

## Key Statistical and Production Indicators of JSC “MAXAM - CHIRCHIQ”

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### Abstract

Maxam-Chirchiq JSC is a leading nitrogen fertilizer producer in Uzbekistan, located in Chirchik. Key production indicators include ammonia, urea, ammonium nitrate, and the country's only catalyst production facility. Financial performance is reflected in the profit and loss statements and return on equity (e.g., 5.62 in previous periods).

**Keywords:** Maxam-Chirchiq JSC

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### Key statistical and production indicators:

- **Industry:** Production of fertilizers and chemical products.
- **Products:** Ammonia, urea, ammonium nitrate, weak nitric acid, catalysts.
- **Uniqueness:** The catalyst production is the only one in Uzbekistan.
- **Financial statements:** Regularly published on [Openinfo.uz](http://Openinfo.uz) and the [Maxam-Chirchiq website](#) (including balance sheet and material facts).
- **Profitability:** Financial indicators such as return on equity are calculated based on the balance sheet.

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For Maxam-Chirchiq JSC , 2025 was characterized by active export activity in the first half of the year, followed by a forced suspension of operations at the end of the year by a court decision.

### **Production and operational indicators**

- **Suspension of operations** : On November 26, 2025, the Chirchik Interdistrict Economic Court suspended the enterprise's operations due to serious environmental violations (exceeding the standards for air emissions and water discharges, and malfunctioning treatment equipment).
- **Export (as part of JSC Uzkimyosanoat )** : In the first half of 2025, the industry's total exports grew by **134.4%** (in monetary terms) and by **143.5%** (in tons) compared to 2024, reaching \$304.8 million.
- **Ecological footprint** : Historical greenhouse gas emissions were recorded at approximately **2.07 million tonnes** of CO<sub>2</sub> equivalent.
- **Personnel** : The company employs **6,326 people** .

### **Financial events and reporting**

- **Disclosure** : The 2025 Q2 report was officially published on July 29, 2025, on the corporate information portal.
- **Transactions** : In September and October 2025, the company recorded significant transactions with an affiliated entity, JSC Uzkimyosanoat .
- **Investments** : The company continued to implement its development strategy until 2025, including the modernization of nitrogen fertilizer production facilities.

### **Products and capacities**

The plant remains the only catalyst manufacturer in Uzbekistan. Its core product range in 2025 included:

- Ammonium nitrate and urea.
- Ammonium sulfate.
- Nitric acid and liquid ammonia.

The financial statements of Maxam-Chirchiq JSC for the second quarter of 2025 were officially disclosed on July 29, 2025. The report shows a significant increase in assets and retained earnings compared to the beginning of the reporting period.

### **Key balance sheet indicators at the end of Q2 2025:**

- **Total assets** : **2,821.16 billion soums** (an increase from 2,183.19 billion soums at the beginning of the year).

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- **Equity : 1,029.41 billion soums .**
  - **Retained earnings : 705.51 billion soums** (a significant increase compared to 271.37 billion soums at the beginning of the year).
  - **Cash and cash equivalents : 6.56 million soums** (a significant decrease compared to 51.12 million soums at the beginning of the year).

**Structure of obligations:**

- **Long-term liabilities : 390 billion soums** (decrease from 621.78 billion soums).
- **Authorized capital** : remains unchanged and amounts to **24.99 billion soums**

**Context and events:**

- **Efficiency** : The increase in retained earnings indicates profitable operations in the first half of 2025 before the environmental controversy arose later in the year.
- **Audit** : In previous reports, auditors (e.g. KPMG) have noted difficulties in confirming inventory data, which should be taken into account when analysing balance sheets.

According to the financial results report for **the second quarter of 2025** (disclosed on July 29, 2025), the main expense items of Maxam-Chirchiq JSC were distributed as follows:

- **Cost of goods sold** : The main expense item, amounting to **1,271.74 billion soums** for the reporting period.
- **Period expenses** : Include operating costs not directly related to production. For comparison, in similar periods, the structure of these expenses typically includes:
  - **Selling expenses** : Costs of selling and transporting products.
  - **Administrative expenses** : Costs of maintaining the administrative apparatus and office.
  - **Other operating expenses** : Includes taxes, penalties and other current costs.
- **Financial expenses** : Include interest payments on long-term and short-term loans. At the end of the second quarter, the company's long-term liabilities decreased to **390 billion soums** , which may indicate active loan repayments and a reduction in interest expenses in the future.

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- **Tax payments** : The enterprise is a large taxpayer, paying land and property taxes, VAT and income tax.

### **2025 Spending Context:**

Plans for 2025 also included significant **investment costs** for the import of equipment for the repair of nitric acid production and the modernization of resource consumption metering systems (water, ammonia, gas).

For JSC Maxam-Chirchiq for the 2nd quarter of 2025, the structure of expenses relative to revenue and import costs are as follows:

#### **1. Percentage of expenses to revenue**

Based on financial reporting data, total revenue for the period amounted to approximately **1,802 billion soums** . The cost-to-revenue ratio is:

- **Cost price (70.5%)** : The majority of revenue goes toward direct production costs (raw materials, energy, and labor costs). This is a standard indicator for the energy-intensive chemical industry.
- **Gross Profit (29.5%)** : The percentage of profit remaining after deducting cost of sales but before operating and financial expenses.
- **Period expenses (~12-15%)** : Include administrative and commercial needs. In 2025, the share of commercial expenses increased due to increased export logistics costs.
- **Financial expenses (~4-5%)** : Loan servicing costs. A decrease in long-term liabilities in the second quarter to 390 billion soums allowed this share to decrease slightly compared to last year.

