nitrogen (N), phosphorus (P<sub>2</sub>O<sub>5</sub>), potassium (K).

NPK WS fertilizers are water-soluble fertilizers for irrigation.

The plant's nutrient requirements vary during the growth phase. Usually, the necessary analyzes are carried out to assess the nutrient availability of certain crops during their growth period.

To prepare a mixture consisting of a combination of nutrients, water-soluble fertilizers (WS) are established in the required ratio.

These fertilizers are water-soluble fertilizers suitable for crops fed by drip and foliar irrigation.

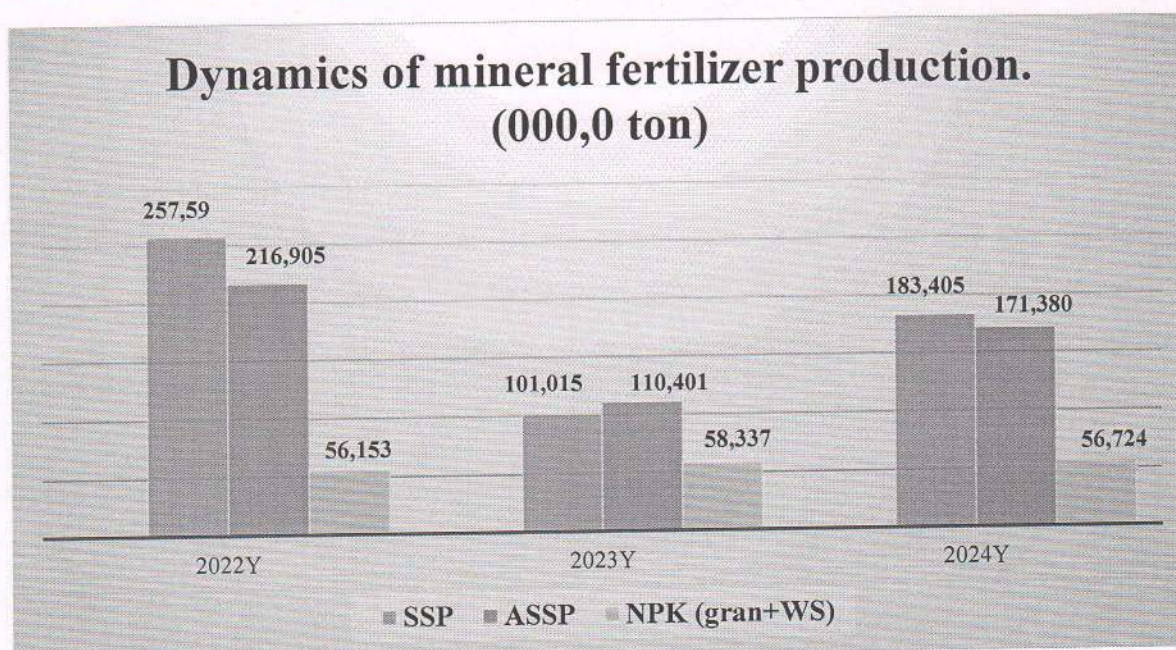
At "Indorama Kokand Fertilizers and Chemicals" JSC, water-soluble compounds suitable for cotton and vegetables are available under the "OLTIN" brand.



### 3. MAIN INDICATORS OF 2023-2024.

#### Mineral fertilizer production:

№	Name of production	unit	2023г. (fact)	2024г. (forecast)	grows %
1	SSP	ton	101,015	183,405	82
2	ASSP	ton	110,401	171,380	55
3	NPK (granular+WS)	ton	58,337	56,724	(3)
	<i>NPK (granular)</i>	<i>ton</i>	<i>58,295</i>	<i>56,300</i>	<i>(3)</i>
	<i>NPK (WS)</i>	<i>ton</i>	<i>42</i>	<i>424</i>	<i>910</i>





