JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

JOINT STOCK COMPANY
"INDORAMA KOKAND FERTILIZERS AND CHEMICALS"
INTERNATIONAL FINANCIAL REPORTING STANDARDS

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

INDORAMA 50 Years

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

ANNUAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

INDORAMA 50 Years

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS
STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

The following statement, which should be read in conjunction with the independent auditors' responsibilities with a view to distinguishing the respective responsibilities of management and those of the independent auditors in relation to the financial statements of the JSC "Indorama Kokand Fertilizers and Chemicals" (the "Company").

Management of the Company is responsible for the preparation of the financial statements that present fairly the financial position of the Company as at December 31, 2024, the results of its operations, cash flows and changes in capital for the year ended December 31, 2024 in accordance with the International Financial Reporting Standards (the "IFRS").

In preparing the financial statements, management is responsible for:

- selecting suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- stating whether IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business for the foreseeable future.

Management of the Company is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal control, throughout the Company;
- maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- maintaining statutory accounting records in compliance with legislation, accounting standards of the Republic of Uzbekistan and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- detecting and preventing fraud, errors and other irregularities.

The financial statements for the year ended December 31, 2024 were approved and authorized for issue on February 28, 2025 by the Management of the Company.

On behalf of the Management of the Company:

O'ZBEKISTON RESPUBLIKASI FARG'ONA VILOYATI QO'QON SHAHAR AKSIYADORLIK JAMIYATI * INDORAMA KOKAND FERTILIZERS AND CHEMICALS

Awinash Kumar General Director	Ganesh Chaudhary Chief Financial Officer

Auditing Company "Kreston Tashkent" L.L.C.
An independent member of KRESTON INTERNATIONAL

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JOINT STOCK COMPANY

"INDORAMA KOKAND FERTILIZERS AND CHEMICALS"

INTERNATIONAL FINANCIAL REPORTING STANDARDS

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

INDEPENDENT AUDITOR'S REPORT

To the shareholders of JSC «INDORAMA KOKAND FERTILIZERS AND CHEMICALS»

Opinion

We have audited the accompanying financial statements of JSC «INDORAMA KOKAND FERTILIZERS AND CHEMICALS» (the "Company") which comprise the Statement of Financial Position as at 31 December 2024 and the Statement of Profits or Loss and Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement for the period from 1 January 2024 to 31 December 2024 and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present truly and fairly, in all material respects, the financial position of the Company as of 31 December 2024 and its financial performance and its cash flows for the period from 1 January 2024 to 31 December 2024 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the independence requirements that are relevant to our audit of the financial statements in with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Auditor:

Andrey Pak

General Director

KRESTON TASHKENT, LLC

99A, Makhtumkuli Street,

100007, Tashkent,

Republic of Uzbekistan

KRESTON TASHKENT

February 28, 2025

INDORAMA 50 Years

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

STATEMENT OF FINANCIAL POSITION AS AT 31 DEC 2024

	Note	2024 US$	2023 US$
ASSETS			
Non-current Assets			
Property, plant and equipment	(7)	68,311,378	61,377,297
Intangible assets	(8)	467,549	487,056
Financial assets at fair value through other comprehensive income	(9)	811	811
Other non-current assets	(10)	114,111	280,342
Deferred Tax Assets	(11)	131,136	26,931
Total non-current assets		**69,024,985**	**62,172,437**
Current Assets			
Inventories	(12)	16,374,450	14,459,380
Trade and other receivables	(13)	3,285,170	14,900,601
Other current assets	(14)	2,673,981	2,895,179
Fixed Deposits	(15)	0	-
Cash and cash equivalents	(16)	5,826,888	3,491,447
Total current assets		**28,160,489**	**35,746,607**
Total assets		**97,185,474**	**97,919,044**
EQUITY AND LIABILITIES			
Capital and Reserves			
Equity Share capital	(17)	1,181,202	1,181,202
Equity reserve	(24)	366,737	366,737
Preference Share Capital	(17)	10,191	10,191
Revaluation reserve	(18)	2,211,210	2,217,444
Other reserve	(24)	265,648	265,900
Retained earnings		21,375,730	22,485,146
Total equity		**25,410,718**	**26,526,620**
Non-Current Liabilities			
Long Term borrowings from financial institutions	(19)	24,047,619	24,047,619
Total non-current liabilities		**24,047,619**	**24,047,619**
Current Liabilities			
Loan from group companies	(20)	26,700,000	8,700,000
Current maturities of long term borrowing from financial institution	(20)	5,000,000	9,380,952
Trade and other payables	(21)	16,027,137	29,263,853
Total current liabilities		**47,727,137**	**47,344,805**
Total liabilities		**71,774,756**	**71,392,424**
Total equity and liabilities		**97,185,474**	**97,919,044**

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DEC 2024

	Note	Company 2024 US$	Company 2023 US$
Revenue	(22)	33,976,741	51,014,635
Cost of sales	(23)	(21,723,474)	(33,978,471)
Gross profit		**12,253,267**	**17,036,164**
Other income	(24)	151,641	184,235
Selling and distribution expenses	(25)	(2,326,255)	(2,668,426)
Administrative expenses	(26)	(5,703,192)	(7,450,725)
Other operating expenses	(27)	(2,531,899)	(2,605,853)
Finance costs	(28)	(3,063,298)	(2,343,309)
Profit before income tax		**(1,219,736)**	**2,152,086**
Income tax expense			
- current year		-	-
- deferred tax		104,205	(128)
		104,205	(128)
Profit for the year		**(1,115,531)**	**2,151,958**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DEC 2024

