

Report on implementation of the production program JSC "Maxsuselektrarmoqqurilish" for 2019

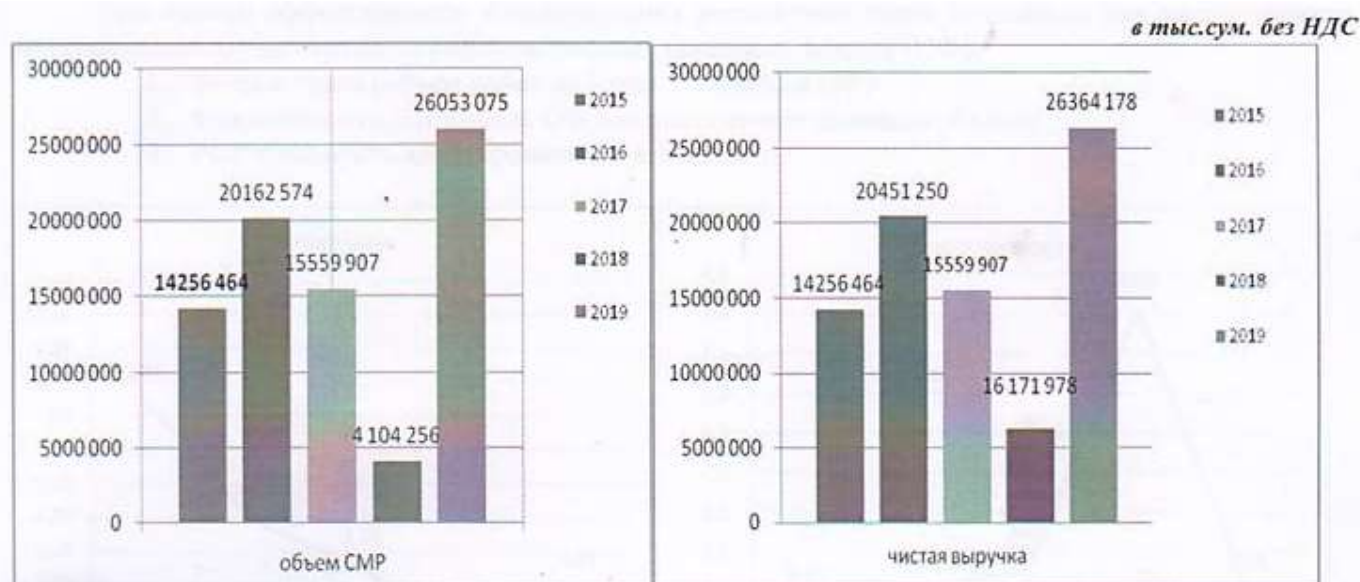
1. Business Performance Assessment.

The execution of construction and installation works taking into account the capex for 2019 year relative to the production program amounted to 144% with a plan of 38,030,6 million sum completed in the amount of 54,656,4 million sum, which is reflected in the table, Appendix No 1.

In 2019, the wage fund for workers of the main production personnel amounted to 2,882,799 thousand sums - compared to the production program plan, it exceeded 25% (amounted to 125%) due to a decrease in the planned average number (plan 170 units, fact 86 units = 50%).

Scope of construction and installation works (CIW) affects the indicators of stock recovery, capacity and material capacity.