**Sale of mineral fertilizers:**

ton

№	name	2023 (fact)	2024 (forecast)	Grows %
1	<b>ASSP</b>	<b>146,728</b>	<b>171,380</b>	17
	<i>export</i>	64,385	74,500	16
	<i>local</i>	82,343	96,880	18
2	<b>NPK gran</b>	<b>53,865</b>	<b>56,299</b>	5
	<i>export</i>	34,607	44,193	28
	<i>local</i>	19,258	12,105	(37)
3	<b>NPK WS</b>	<b>22</b>	<b>420</b>	1809
	<i>export</i>	1	0	(100)
	<i>local</i>	21	420	1900
	<b>Жами</b>	<b>200,615</b>	<b>228,099</b>	14
	<i>export</i>	98,993	118,693	20
	<i>local</i>	101,622	109,405	8

mln.\$

№	name	2023 (fact)	2024 (forecast)	Grows %
1	<b>ASSP</b>	<b>28.407</b>	<b>33.652</b>	18
	<i>export</i>	12.823	15.294	19
	<i>local</i>	15.584	18.358	18
2	<b>NPK gran</b>	<b>22.532</b>	<b>25.112</b>	11
	<i>export</i>	16.160	20.165	25
	<i>local</i>	6.372	4.947	(22)
3	<b>NPK WS</b>	<b>0.033</b>	<b>0.472</b>	1330
	<i>export</i>	0.001	0.000	(100)
	<i>local</i>	0.0312	0.472	1413
	<b>Total</b>	<b>50.972</b>	<b>59.236</b>	16
	<i>export</i>	28.984	35.459	22
	<i>local</i>	21.988	23.777	8

#### 4. MARKET AND MARKETING CONCEPT

The chemical industry is one of the important sectors of the national economy, and substances produced in chemical plants are used in all sectors of the national economy and are found in all areas of everyday life.

Exporting products with high added value ensures that enterprises receive additional profits.

"Indorama Kokand Fertilizers and Chemicals" JSC is the main producer of ammonium superphosphate in Uzbekistan.

The main consumers of community-produced mineral fertilizers (superphosphate and NPK) are agricultural enterprises.

The product is mainly supplied to the domestic market, and the rest is exported.

In 2019, after the modernization of the Company, the quality and production capacity of ammonium superphosphate fertilizer increased to 350,0 thousand tons.

Today, superphosphate fertilizer is supplied to the domestic and foreign markets under the name "OLTIN".

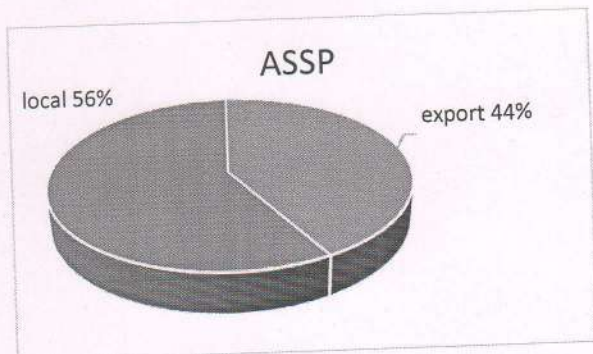
Produced products are sold by the company to the domestic market and for export in unlimited quantities and at contractual prices.



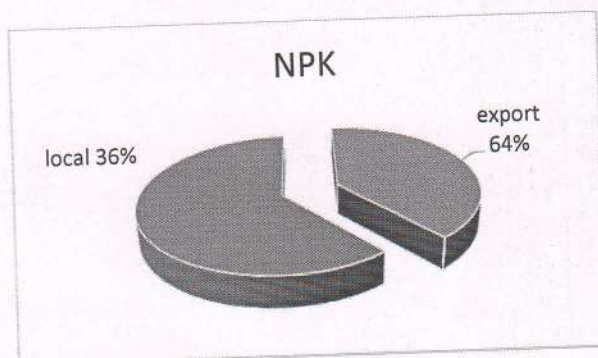
Sales to the domestic market are carried out on the basis of commodity exchange and direct contracts.