	Company 2024 US$	Company 2023 US$
Profit for the year	**(1,115,531)**	**2,151,958**
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss:	-	-
- Revaluation of PPE	-	-
	-	-
Total comprehensive income for the year	**(1,115,531)**	**2,151,958**
Profit attributable to:		
Owners of the company	(1,115,531)	2,151,958
	(1,115,531)	**2,151,958**
Total comprehensive income attributable to:		
Owners of the company	(1,115,531)	2,151,958
	(1,115,531)	**2,151,958**

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

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JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 Dec 2024

Attributable to Equity Holder of the Company

	Share Capital	Equity Reserve	Preference shares	Revaluation Reserve	Other Reserves	Retained Earning	Total
	US$	US$	US$	US$	US$	US$	US$
Balance as at 01 Jan 2024	**1,181,202**	**366,737**	**10,191**	**2,217,444**	**265,900**	**22,485,146**	**26,526,620**
Restated adjustment	-	-	-	-	-	-	-
Balance as at 01 Jan 2024 (Restated)	**1,181,202**	**366,737**	**10,191**	**2,217,444**	**265,900**	**22,485,146**	**26,526,620**
Profit for the year		-	-	-	-	(1,115,532)	(1,115;532)
Transfer from reserves to retained earnings	-	-	-	(6,234)	**(251)**	6,485	-
Other comprehensive income		-	-	0	-	2	2
Dividend	-	-	-	-	-	(371)	(371)
Balance as at 31 Dec 2024	**1,181,202**	**366,737**	**10,191**	**2,211,210**	**265,649**	**21,375,730**	**25,410,719**

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 Dec 2023

Attributable to Equity Holder of the Company

	Share Capital	Equity Reserve	Redeemable Preference shares	Revaluation Reserve	Other Reserves	Retained Earning	Total
	US$	US$	US$	US$	US$	US$	US$
Balance as at 01 Jan 2023	**1,181,202**	**366,737**	**10,191**	**2,303,215**	**265,900**	**20,302,505**	**24,429,750**
Restated adjustment	-	-	-	-	-	-	-
Balance as at 01 Jan 2023 (Restated)	**1,181,202**	**366,737**	**10,191**	**2,303,215**	**265,900**	**20,302,505**	**24,429,750**
Profit for the year	-	-	0	-	-	2,151,960	2,151,960
Transfer from reserves to retained earnings	-	0	0	(31,085)	-	31,085	0
Transfer from reserves to retained earnings			0	(54,686)	-	-	(54,686)
Other comprehensive income	-	-	0	-	-	-	-
Dividends	-	-	0	-	-	(404)	(404)
Balance as at 31 Dec 2023	**1,181,202**	**366,737**	**10,191**	**2,217,444**	**265,900**	**22,485,146**	**26,526,620**

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DEC 2024

	Note	Company 2024 US$	Company 2023 US$
Cash flows from operating activities:			
Profit before income tax		(1,219,737)	2,152,089
Adjustments for:			
Impairment loss on PPE		1,377	212,739
Amortisation and depreciation expense		3,880,622	3,497,368
Loss on disposal of PPE		-	(36)
Provision for doubtful debts - Trade		702,704	-
Interest income		-	-
Operating profit before working capital changes		**3,364,966**	**5,862,160**
Changes in inventories		(1,915,070)	486,809
Changes in trade and other receivables		10,791,600	(4,035,663)
Changes in trade and other payables		(9,531,273)	27,453,987
Changes in other current liabilities		(702,704)	-
Changes in other non-current assets		62,026	31,235
Changes in other current assets		221,453	(1,019,647)
Changes in other non-current liabilities		103,834	(55,218)
Cash from / (used in) operations		**2,394,832**	**28,723,663**
Net cash generated from / (used in) operating activities		**2,394,832**	**28,723,663**
Cash flows from investing activities			
Interest received		-	-
Purchase of/Investment in intangible assets		-	(16,596)
Purchase of property, plant and equipment		(10,796,572)	(29,716,547)
Proceeds from sale of property, plant and equipment		120,416	69,242
Net cash from / (used in) investing activities		**(10,676,156)**	**(29,663,901)**
Cash flows from financing activities			
Dividend paid		(406)	(452)
Interest paid		(3,001,877)	(2,282,741)
Loans to/from related parties		18,000,000	-
Proceed from long term/ revolving loans		27,380,951	(5,000,000)
Proceed from short term/revolving loans		(4,380,951)	-
Repayment of long term/ revolving loans		(22,380,952)	5,619,047
Repayment of short term/revolving loans		(5,000,000)	-
Net cash from / (used in) financing activities		**10,616,765**	**(1,664,146)**
Net movements in cash and cash equivalents		2,335,441	(2,604,384)
Cash and cash equivalent at beginning of year		3,491,447	6,095,831
Net foreign exchange differences		-	-
Cash and cash equivalents at the end of the year		**5,826,888**	**3,491,447**
Cash and cash equivalents comprise of:			
Cash and bank balances		5,826,888	3,491,447
Cash and cash equivalents at the end of the year		**5,826,888**	**3,491,447**

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

1. GENERAL

JOINT STOCK COMPANY INDORAMA KOKAND FERTILIZERS AND CHEMICALS (the "Company") was created by acquiring a 95.54% state stake in KOKAND SUPERPHOSPHATE FACTORY JSC, this share was created through privatization on the basis of Order No. 91k-PO of the State Committee for management of state property and entrepreneurship support of the Republic of Uzbekistan dated May 30, 1997 and on the basis of order No. 13PR of the State Committee for Management of State Property and Entrepreneurship Support of the Ferghana Region dated March 14, 2006 years, registered by the khokimiyat of the city of Kokand, Ferghana region of the Republic of Uzbekistan on July 9, 2014 and certificate No. I-1749 was issued.