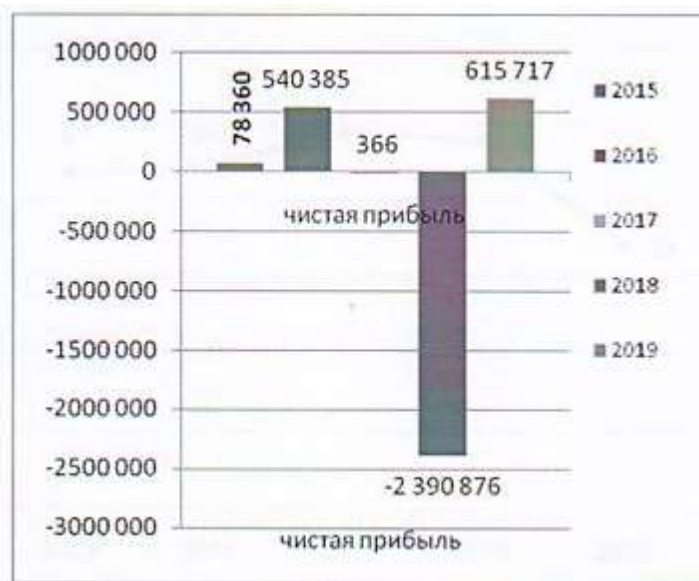
Economic analysis showed growth of Construction and installation works (excluding subcontracting material) relative to previous years:



Expenses for the enterprise in 2019 amounted to 26,161.7 million soums exceeded the plan of the production program by 4,476.1 million soums (an increase of 20.6%), due to the renewal of the rolling stock (repair work of vehicles - in the amount of 1 282.4 million soums) and payment of mandatory payments.

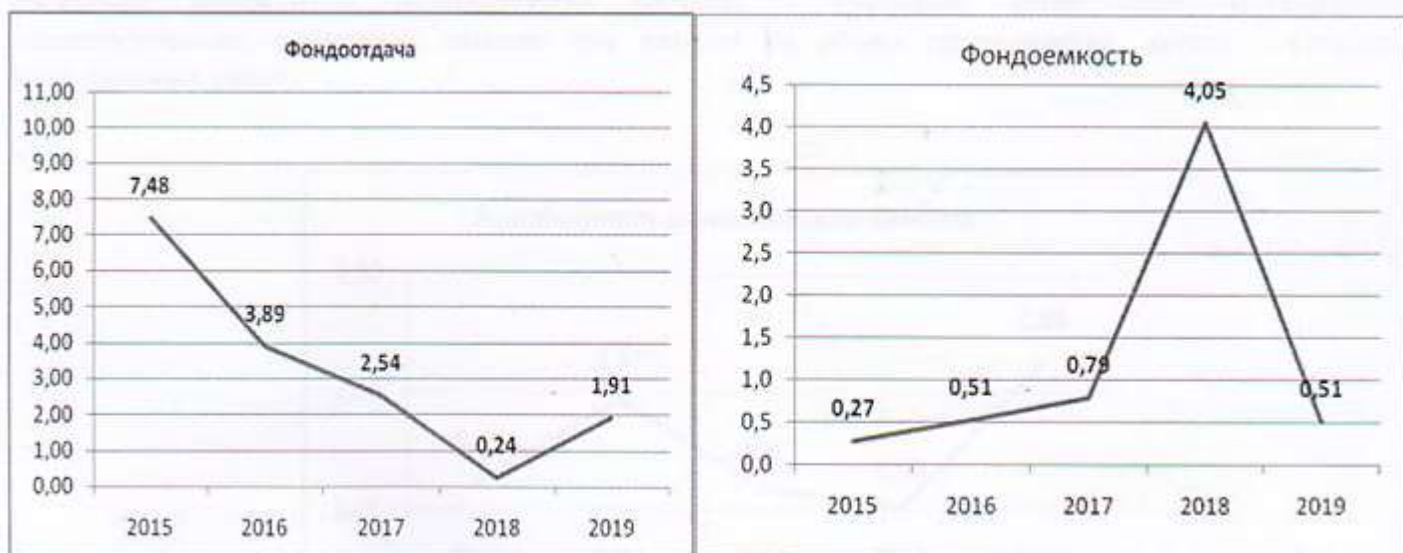
Net profit for 2019 according to the accounting report amounted to 615 894 thousand soums.