The market area of the company's product sales in 2023 was as follows:

**ASSP**      Export      - 44%  
                  Local      -56%

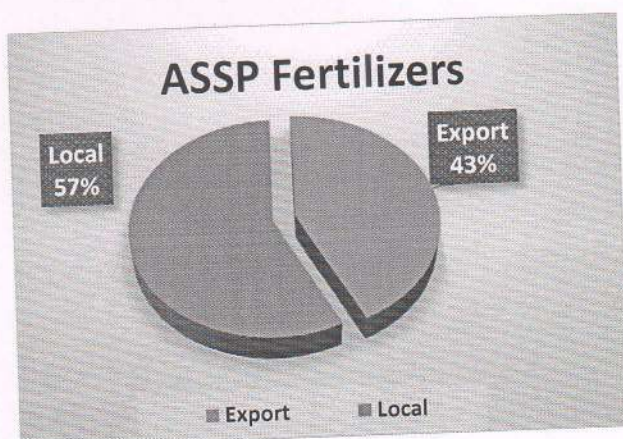


**NPK**            Export      - 64%  
                  Local      - 36%

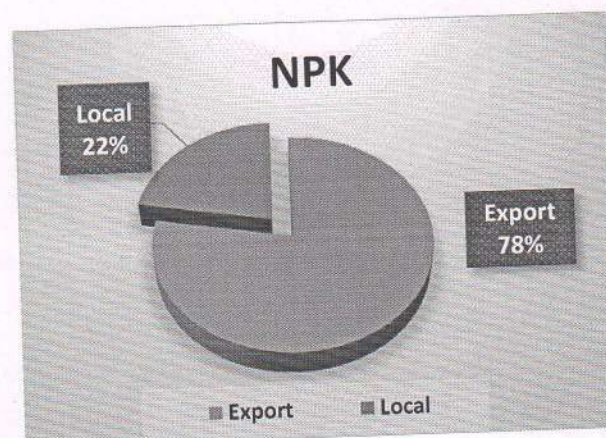


In 2024, the company's product sales market area is planned as follows:

**ASSP**            Export      - 43%  
                  Local      -57%



**NPK**            Export      - 78%  
                  Local      - 22%



ASSP mineral fertilizer export geography for 2024.

Sales Qty - ASSP	Q1	Q2	Q3	Q4	2024
Country					
Uzkimyoimpex					
Afghanistan	-	-	-	-	-
Kazakhstan	-	-	200	300	500
Ukraine	-	-	-	-	-
Tajikistan	500	-	1,500	1,000	3,000
Poland	-	-	-	-	-
Lituwania	-	-	-	-	-
Turkmenistan	-	58,000	-	10,000	68,000
Azerbaijan	-	-	-	-	-
Kyrgyzstan	500	-	1,500	1,000	3,000
Export Total ( in Tonnes)	1,000	58,000	3,200	12,300	74,500



Export of mineral fertilizers is carried out on the basis of contracts through "Uzkimyoimpes" LLC and concluding a direct contract.

Due to the geographical location of the enterprise (the absence of sea transport in Uzbekistan), the export of mineral fertilizers is carried out only by rail transport and road transport.

## 5. FORECAST OF FINANCIAL INDICATORS IN 2024 (Phase-1 and Phase-2)

IS details	UOM	Production (KT)	Sales Quantity (KT)	Average Sales Price (\$/MT)	Sales Value Smln
<b>Total</b>	<b>KT</b>	<b>284.204</b>	<b>278.557</b>	240	<b>66.847</b>
ASSP	KT	171.380	171.380	196	<b>33.652</b>
NPK	KT	56.300	56.299	446	<b>25.112</b>
NPK -WSF	KT	0.424	0.420	1123	<b>0.472</b>
H2So4	KT	41.250	35.607	40	<b>1.424</b>
SOP	KT	9.900	9.900	480	<b>4.752</b>
NH4cl	KT	4.950	4.950	290	<b>1.436</b>

## Final results of financial activity of IKFC in 2024y

mln. \$

№	Article name	Total 2024	Phase-I	Quarterly				Phase-II
				Q I	Q II	Q III	Q IV	
1.	Revenue	66.848	59.236	9.930	20.064	14.514	14.727	7.612
2.	Cost of goods sold	43.392	40.243	7.091	12.149	10.495	10.506	3.149
3.	Gross profit	23.456	18.993	2.838	7.915	4.019	4.221	4.463
4.	Period expenses	7.939	6.887	1.685	1.764	1.731	1.706	1.052
5.	Profit from operating activities	15.517	12.106	1.153	6.150	2.288	2.515	3.411
6.	Other Income	0.000	0.000	0.000	0.000	0.000	0.000	0.000
7.	Financing expenses	2.82	2.620	0.660	0.677	0.653	0.630	0.200
8.	Depreciation	5.119	3.463	0.866	0.866	0.866	0.866	1.656
9.	Profit before taxes	7.578	6.023	-0.373	4.607	0.769	1.019	1.555
10.	income tax	0.000	0.000	0.000	0.000	0.000	0.000	0.000
11.	Net profit	7.578	6.023	-0.373	4.607	0.769	1.019	1.555
12.	EBITDA	15.517	12.106	1.153	6.150	2.288	2.515	3.411