At the extraordinary general meeting of shareholders on August 14, 2019, the Company name was changed from "KOKAND SUPERPHOSPHATE FACTORY" to "INDORAMA KOKAND FERTILIZERS AND CHEMICALS" and re-registered on August 20, 2019, with the State Services Agency.

The Company conducts its activities in accordance with the legislation of the Republic of Uzbekistan.

The Company's activity is the production of mineral phosphorus fertilizers for agricultural enterprises of the Republic of Uzbekistan and other consumers.

Sale of finished products is possible to carry out both by direct contract and commodity trading exchange.

Legal address of the Company:

87 Davronbek St., Kokand, Ferghana region,
Republic of Uzbekistan.
Zip Code: 151700.
E-mail: ikf@uz.indorama.com
web: www.indoramakokandfertilizer.com

The number of employees of the company as on 1st Jan 2024 was 489 and at 31st Dec 2024 was 637.

The structure of shareholders of the company as at 31st Dec 2024:

No	Shareholders	Eq Shares	Pref Sh	Amount (USD)	%
1	Indorama Holdings B.V.	950,934	3,958	1,177,852	98.86%
2	Alp Omad Invest LLC	79	10	110	0.01%
3	The share of the employees and legal entities	13,938	3,847	13,430	1.13%
	Total	964,451	7,815	1,191,392	100%

Presentation Currency: These financial statements are presented in United States Dollars (USD), unless otherwise stated.

2. OPERATING ENVIRONMENT OF THE COMPANY

Republic of Uzbekistan: The Uzbekistan economy displays characteristics of an emerging market, including but not limited to a currency that is not freely convertible outside of the country and a low level of liquidity in debt and equity markets. Economic stability in Uzbekistan is largely dependent upon the effectiveness of economic measures undertaken by the Government of Uzbekistan, together with other legal, regulatory, and political developments, all of which are beyond the Company's control.

The Company's financial position and operating results may be affected by future political and economic developments in Uzbekistan including the application and interpretation of existing and future legislation and tax regulations which greatly impact Uzbek financial markets and the economy overall. Management is unable to predict all developments which could have an impact on the fertilizer manufacturing sector generally and on the financial position of the Company in particular. Uzbekistan experienced following key economic indicators in 2024:

- Inflation: 9.8% (2023: 8.77%);
- GDP growth: 5.7% (2023: 5.5%);
- Central Bank refinancing rate: 14% (2023: 14%).

The official exchange rate as on 31st Dec 2024: 12,920.48 UZS / USD (as of 31st Dec 2023 112,338.77 UZS/ USD, as of 31st Dec 2022: 11,225.46, UZS / USD).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

1.2 Principles of going concern:

The accompanying financial statements have been prepared taking into account the fact that the company is currently operating and will continue to operate in the foreseeable future. Thus, it is assumed that the Company is not going to and does not need to liquidate or significantly reduce the scale of its activities.

1.3 Foreign Currency Transactions and Translation:

(a) Functional and presentation currency

IAS 21 defines functional currency as "the currency of the primary economic environment in which the entity operates". IAS 21 defines presentation currency as "the currency in which the financial statements are presented".

The functional currency is determined by looking at a number of relevant indicators. This currency should be the currency in which an entity usually generates and spends cash. Functional currency of an entity reflects the transactions, events and conditions under which the entity operates and conducts its business. Functional currency should be the one in which the business transactions of an entity are normally denominated. All of the transactions which are not in functional currency are treated as foreign transactions. Following are primary and further indicators, which need to be considered in determining functional currency.

Primary Indicators (as defined in IAS 21:9)

- Currency which mainly affects the prices at which the goods or services are sold.
- Currency which influences the labour, material and other costs of the entity.

Further Indicators (as defined in IAS 21:10)

- Currency in which the funds are usually generated.
- Currency in which the receipts from operating activities are retained.

Identifying functional currency when indicators are mixed (IAS 21:12)

When indicators are mixed and the functional currency is not obvious, management should use the judgement to determine the functional currency that most faithfully represents the economic effects of the transactions, events and conditions.

Following indicators have been considered by management to consider US Dollars as their functional currency:

- Sales price of fertilizer is decided based on international price of fertilizer denominated in USD. Fertilizer price which is sold in the local market will be determined in USD but settled in UZS, since UZS is the only currency that should be used in Uzbekistan as a means of settlement. Further, for export of fertilizer only USD price is relevant. Fertilizer sales price is also dependent on the USD vs UZS exchange rate prevailing on the date of sale.
- Main raw materials are rock phosphate, sulphuric acid and ammonia which are linked with the fertilizer prices. Any change in international price of fertilizer will directly affect the price of these materials.
- Almost 50% of the labour cost is in USD and remaining 50% is also USD dependent (adjusted for change in forex rates).
- The Company has been fully financed by USD 24.05 million long-term borrowing and USD 5.0 million short-term borrowing from financial institutions and USD 26.7 million Shareholder loan. This clearly indicates to consider USD as the functional currency.
- More than 90% of the project equipment are imported, payment for which has been done in USD.

The financial statements of the Company are presented in United States dollar, which is the functional currency of the Company.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

1.4 Property, Plant and Equipment:

Property, plant and equipment are stated at fair value, less accumulated depreciation and provision for impairment, where required. Property, plant and equipment includes assets under construction for future use as property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Costs of minor repairs and day-to-day maintenance are expensed when incurred. Cost of replacing major parts or components of property, plant and equipment items is capitalized and the replaced part is retired.

At the end of each reporting period management assesses whether there is any indication of impairment of property, plant and equipment. If any such indication exists, the management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognized in the profit or loss for the year.

Construction in progress is carried at cost less provision for any impairment in value. Upon completion, assets are transferred to property, plant and equipment at their carrying value. Construction in progress is not depreciated until the asset is available for use.