в тыс.сум без НДС

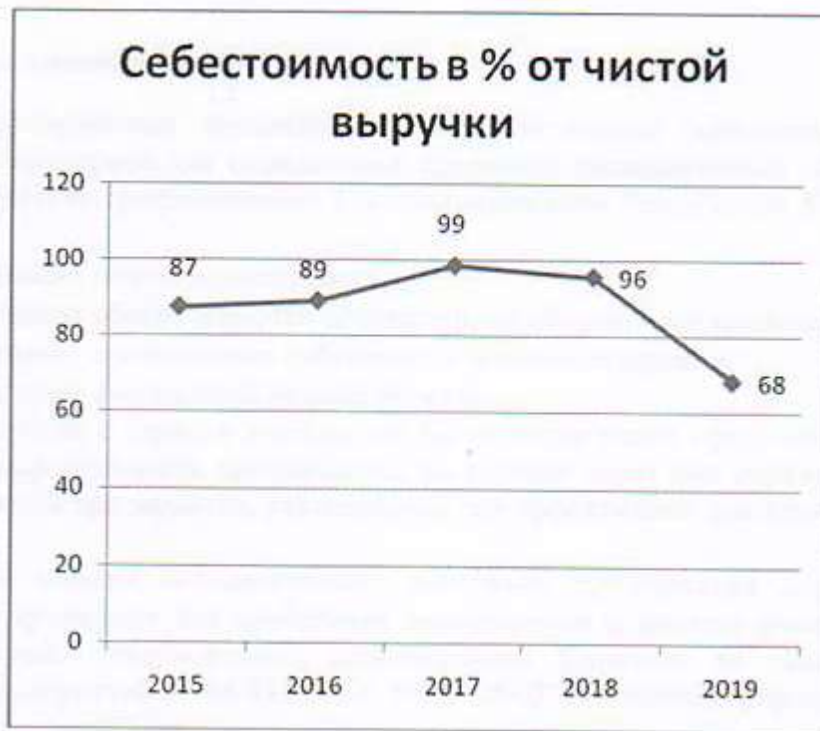


To assess the efficiency of management, we will consider such indicators as the efficiency of using tools of labor - production fixed assets (OF):

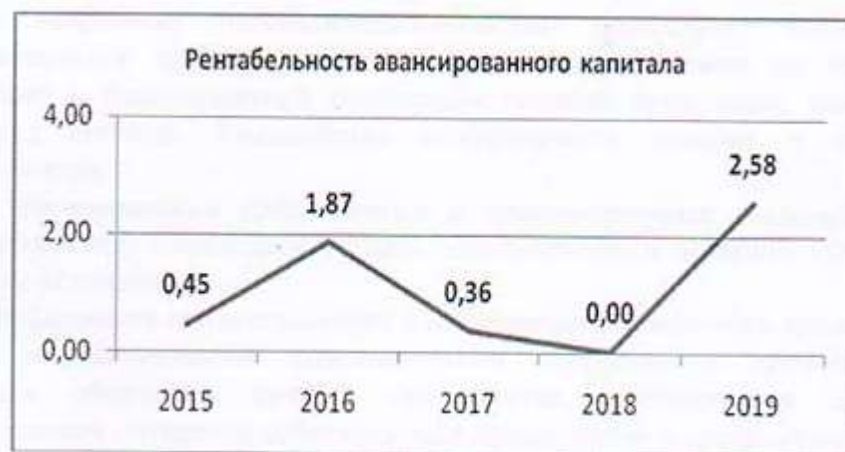
1. Capital productivity (amount of work per 1 soum. Value of the fixed assets)
2. Capital intensity (the cost of the OF for the execution of a unit of volume)
3. Return on capital advanced



The higher the level of return on assets and the lower the level of capital intensity of production, the higher the efficiency of production and use of tools. a, and vice versa.



