

PJSC “PhosAgro”
Consolidated Statement of Changes in Equity for 2024

RUB million	Note	Attributable to shareholders of the Company				Attributable to non-controlling interests		Total equity
		Share capital	Share premium	Retained earnings	Actuarial (losses)/ gains	Total		
Balance at 1 January 2023		372	7,494	190,664	(968)	197,562	158	197,720
Total comprehensive income/(loss)								
Profit for the year		-	-	86,084	-	86,084	57	86,141
Actuarial losses	25	-	-	-	(35)	(35)	-	(35)
Transactions with owners recognised directly in equity								
Dividends	21	-	-	(132,090)	-	(132,090)	(131)	(132,221)
Balance at 31 December 2023		372	7,494	144,658	(1,003)	151,521	84	151,605
Balance at 1 January 2024		372	7,494	144,658	(1,003)	151,521	84	151,605
Total comprehensive income/(loss)								
Profit for the year		-	-	84,430	-	84,430	39	84,469
Actuarial gains	25	-	-	-	132	132	-	132
Transactions with owners recognised directly in equity								
Dividends	21	-	-	(71,484)	-	(71,484)	-	(71,484)
Increase of non-controlling interests in a subsidiary		-	-	(14)	-	(14)	14	-
Balance at 31 December 2024		372	7,494	157,590	(871)	164,585	137	164,722

The consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 322 to 354.

PJSC “PhosAgro”
Notes to the Consolidated Financial Statements for 2024

1 BACKGROUND

(a) Organisation structure and operations

PJSC “PhosAgro” (the “Company” or the “Parent”) is a public joint stock company registered in accordance with Russian legislation. PJSC “PhosAgro” and its subsidiaries (together referred to as the “Group”) comprise Russian legal entities. The Company was registered in October 2001. The Company’s address is Leninsky prospekt 55/1 building 1, Moscow, Russian Federation, 119333.

The Group’s principal activity is production of apatite concentrate and mineral fertilisers at plants located in the cities of Kirovsk (Murmansk region), Cherepovets (Vologda region), Balakovo (Saratov region) and Volkhov (Leningrad region), and their distribution across the Russian Federation and abroad.

At 31 December 2024 and at 31 December 2023, the Company’s major shareholder is the entity registered in Russia – ILLC Adorabella holding approximately 23.35% of the ordinary shares. As of 31 December 2024, and 31 December 2023, the Parent does not have the ultimate controlling party in accordance with the definition of control described in IFRS 10 *Consolidated financial statements*.

(b) Russian business environment

The Group’s operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial conditions of the Russian Federation, which display certain characteristics of an emerging market. Its economy is particularly sensitive to oil and gas prices. The legal, tax and regulatory frameworks continue development, and are subject to varying interpretations and frequent changes (note 29). The Russian economy continues to be negatively impacted by ongoing political tension in the region and international sanctions against certain Russian companies and individuals.

Geopolitical tension caused by the Ukrainian case in February 2022 continued in 2024. Geopolitical situation escalation resulted in significant exchange rates fluctuations and increased volatility in financial and commodity markets. Sanctions and restrictions have been and continue to be imposed towards a number of Russian entities such as access termination to European and USA financial markets, SWIFT international system and others. Price cap on Russian oil and gas and embargo on Russian petrochemicals were introduced. In June 2024, restrictive measures were introduced by the USA against Moscow Stock Exchange Group, which led to USD and EUR trading interruption and short-term delays in official exchange rate determination of these currencies against the rouble.

At the end of 2023, Central Bank of Russian Federation increased key rate to 16% per annum with subsequent increase up to 18% on 29 July 2024, up to 19% on 16 September 2024 and up to 21% on 28 October 2024.

There is no way to determine how long the increased volatility will continue and when the above factors will stabilise. The future effects of current economic situation and the above measures are difficult to predict. Management’s current expectations and estimates could differ from actual results.

The Russian Government Resolution that came into effect starting from 2023 introduced export duties on mineral fertilisers followed by the subsequent changes to the customs duty calculation method and rates. From 1 October 2023 to 31 December 2024, the following customs duty rates depending on the official exchange rate of US dollar to Russian Rouble set by the Central Bank of Russia are applied:

- on nitrogen-based fertilisers – 7% of their customs value, but not less than RUB 1,100 per tonne, if the average US dollar exchange rate over the monitoring month is below RUB 80, or 10% of their customs value, but not less than RUB 1,100 per tonne, if the average US dollar exchange rate over the monitoring month is above RUB 80;
- on phosphate-based and compound fertilisers – 7% of their customs value, but not less than RUB 2,100 per tonne, if the average US dollar exchange rate over the monitoring month is below RUB 80, or 10% of their customs value, but not less than RUB 2,100 per tonne, if the average US dollar exchange rate over the monitoring month is above RUB 80.

From 13 December 2024 to 31 December 2024, 7% rate of customs duties was applied. From 1 January 2025 0% customs duties rate depending on the official exchange rate of US dollar to Russian Rouble is applied due to the termination of the Russian Government Resolution.

On 4 August 2023, the President of Russian Federation signed Federal Law No. 414-FZ On Excess Profits Tax (the so-called “Windfall Tax”) effective from 1 January 2024. The law introduces 10% tax rate applied to the excess of the arithmetic average profits for 2021-2022 over the arithmetic average profits for 2018-2019. In November 2023, the Group made a windfall tax security payment. At 31 December 2023, the Group’s windfall tax liability was calculated at 5% tax rate considering security payment of RUB 6,355 million.