Gains and losses on disposals determined by comparing proceeds with carrying amount are recognized in profit or loss

Depreciation

Depreciation is calculated on the straight-line method and to write off the cost of the assets over their estimated useful lives as follows:

Buildings and roads	20 to 33 years
Plant, equipment and machinery	5 to 7 years
Computers, Laptops	5 to 7 years
Motor vehicles	5 to 10 years
Furniture and fittings	7 years
Planting	10 years
Right to use land	50 years

(a) Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets. Useful lives, residual values and depreciation methods are reviewed annually. Accelerated depreciation is provided when the useful life of the asset become shorter than that initially expected.

1.5 Intangible Assets:

Intangible assets are carried at cost less accumulated depreciation and any accumulated impairment loss. Depreciation is calculated using a straight-line method over the expected useful life of the asset.

1.6 Investment:

Investment is initially measured at original cost including transaction cost. Subsequent to initial recognition, investment property is carried at fair value, which determines the market condition at the reporting date. Gain or loss arising from changes in fair value of investment are included in the statement of comprehensive income in the period in which they arise.

1.7 Prepayments:

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognized in profit or loss for the year.

1.8 Trade and other receivables:

Trade receivables are initially recognized at fair value and are translated at the exchange rate prevailing on the reporting date. Provision have been made for non-recoverable debts.

All other monetary assets have been translated at the exchange rate prevailing on the reporting date.

1.9 Inventories:

Inventories are recorded at the lower of cost and net realisable value. Cost of inventory is determined on a weighted average basis. The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs and related production overheads (based on the normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Provision is made for obsolete, slow moving and defective inventories in arriving at the net realisable value.

1.10 Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, cash at banks, and other short-term highly liquid investments with original maturities of three months or less.

1.11 Borrowings:

Borrowings are recognized initially at fair value.

1.12 Borrowing cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowings costs are recognized in statement of profit or loss and other comprehensive income in the period in which they are incurred.

1.13 Trade and other payables:

Trade payables are accrued when the counterparty performs its obligations under the contract and are recognized initially at fair value.

1.14 Income Tax:

Taxation has been provided for in the financial statements in accordance with Uzbekistan legislation enacted or substantively enacted by the end of the reporting period. However, Company is exempt from corporate income tax for a period of 10 years from the date of inclusion in the register of participants of the enterprise SEZ Kokand vide letter no. 03.727 dated 24.12.2021 from Directorate of the Free Economic Zone, Kokand.

The income tax charge comprises current tax and deferred tax and is recognized in profit or loss for the year except if it is recognized in other comprehensive income or directly in equity because it relates to transactions that are also recognized, in the same or a different period, in other comprehensive income or directly in equity.

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if financial statements are authorised prior to filing relevant tax returns. Taxes other than on income are recorded within general and administrative expenses.

Deferred income tax is provided using the balance sheet liability method, for tax loss carry forwards and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilised. Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilised.

Deferred tax assets and liabilities are presented net in the statement of financial position, since there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

1.15 Revenue recognition:

- **Sale of goods:**

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

Revenues from sales of goods are recognized at the point of transfer of risks and rewards of ownership of the goods, normally when the goods are shipped. If the Company agrees to transport goods to a specified location, revenue is recognized when the goods are passed to the customer at the destination point.

- **Sale of service:**

Revenue is recognized when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognized is the amount allocated to the satisfied performance obligation.

1.16 Employee benefits:

Wages, salaries, contributions to the state pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Company. The Company has no legal or constructive obligation to make pension or similar payments beyond the payments to the statutory defined contribution scheme.

The Company makes estimates and assumptions that affect the amounts recognized in the financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies.

1.17 Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.18 Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the notes to the financial statements. When changes in the probability of an outflow occur so that the outflow is probable, it will then be recognized as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.19 Event after the Reporting Period:

Events after the reporting period that provide additional information about the Company's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the end of the reporting period that are not adjusting events are disclosed in the notes the financial statements when material.

4. FINANCIAL INSTRUMENTS

1.20 Financial assets and financial liabilities are recognized on the Company's statement of financial position the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The company classifies its financial assets into the following categories: financial assets at fair value through profit or loss, financial assets held to maturity, financial assets available for sale and loans and receivables.

A financial asset is derecognized when the contractual right to cash flow for a financial asset expire or when the asset and all significant risks and benefits are transferred.

A financial liability is derecognized when it is not payable, cancelled or after its expiration.

1.21 Effective Interest method:

The effective interest method is used to calculate the amortized cost of a financial asset and the distribution of interest income over the relevant period. The effective interest rate is the discount rate for the estimated future cash receipts for the expected life of the financial asset or, if applicable, a shorter period to the net carrying amount of the financial asset.

For all financial instruments measured at amortized cost and interest bearing financial assets classified as available for sale, interest income is recognized using the effective interest method. Interest income is included in investment income in the statement of comprehensive income.

5. CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Critical Judgement in Applying the Company's Accounting Policies

The following are the critical judgements, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Determination of functional currency

In determining the functional currencies of the Company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the Company are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

Useful lives of property, plant and equipment

The estimation of the useful lives of items of property, plant and equipment is a matter of judgment based on the experience with similar assets. The future economic benefits embodied in the assets are consumed principally through use.

However, other factors, such as technical or commercial obsolescence and wear and tear, often result in the diminution of the economic benefits embodied in the assets. Management assesses the remaining useful lives in accordance with the current technical conditions of the assets and estimated period during which the assets are expected to earn benefits for the Company. The following primary factors are considered: (a) expected usage of the assets; (b) expected physical wear and tear, which depends on operational factors and maintenance program; and (c) technical or commercial obsolescence arising from changes in market conditions.