Generalizing indicators of the economic efficiency of an enterprise in market conditions is the profitability or profitability of advanced capital (in%). This is the ratio of the value of the financial result from general economic activity to the amount of the company's assets (fixed assets, intangible assets, long-term investments, inventories, accounts receivable, cash). This ratio shows how efficiently labor, financial, material, technological resources are used, since it is they that affect the volume of production, costs and cost of the work performed.



2. Financial stability assessment.

In addition to the above indicators and methods for assessing the effectiveness of management, we will consider the system of criteria for determining the signs of economic viability (insolvency) of an enterprise, developed by the State Property Committee of the Republic of Uzbekistan. These include:

- solvency ratio;
- ratio of provision with own circulating assets.
- the ratio of equity and borrowed funds;
- financial independence ratio;

These indicators, at first glance, do not seem to affect the sphere of production, and, consequently, the efficiency of production, but it is through them that the economic and financial stability of the enterprise is reflected, which is equivalent to its effective activity.

Indicators for assessing the economic state of an enterprise in accordance with the regulation "On the procedure for determining criteria for monitoring and analyzing the financial and economic state of enterprises" approved by the termination of the Committee on Economic Insolvency of Enterprises dated 16.03.2005 No. GS-05/0271/1, registered by the Ministry of Justice 04.14.2005 No. 1469.

№ п/п	Coefficient name	2017	2018	2019	Characteristics of the indicator
1	Solvency ratio $K_{sr} > 1.25$	1,30	1,26	1,45	Solvent
2	Ownership ratio working capital $K_{orwc} > 0,2$	0,23	0,20	0,31	Sustainable
3	Equity to borrowed funds ratio $K_{ebfr} < 1$	0,82	1,13	1,1	security
4	Return on Cost Ratio $K_{rcr} > 0,05$	0,01	-0,24	0,04	Financially dependent
5	Depreciation rate of fixed assets $K_{dr} < 0,5$	0,53	0,54	0,61	Costs exceed

The **Coverage ratio (solvency)** shows the payment capabilities of the company's short-term liabilities, assessed under the condition of not only timely settlements with debtors and favorable sales of finished products, but also other elements of current (circulating) assets. A decrease in the coefficient indicates a decrease in the payment capabilities of the enterprise.

Ratio of equity and short-term borrowed funds (current financial independence) determines the degree to which the return of short-term borrowed funds is secured by its own sources.

A decrease in the ratio indicates an increase in the financial risk of an enterprise.

The **Coefficient of provision with own circulating assets** characterizes the availability of the company's own circulating assets, necessary for its financial stability, the balance of interests of the owners of the enterprise and creditors

Profitability ratios show the level of profitability (loss ratio) of the financial and economic activities of the enterprise.

Profitability of sales reflects the share of profit in sales.

Fixed assets depreciation rate characterizes the proportion of depreciation (depreciation) of fixed assets for the period and is determined as the ratio of the amount of depreciation of fixed assets to their initial cost.

Indicators of the degree of risk of default by the enterprise of its short-term and long-term obligations.

№ п/ п	The name of indicators	2017	2018	2019	Characteristic s of the indicator
1	Current ratio liquidity $K_{cr1} \geq 2$	1,30	1,26	1,12	Current assets are insufficient to meet current obligations
2	Absolute liquidity ratio $K_{alr} \geq 0,15$	0,04 1	0,029	0,01	There is not enough cash to pay off short-term debt
3	Quick liquidity ratio $K_{qlr} \geq 0,8$	0,81	0,60	0,92	Short-term liabilities can be settled at the expense of expected receipts from debtors

thousand soums

№ п/п	Indicator name	2017	2018	2019
1	Receivables	14 289 704	11 751 520	18 364 383
2	Accounts payable	18 459 271	16 406 919	20 080 935
3	Incl. debt to founders	465 903	460 348	460 348

According to the forecast key performance indicators of the enterprise for 2019 and additional indicators of the IQE coefficient for 2019 92.8 - the effective operation of the enterprise is recognized as sufficient (see appendix).