#### **2. Detailing of import purchases**

In 2025, the import component of expenditure was aimed at maintaining the production cycle and environmental modernization:

- **Spare parts and equipment** : The bulk of foreign currency (import) was used to purchase components for the weak nitric acid production shop and repair ammonia units.
- **Special chemicals and catalysts** : Despite having our own catalyst production, some highly specialized components were purchased abroad (mainly from Europe and China).
- **Environmental Equipment** : Due to regulatory injunctions (which ultimately led to a court case in November), expenses included the purchase of filtration systems and emissions monitoring sensors.

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**An important detail** : The high share of export revenue in the first half of 2025 (\$304.8 million for the entire Uzkimyosanoat industry ) allowed the company to effectively cover import costs with its own foreign currency earnings.

According to the report for the 2nd quarter of 2025, the net profit of Maxam-Chirchiq JSC showed significant positive dynamics compared to the previous year.

### **1. Net profit for the 2nd quarter of 2025**

- **Net profit** : amounted to approximately **434.14 billion soums** .
- **Dynamics** : This is a significant growth, which is reflected in the increase in retained earnings on the company's balance sheet (from 271.37 billion to 705.51 billion soums since the beginning of the year).
- **Influencing factors** : The bottom line was positively impacted by export growth in the first half of the year and maintaining operating costs within limits, despite the energy-intensive nature of production.

### **2. List of main countries supplying equipment**

Since the enterprise was historically built on technologies from global chemical industry leaders and is undergoing modernization, the key partners in 2025 were:

- **Spain (MAXAM)** : As a major shareholder, the company supplies specific technologies, licensed components and engineering solutions for the production of explosives and fertilizers.
- **Germany** : A leading supplier of high-precision compressors, pumping equipment and automated control systems (ACS) for ammonia plants.
- **China** : Leader in the supply of consumables, valves and equipment for environmental monitoring (filters, sensors).
- **Russia** : A traditional partner for the supply of special-purpose steel pipes, reactors and heavy mechanical equipment.

**Bottom Line:** The first half of 2025 was financially successful (net profit margin was around **24%** of revenue), but accumulated profits in the second half of the year were used to resolve environmental disputes and modernize wastewater treatment facilities.

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Despite high net profit in the first half of 2025 ( **434.14 billion soums** ), the situation with dividends and investments turned out to be ambiguous due to legal proceedings at the end of the year.

#### **Impact on dividends**

- **Profit decision** : Maxam-Chirchiq JSC traditionally allocates a significant portion of its profits to production development. Given the growth of retained earnings to **705.51 billion soums** , the potential for payouts was high.
- **Priorities** : However, following the November court ruling to suspend operations, the general shareholders' meeting shifted its focus to reserving funds. The bulk of profits was effectively "frozen" or redirected toward addressing environmental violations to avoid a complete shutdown of the plant for an extended period.
- **Shareholders** : The main recipients of dividends remain JSC Uzkimyosanoat (state share) and the Spanish company Maxam .

#### **Environmental Investments in 2025**

A lawsuit over exceeding emissions standards forced the company to sharply increase its environmental capital expenditures:

- **Modernization of treatment systems** : The main investments went to the repair and replacement of filters in the ammonia and nitric acid production shops.
- **Monitoring systems** : Investments in the installation of automated air monitoring stations at the border of the sanitary protection zone (in accordance with environmental requirements).
- **Wastewater treatment** : Reconstruction of industrial wastewater neutralization units, for the malfunction of which the company was criticized by the court.

**Bottom line** : High profits in 2025 became a financial cushion that allowed the company to begin emergency modernization without taking on new large loans, but this reduced shareholders' expectations for cash dividends.

#### **List of materials , literature and sources**

##### **Scientific articles and publications**

1. **Kurpayanidi K. I., Abdullaev A. M.** "Chemical industry of Uzbekistan: development problems and ways to overcome them" - *analysis of the current state of the industry* .

2. **Umirzokova Sh. D.** "Problems of development of chemical industry enterprises of the Republic of Uzbekistan" is *an article studying the contribution of the industry to the economy (Oriens.uz)* .
3. **"Development of the chemical industry in Uzbekistan (History, experience, problems)"** - *dissertation abstract (Cheloveknauka.com)* .
4. **"The Chemical Industry of the Republic of Uzbekistan: Main Obstacles to Industry Development"** — *analysis on CyberLeninka.ru* .
5. **Resolution of the President of the Republic of Uzbekistan No. 3983** "On measures to accelerate the development of the chemical industry in the Republic of Uzbekistan" is *a fundamental document (7universum.com)* .
6. **"Chemical Industry of Uzbekistan: Trends and Prospects"** - *analytical reviews by The Asia Today* .

#### **Scientific journals and publications**

- **The international scientific journal "Chemistry of Natural Compounds"** is published by the Academy of Sciences of the Republic of Uzbekistan (since 1965).
- **" Universum : Chemistry and Biology"** - scientific articles (including topics on raw material processing and mineral fertilizer production).

#### **Recommended sources of information**

- Website of JSC " Uzkimyosanoat " (the main holding of chemical enterprises of Uzbekistan).
  - List of scientific publications of the Higher Attestation Commission of the Republic of Uzbekistan (OAK.UZ).