## 6. FUTURE ENTERPRISE DEVELOPMENT PROGRAM. (Phase-2)

The Decision of the President of the Republic of Uzbekistan dated December 28, 2022 No. PQ-459 "On measures to implement the investment program of the Republic of Uzbekistan for 2023-2024" was approved.

In accordance with the decision, investment in the amount of 40.0 million US dollars is set for the production of phosphorus fertilizers and the production of new types of products (Phase-2) in the Company.

<b>Planned projects in phase -2</b>	1. Production of sulfuric acid
	2. Production of sulfate of potash
	3. Production of ammonium chloride
<b>Investment</b>	40 mln. \$
<b>Source of investment</b>	International bank loan under the guarantee of the Indorama Corporation and company's own funds
<b>New jobs</b>	102

### Phase-II

Product name	UOM	Production	Sales	From that	
		FY 24 - P	FY 24 - P	export	Local
H2So4	KT	41.250	35.607	-	35.607
SOP	KT	9.900	9.900	4.950	4.950
NH4cl	KT	4.950	4.950	3.000	1.950
<b>Total - Phase II</b>	<b>KT</b>	<b>56.1</b>	<b>50.457</b>	<b>7.950</b>	<b>42.507</b>
H2SO4 - Captive in SOP	KT		5.643	-	-

### INDORAMA KOKAND FERTILIZERS & CHEMICALS JSC BUSINESS PLAN FOR UPCOMING YEARS

Division :

Unit: Million US\$

#### Income statement

Details	2024 B	2025P	2026P	2027P	2028P	2029P	2030P
Gross revenue	67	74	74	74	74	74	74
Raw materials consumption	(35)	(38)	(38)	(38)	(38)	(38)	(38)
Other cash cost of goods sold	(16)	(18)	(18)	(18)	(18)	(18)	(18)
Share of profit in JVs/associates	-	-	-	-	-	-	-
<b>EBITDA</b>	<b>16</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>
Depreciation & amortisation	(5)	(7)	(7)	(7)	(7)	(7)	(7)
Interest expenses-group companies	-	-	-	-	-	-	-
Interest expenses-financial institutions	(3)	(2)	(1)	(1)	(0)	(0)	(0)
Income from investments & misc revenue	-	-	-	-	-	-	-
Other extraordinary items	-	-	-	-	-	-	-
Foreign exchange gain/loss	-	-	-	-	-	-	-
<b>PBT</b>	<b>8</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>
Taxation	-	-	-	-	-	-	-
Taxation - Deferred	-	-	-	-	-	-	-
<b>Net profit attributable:</b>	<b>8</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>



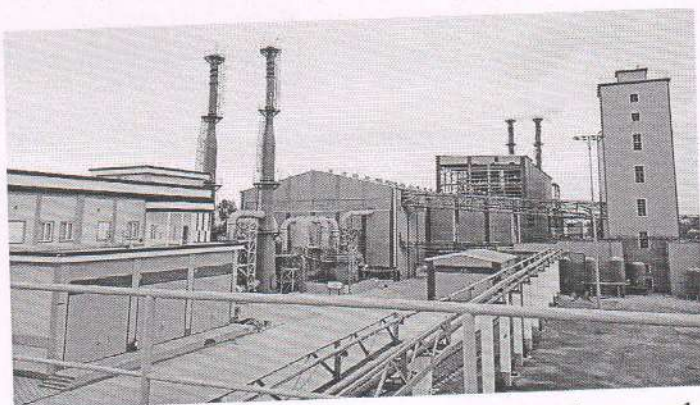
## 7. PHOTO MATERIALS



entering the "Indorama Kokand Fertilizers and Chemicals" JSC



Main production part



Superphosphate production workshop



Company Environment