6. IMPACT OF CLIMATE CHANGE

Climate Change does not significantly affect financial statements.

7. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions, which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties. Related parties of the Company predominantly comprise parties under the control of the Company's controlling owners.

RELATED PARTY TRANSACTION

US$

	Sale	Service	Purchase	Borrowings	Legal & Professional Fees
2024					
Indorama Agro	3,224,199	3,523	740,895	0	0
Indorama Kokand Textile	0	1,694	0	0	0
Indorama Corporation	0	0	6,565,216	0	0
Indorama DMCC	0	0	0	0	517,377
IRAMA Global Services	0	0	0	0	47,845
FAI	281,855	0	15,141	0	0
	3,506,054	**5,217**	**7,321,252**	**0**	**565,222**

US$

	Sale	Service	Purchase	Borrowings	Legal & Professional Fees
2023					
Indorama Agro	7,366,020	3,801	0	0	0
Indorama Kokand Textile	0	1,132	0	0	0
Indorama Corporation	0	0	22,617,361	0	0
Indorama DMCC	0	0	0	0	2,150,000
Rustavi Azot	991,660	0	0	0	0
	8,357,680	**4,933**	**22,617,361**	**0**	**2,150,000**

RELATED PARTY OUTSTANDING BALANCES

Company

US$

	Nature	2024	2023
Indorama Kokand Textile	Payable	263	95
Indorama Corporation	Payable	4,663,239	20,086,635
Indorama Corporation	Payable	26,700,000	8,700,000
Irama Global Services	Payable	32,845	0
Indorama Agro	Receivable	678,728	747,735
Fergana Azot	Receivable	361,168	0
Net- Total	-	**30,356,451**	**29,534,465**

INDORAMA 50 Years

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

7. PROPERTY, PLANT AND EQUIPMENT

	Land & Building	Plant, Equipment and Machinery	Motor Vehicles	Fixtures & Fittings	Construction Work-in Progress	Total
	US$	US$	US$	US$	US$	US$
Cost						
As at 01 Jan 2023	19,351,687	18,315,865	1,638,850	738,730	1,524,299	**41,569,431**
Acquisition - business combination	13,543	-	4,000	-	29,699,002	**29,716,545**
Addition	-	-	-	-	-	-
Disposal	-	-	-19,451	-	-	**-19,451**
Reclassification	162,089	790,128	232,900	40,095	-1,225,213	**-1**
Write off	-86,406	-133,587	-	-20,238	-8,721	**-248,952**
Translation difference	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
As at 31 Dec 2023	**19,440,913**	**18,972,406**	**1,856,299**	**758,587**	**29,989,367**	**71,017,572**
As at 01 Jan 2024	19,440,913	18,972,406	1,856,299	758,588	29,989,366	**71,017,572**
Acquisition - business combination	-	8,730	102	-	10,787,740	**10,796,572**
Addition	-	-	-	-	-1	**-1**
Disposal	-	-	-	-	-	-
Reclassification	17,359,192	21,425,817	123,346	196,466	-39,104,821	-
Write off	-	-816	-5,056	-	-	**-5,872**
Translation difference	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
As at 31 Dec 2024	**36,800,105**	**40,406,137**	**1,974,691**	**955,054**	**1,672,284**	**81,808,271**

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

7. PROPERTY, PLANT AND EQUIPMENT – cont'd

	Land & Building	Plant, Equipment and Machinery	Motor Vehicles	Fixtures & Fittings	Construction Work-in Progress	Total
	US$	US$	US$	US$	US$	US$
Accumulated depreciation						
As at 01 Jan 2023	1,442,072	4,226,690	360,459	189,732	-	6,218,953
Charge for the year	658,621	2,490,932	225,506	101,929	-	3,476,988
Disposal	-	-	- 14,877	-	-	- 14,877
Reclassification	-	-	-	-	-	-
Written off	- 5,226	- 32,413	-	- 3,150	-	- 40,789
Revaluation	-	-	-	-	-	-
Translation difference	-	-	-	-	-	-
As at 31 Dec 2023	**2,095,467**	**6,685,209**	**571,088**	**288,511**	-	**9,640,275**
As at 01 Jan 2024	2,095,466	6,685,208	571,088	288,511	-	9,640,273
Adoption of Accounting Policies	-	-	-	-	-	-
Acquisition - business combination	-	-	-	-	-	-
Charge for the year	745,497	2,776,482	230,005	109,131	-	3,861,115
Disposal	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
Written off	-	- 571	- 3,924	-	-	- 4,495
Revaluation	-	-	-	-	-	-
Translation difference	-	-	-	-	-	-
As at 31 Dec 2024	**2,840,963**	**9,461,119**	**797,169**	**397,642**	-	**13,496,893**
Carrying amount						
As at 31 Dec 2023	**17,345,446**	**12,287,197**	**1,285,211**	**470,076**	**29,989,367**	**61,377,297**
As at 31 Dec 2024	**33,959,142**	**30,945,018**	**1,177,522**	**557,412**	**1,672,284**	**68,311,378**

