

FINANCIAL performance

In 2024, PhosAgro Group demonstrated strong financial performance by maintaining its robust progress despite external challenges.

The positive results across key metrics were achieved through high production efficiency and an increase in the production of high-margin fertilizers and key inputs along with a flexible sales policy amid a recovery in global sales prices and changes in the rouble rate.

The Group’s revenue grew by 15.3% y-o-y to RUB 507.7 bln while EBITDA and adjusted net profit came in at RUB 177.0 bln and RUB 100.4 bln, respectively. EBITDA margin stood at 34.9%.

PhosAgro remains one of the industry’s most efficient players. The main way we ensure effective cost control is by emphasising strong vertical integration and sourcing the key inputs and materials from domestic suppliers.

The Company’s robust financial position is confirmed by the top rating of AAA from reputable agencies Expert RA and ACRA, which demonstrates that the Company is able to meet its debt obligations, including those denominated in foreign currencies, on time and in full.

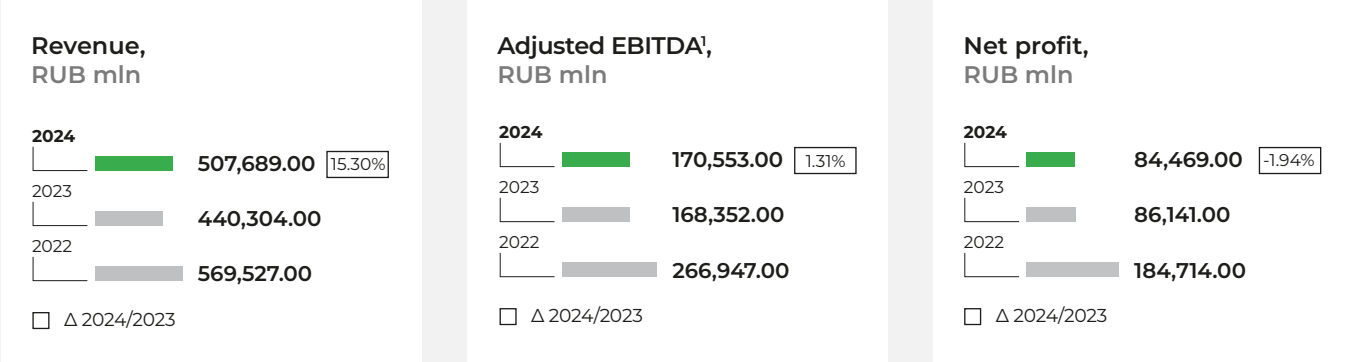
As at the end of 2024, PhosAgro maintained a comfortable leverage position, with the net debt/EBITDA ratio at 1.84x.

One of the events after the reporting date that had an impact on the Company’s debt profile was the January 2025 redemption of the USD 500 mln Eurobond issue. This redemption was executed in full across both the Russian perimeter and outside of it.

In 2025, the Group will focus on repaying rather than refinancing its debt to reduce servicing costs and strengthen its positions as a top-quality borrower with high credit ratings.

Alexander Sharabaika

Deputy CEO for Finance and International Projects at PhosAgro



KEY EXTERNAL DRIVERS OF FINANCIAL RESULTS

IN ADDITION TO INCREASED SALES VOLUMES AND CONTINUOUSLY COMPETITIVE COST LEVELS, THE STRONG FINANCIAL RESULTS IN 2024 WERE DRIVEN BY THE FOLLOWING MARKET EVENTS:

an ongoing recovery of global demand for fertilizers following a crisis-induced decline in 2021–2022;

continued export restrictions in China and weak competition in Asia and Latin America;

limited commissioning of new phosphate-based fertilizer capacities;

diversification and expansion of sales geography, mainly to the Global South;

balanced markets and lower price volatility as fertilizer prices stabilised at high levels from mid-2024.

REVENUE ANALYSIS

MED 1, 2, 3

Revenue for 12M 2024 grew 15.3% y-o-y primarily due to increased sales of phosphate fertilizers, especially NPK (up more than 18% y-o-y) amid

recovery in average global sales prices from early 2024 and a shift in the rouble rate.

¹ Adjusted EBITDA is calculated as operating profit adjusted for depreciation and amortisation less foreign exchange gain or loss from operating activities.

Financial and operational highlights

Item	2022	2023	2024	Δ 2024/2023,%
Financial highlights				
Revenue, RUB mln	569,527.00	440,304.00	507,689.00	15.30
EBITDA, RUB mln	257,879.00	183,038.00	177,005.00	(3.30)
EBITDA margin, %	45.30	41.60	34.90	
Adj. EBITDA ¹	266,947.00	168,352.00	170,553.00	1.31
Adj. EBITDA, RUB mln margin, %	46.90	38.20	33.60	
Net profit, RUB mln	184,714.00	86,141.00	84,469.00	(1.94)
Adj. net profit ² , RUB mln	182,297.00	104,105.00	100,372.00	(3.59)
Adj. free cash flow ³ , RUB mln	141,024.00	70,208.00	28,986.00	(58.71)

Item	31.12.2022	31.12.2023	31.12.2024	Δ 2024/2023,%
Net debt, RUB mln	180,338.00	223,207.00	325,356.00	45.76
Net debt / adj. EBITDA	0.68	1.33	1.91	43.61
Net debt / EBITDA	0.70	1.22	1.84	50.82
Added value, RUB mln	340,632.00	249,320.00	293,113.00	17.56
Net added value, RUB mln	311,093.00	217,038.00	256,567.00	18.21