8. INTANGIBLE ASSETS

Company	Right to Land Plot	Total
	US$	US$
Cost		
As at 01 Jan 2023	530,033	**530,033**
Addition	16,596	**16,596**
Acquisition - business combination	-	-
Disposal	-	-
Reclassifications	-	-
Translation difference	-	-
As at 31 Dec 2023	**546,629**	**546,629**
As at 01 Jan 2024	546,629	**546,629**
Addition	-	-
Disposal	-	-
As at 31 Dec 2024	**546,629**	**546,629**
Accumulated amortisation		
As at 01 Jan 2023	39,192	**39,192**
Charge for the year	20,381	**20,381**
As at 31 Dec 2023	**59,573**	**59,573**
As at 01 Jan 2024	59,573	**59,573**
Charge for the year	19,507	**19,507**
As at 31 Dec 2024	**79,080**	**79,080**
Carrying amount		
As at 31 Dec 2023	**487,056**	**487,056**
As at 31 Dec 2024	**467,549**	**467,549**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024 US$	2023 US$
Non-current		
Unquoted equity securities		
Direct equity securities	175	175
Total unquoted equity securities	**175**	**175**
Quoted equity securities		
Direct equity securities	636	636
Indirect equity securities	0	0
Total quoted equity securities	**636**	**636**
Total equity securities	**811**	**811**
Total quoted debt securities	**0**	**0**
Total equity and debt securities	**811**	**811**

	2024 US$	2023 US$
At beginning of the year	811	811
Additions	0	0
Disposals	0	0
Translation difference	0	0
Changes in fair value recognised in OCI	0	0
At end of the year	**811**	**811**

10 OTHER NON CURRENT ASSETS

	2024 US$	2023 US$
Advance payment for PPE	114,111	280,342
	114,111	**280,342**

11 DEFERRED TAX ASSET

	2024 US$	2023 US$
Deferred tax asset	131,136	26,931
Total	**131,136**	**26,931**

12 INVENTORY

	2024 US$	2023 US$
Raw materials, chemicals and catalysts	3,022,589	8,345,221
Packing Material	541,024	515,471
Work in progress	986,588	80,960
Finished goods	9,844,514	4,388,054
Spares and consumables	1,996,609	1,146,548
	16,391,324	**14,476,254**
Provision for slow moving stock	16,874	16,874
	16,374,450	**14,459,380**

13 TRADE & OTHER RECEIVABLES

	2024 US$	2023 US$
Trade Receivables		
Third parties	2,191,899	13,902,813
Related parties (Note 6)	1,796,686	998,500
Less: Loss allowance	-703,415	-712
	3,285,170	**14,900,601**
Other Receivables		
Recoverable tax and value- added tax receivables	1,211,425	1,693,971
GST/ Value added tax receivables	1,206,647	1,623,731
Income tax receivables	4,778	70,240
Others receivables	145,633	129,271
	1,357,058	**1,823,242**
	4,642,228	**16,723,843**

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14 OTHER CURRENT ASSESTS

	2024 US$	2023 US$
Advances to suppliers	1,268,183	991,208
Guarantee and deposits	0	0
Prepayments	48,740	80,729
	1,316,923	**1,071,937**
Other Receivables		
Recoverable tax and value- added tax receivables	1,211,425	1,693,971
GST/ Value added tax receivables	1,206,647	1,623,731
Income tax receivables	4,778	70,240
Others	145,633	129,271
Others receivables	145,633	129,271
	1,357,058	**1,823,242**
	2,673,981	**2,895,179**

15 FIXED DEPOSIT

	2024 US$	2023 US$
Fixed Deposits	0	0
	0	**0**

16 CASH AND CASH EQUIVALENTS

	2024 US$	2023 US$
Cash at bank	5,826,888	3,491,447
	5,826,888	**3,491,447**

17 SHARE CAPITAL

	2024 US$	2023 US$
Issued and fully paid up		

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Equity Share Capital	1,181,202	1,181,202
Preference Share Capital	10,191	10,191
	1,191,393	**1,191,393**

18 RESERVES

	2024 US$	2023 US$
Equity reserve	366,737	366,737
Translation reserve	0	0
Revaluation reserve	2,211,210	2,217,444
Other Reserve (FOC)	265,648	265,900
Fair value reserve		
Remeasurement of defined benefit plan		
Cash flow hedge		
Other Reserves		
Hedging reserve		0
Retained Earnings		0
Total Other Reserves	0	0
	2,843,595	**2,850,081**

19 LONG TERM LOAN

Secured	Currency	Interest Period	Bench Mark	Repayment Type	Final Maturity	Company 2024 USD	Company 2023 USD
Facility 1	USD	3 Month	SOFR	Quarterly	Jul-2027	6,547,620	8,928,572
Facility 2	USD	3 Month	SOFR	Quarterly	Jul-2028	7,500,000	9,500,000
Facility 3	USD	3 Month	SOFR	Bullet	Jan-2025	5,000,000	5,000,000
Facility 4	USD	3 Month	SOFR	Bullet	Jan-2026	5,000,000	5,000,000
Facility 5	USD	3 Month	SOFR	Bullet	Jul-2025	5,000,000	5,000,000
						29,047,620	**33,428,572**
Less: Current Maturities of Long Term Loan						(5,000,000)	(9,380,952)
Net Long Term Loan						**24,047,620**	**24,047,620**

Pledges and other real encrumbrances on the property of the company

Below table has the details of the loan agreement for which company has signed wih IFC and EBRD with certain Security and assets pledge.

1.) A corporate guarantee has been issued by our parent company Indorama Corporation Pte Ltd Singapore to lenders to secure the loans.

2.) Although company was supposed to pledge the assets to lenders but as on 31st December, 2024 and till date pledge of assets is still pending and in process and legal documents are being vetted by the legal counsel of the lenders.

20 SHORT TERM LOAN

	Company	
	2024	2023
	US$	US$
Loan from group companies	26,700,000	8,700,000
Current maturities of long term loan	5,000,000	9,380,952
Total	**31,700,000**	**18,080,952**

20.1 BORROWINGS MATURITY

	Company	
	2024	**2023**
	US$	**US$**
Maturity period		
Within 1 year	5,000,001	9,380,952
2-5 years	24,047,619	24,047,619
After 5 years	0	1,500,000
Total	**29,047,620**	**34,928,571**

21 TRADE PAYABLES

	2024	**2023**
	US$	**US$**
Trade Payables		
Third Parties	4,798,703	1,480,473
Related parties	4,663,240	18,623,380
	9,461,943	**20,103,853**
Other Payables		
Advances from customers	5,848,477	6,814,564
Dividend payable	1,817	1,897
Interest payables	350,884	341,701
Statutory liabilities	58,085	40,086
Value added tax payables	0	139,119
Withholding tax payables	43,105	309
Other tax payables	6,758	-9,423
Others	256,068	1,831,747
Other payables	256,068	1,831,747
	6,565,194	**9,160,000**
	16,027,137	**29,263,853**

22 REVENUE

	Company	
	2024	2023
	US$	US$
Type of goods and service		
- Oxygen	0	0
Waste/Others	0	0
- Fertilisers	33,976,741	51,014,635
Fertilisers	0	51,014,635
NPK	13,338,076	0
ASSP	17,879,437	0
SOP	1,997,700	0
Sulphuric Acid	445,827	0
Others	315,701	0
- Rendering of services	0	0
	33,976,741	**51,014,635**
Geographical markets		
- Turkey	105,661	8,395
- Europe	10,914,311	16,104,502
- Rest of World	22,956,769	34,901,737
	33,976,741	**51,014,634**

23 COST OF SALES

	Company	
	2024	2023
	US$	US$
Raw materials consumed	15,885,014	26,136,444
Depreciation and amortisation	2,017,531	3,108,488
Manpower Costs	850,709	1,148,080
Packaging material consumed	983,577	1,383,663
Energy and Utilities	1,275,374	959,320
Others	711,269	1,242,476
	21,723,474	**33,978,471**

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24 OTHER INCOME

	Company	
	2024 US$	2023 US$
Dividend income	0	0
Interest income	0	0
Gain on disposal of tanks	0	36
Insurance claim	0	7,903
Rental income	0	0
Provision of liabilities written back	0	0
Miscellaneous income	151,641	176,296
	151,641	**184,235**

25 SELLING & DISTRIBUTION EXPENSES

	Company	
	2024 US$	2023 US$
Distribution expenses	240,464	753,106
Re grouped to distribution expenses	176,928	158,714
Re grouped to distribution expenses	0	0
Re grouped to distribution expenses	0	0
Re grouped to distribution expenses	63,536	594,392
Commission	378,628	139,425
Insurance expenses	0	0
Freight & transportation expense	1,597,702	1,576,185
Advertisement & promotion	57,368	128,042
Depreciation	0	0
Others	52,093	71,668
	2,326,255	**2,668,426**

26 GENERAL & ADMINISTRATIVE EXPENSES

	Company	
	2024 US$	2023 US$
Administrative expenses	937,760	724,700
Auditors' remuneration	55,206	51,064
Bank charges	62,616	86,285
Corporate Social Responsibility	111,472	8,440
Communication expense	12,746	10,530

Insurance expenses	132,445	178,591
Legal & professional fees	178,282	2,304,851
Printing and stationary	11,268	19,535
Rental expenses	83,630	89,120
Repair and maintenance	446,024	409,192
IT expenses	81,558	83,417
Salary	1,946,111	1,736,221
Other employee benefit	497,080	510,484
Security expenses	29,376	12,333
Transportation and travelling	20,168	37,551
Business travelling expenses	56,732	54,723
Newspaper and periodicals	71	93
Secretarial expenses	0	0
Energy and Utilities	118,338	98,524
Technical assistance fees	0	0
Rates and Taxes	82,636	24,845
Vehicle running expenses	163,055	284,592
Depreciation Expenses	676,618	725,634
	5,703,192	**7,450,725**

27 OTHER OPERATING EXPENSES

	Company	
	2024 US$	2023 US$
Bad debts provision	705,857	-46
Loss on disposal of PPE	0	66,230
Inventories written off	0	0
Foreign currency exchange loss	1,826,042	2,539,669
	2,531,899	**2,605,853**

28 FINANCE COST

	Company	
	2024 US$	2023 US$
Interest expense on borrowings	3,063,298	2,343,309
	3,063,298	**2,343,309**

29 Financial risk management

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including foreign exchange risk and price risk), credit risk and liquidity risk. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures in order to minimise operational and legal risks.

Credit risk. The Company takes on exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company sells its fertilizers products majorly on advance payment or under letter of credit terms. In case of sale to associated company it is on credit basis. Credit sales is also offered to very selected customer after thorough checking. Hence, credit risk of the company is on limited side.

The Company's maximum exposure to credit risk by class of assets is as follows:

	Company	
	31 DEC 2024	31 DEC 2023
	US$	US$
Bank Balance	5,826,888	3,491,447
Financial assets within trade and other receivables	-	-
Receivable from related party & others	3,285,170	14,901,312
Advance for purchase of PPE	114,111	280,342
Advance for services	1,268,183	2,895,180
Other advances	-	-
	10,494,352	**21,568,281**

Market risk. The Company takes on exposure to market risks. Market risks arise from open positions in (a) foreign currencies and (b) interest bearing assets and liabilities.

Sensitivities to market risks included below are based on a change in a factor while holding all other factors constant. In practice, this is unlikely to occur and changes in some of the factors may be correlated – for example, changes in interest rate and changes in foreign currency rates.

Currency risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises within entities in the Company when transactions are denominated in foreign currencies.

The Company's operational activities are mainly carried out in the entity's functional currencies. The company has transactional currency exposures arising from amount due to Ultimate holding company loan that are denominated in a currency other than the functional currency of the company, primarily United States Dollar (USD).

However, the Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging currency risks.

The tables below summarise the Company's exposure to foreign currency exchange rate risk at the end of the reporting period. Figures for year ending 31-12-2024 have been restated:

Company

	31 DEC 2024 US$			31 DEC 2023 US$		
	Monetary Assets	**Monetary Liabilities**	**Net Balance Sheet Position**	**Monetary Assets**	**Monetary Liabilities**	**Net Balance Sheet Position**
UZS	-	-	-	-	-	-
Currencies other than USD	22,375,892	4,584,083	17,791,809	21,705,601	2,381,052	19,324,549
	22,375,892	**4,584,083**	**17,791,809**	**21,705,601**	**2,381,052**	**19,324,549**

Sensitivity analysis for foreign currency risk

The following table presents sensitivities of profit and loss and equity to reasonably possible changes in exchange rates applied at the statement of financial position date, with all other variables held constant:

Company

	31 DEC 2024 US$ Impact on Profit or loss and equity	31 DEC 2023 US$ Impact on Profit or loss and equity
USD strengthening by 4.71% (2023: 9.92%)	(837,994)	(1,916,995)
USD weakening by 4.71% (2023: 9.92%)	837,994	1,916,995
	-	-

The exposure was calculated only for monetary balances denominated in currencies other than the functional currency of the Company.

Interest rate risk.

The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The table below summarises the Company's exposure to interest rate risks on interest bearing financial instruments. The table presents the aggregated amounts of the Company's financial assets and liabilities at contractual amounts, categorised by the earlier of contractual interest repricing or maturity dates.

Company

	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 Years	Over 5 Years	Total
31 DEC 2024						
US$						
Total monetary Financial liabilities	6,095,238	1,095,238	32,795,238	15,761,906	-	55,747,620
Net Interest Sensitivity gap	**6,095,238**	**1,095,238**	**32,795,238**	**15,761,906**	**-**	**55,747,620**
31 DEC 2023						
US$						
Total monetary Financial liabilities	6,095,238	1,095,238	10,890,476	24,047,620	-	42,128,572
Net Interest Sensitivity gap	**6,095,238**	**1,095,238**	**10,890,476**	**24,047,620**	**-**	**42,128,572**

The borrowings granted by the related party is interest rate free and hence, Company is not exposed to interest rate risk.

Liquidity risk. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company is exposed to daily calls on its available cash resources. Liquidity risk is managed by the top management of the company.

The tables below show liabilities at 31 December 2024 and 31 December 2023 by their remaining contractual maturity. The amounts disclosed in the maturity tables are the contractual undiscounted cash flows. Such undiscounted cash flows differ from the amount included in the statement of financial position because the statement of financial position amount is based on discounted cash flows.

When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the respective reporting period.

The maturity analysis of financial liabilities at 31 December 2024 and 31 December 2023 is as follows:

Company

	Note	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	More than 1 Year	More than 5 Year	Total
31 DEC 2024							
US$							
Liabilities							
Borrowings		6,095,238	1,095,238	6,095,238	15,761,906	-	29,047,620
Shareholders Loan		-		26,700,000	-	-	26,700,000
Trade and Other Payables		-	16,027,133	-	-	-	16,027,133
Total future payments including future principal and interest payments		**6,095,238**	**17,122,371**	**32,795,238**	**15,761,906**	-	**71,774,753**
31 DEC 2023							
US$							
Liabilities							
Borrowings		6,095,238	1,095,238	2,190,476	24,047,620	-	33,428,572
Shareholders Loan		-	-	8,700,000	-	-	8,700,000
Trade and Other Payables		-	22,449,289	-	-	-	22,449,289
Total future payments including future principal and interest payments		**6,095,238**	**23,544,527**	**10,890,476**	**24,047,620**	-	**64,577,861**

30 Fair value of financial instruments

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

Assets and liabilities not measured at fair value but for which fair value is disclosed

JSC INDORAMA KOKAND FERTILIZERS AND CHEMICALS

Fair values analysed by level in the fair value hierarchy and the carrying value of assets and liabilities not measured at fair value at 31 December 2024 were as follows

Company

31 DEC 2024 US$	Level 1	Level 2	Level 3	Carrying Value
Assets				
Cash and Cash Equivalents	-	5,826,888	-	5,826,888
Receivable from related party & others	-	-	3,285,170	3,285,170
Total financial assets	**-**	**5,826,888**	**3,285,170**	**9,112,058**
Liabilities				
Borrowings	-	-	29,047,620	29,047,620
Shareholder's loan	-	-	26,700,000	26,700,000
Trade Payables	-	-	16,027,133	16,027,133
Total financial assets	**-**	**-**	**71,774,753**	**71,774,753**

Fair values analysed by level in the fair value hierarchy and the carrying value of assets and liabilities not measured at fair value at 31 December 2024 were as follows:

Company

31 DEC 2023 US$	Level 1	Level 2	Level 3	Carrying Value
Assets				
Cash and Cash Equivalents	-	3,491,447	-	3,491,447
Receivable from related party & others	-	-	14,901,312	14,901,312
Total financial assets	**-**	**3,491,447**	**14,901,312**	**18,392,759**
Liabilities				
Borrowings	-	-	33,428,571	33,428,571
Shareholder's loan	-	-	8,700,000	8,700,000
Trade Payables	-	-	22,449,289	22,449,289
	-	**-**	**64,577,861**	**64,577,861**

The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risks and remaining maturities. Discount rates used depend on the credit risk of the counterparty. The fair value of floating rate instruments is normally their carrying amount.

31 COVID -19 AFFECTS AND WAR BETWEEN RUSSIA AND UKRAINE

Company is working in full capacity and has no impact of war between Russia and Ukraine and of COVID-19 pandemic.