Sales volume	2022	2023	2024	Δ 2024/2023,%
Phosphate-based fertilizers and feed phosphates, kt	8,402.80	8,578.20	9,104.70	6.14
Nitrogen-based fertilizers, kt	2,550.80	2,560.50	2,499.60	(2.38)
Total fertilizers, kt	10,953.60	11,138.70	11,604.30	4.18
Other products, kt	270.10	287.00	294.40	2.58
Total fertilizers and other products, kt	11,223.70	11,425.70	11,898.70	4.14

Revenue breakdown by key product, RUB bln

Item	2022	2023	2024	Δ 2024/2023,%
Phosphate and nitrogen-based products	551.0	421.7	492.5	16.79
Other	18.5	18.6	15.2	(18.28)
Total	569.5	440.3	507.7	15.31

OPERATING COSTS ANALYSIS

Cost of sales, RUB mln

MED 24

Item	2022	2023	2024	Δ 2024/2023,%
Amortisation and depreciation	26,979	29,374	33,207	13.0
Materials and services	54,178	65,738	79,112	20.3
• Transportation of phosphate rock	11,610	13,468	16,739	24.3
• Repair and maintenance expenses	12,002	15,865	19,382	22.2
• Feedstock processing services	-	4,341	6,269	44.4
• Drilling and blasting operations expenses	3,217	3,101	3,152	1.6
• Other services and materials	27,349	28,963	33,570	15.9
Raw materials	108,323	63,335	64,670	2.1
• Ammonia	19,550	11,533	14,343	24.4
• Sulphur and sulphuric acid	40,798	11,507	12,255	6.5
• Potash	27,418	22,444	17,574	(21.7)
• Natural gas	14,226	15,033	16,948	12.7
• Ammonium sulphate	6,331	2,818	3,550	26.0
Salaries and social contributions	19,667	26,265	35,169	33.9
Electricity	6,754	7,317	8,340	14.0
Fuel	6,459	5,754	7,215	25.4
Products for resale	15,599	16,056	12,675	(21.1)
Customs duties	1,420	13,207	34,139	158.5
Freight, port and stevedoring expenses	16,382	9,924	11,441	15.3
Russian Railways infrastructure tariff and operators' fees	12,647	14,047	19,306	37.4
Other	610	599	885	47.7
Total	269,018	251,616	306,159	21.7

In 2024, the cost of sales grew by 21.7% to RUB 306.2 bln mainly due to export customs duties introduced in 2023 (up 158.5% y-o-y to RUB 34.1 bln), costs

for materials and services (up 20.3% y-o-y to RUB 79.1 bln), and salaries and social contributions (up 33.9% y-o-y to RUB 35.2 bln).

¹ Adjusted EBITDA is calculated as operating profit adjusted for depreciation and amortisation less foreign exchange gain or loss from operating activities.
² Adjusted net profit means net profit less net foreign exchange gain or loss from operating and financing activities.
³ Adjusted free cash flow is calculated as cash flows from operating activities less cash flows from investing activities, adjusted for the outflow of cash and cash equivalents as result of a loss of control over foreign subsidiaries.

ADJUSTED EBITDA

In 2024, the Group's adjusted EBITDA increased by 1.3% y-o-y to RUB 170.6 bln. Adjusted EBITDA margin for the reporting period came in at 33.6%,

driven by a rise in sales and sales prices. At the same time, the metric came under pressure from higher costs associated with the payment

of export duties introduced in 2023, increased consumption of raw materials, and an expansion in staff costs.

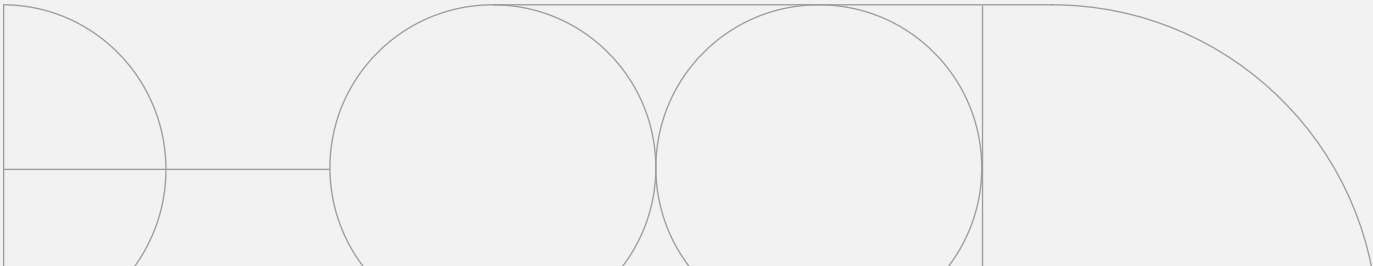


ADJUSTED FREE CASH FLOW

In 2024, the Company's adjusted free cash flow was 59% lower y-o-y and amounted to RUB 29 bln.

This was due to higher spending on export customs duties introduced in 2023, planned CAPEX related to major investment projects, higher interest expenses driven by an increase in the Bank of Russia's key rate, and an outflow of funds to finance working capital in the second half of the year amid more shipments to Latin America and overall extended turnover of accounts receivable.

Capital investments (including capitalised repairs) for the year amounted to RUB 75 bln and were mainly focused on developing the ore and raw material base in Kirovsk, expanding production capacities in Balakovo, and maintaining production facilities across all process stages, from mining and processing of raw materials to the production of finished products.



DEBT

Net debt as at 31 December 2024 increased y-o-y to RUB 325.4 bln. The depreciation of the rouble against the US dollar in 2024 and reassessment of the Company's foreign currency debt using the year-end exchange rate had a significant impact on the RUB-denominated debt amount. The increase in net debt was also associated with reduced cash on the Company's balance sheet following the payment of declared dividends for 2Q and 3Q 2024 at the year end.

With marginal growth of EBITDA, the net debt / adjusted EBITDA ratio increased to 1.91x as at 31 December 2024 from 1.33x a year earlier.

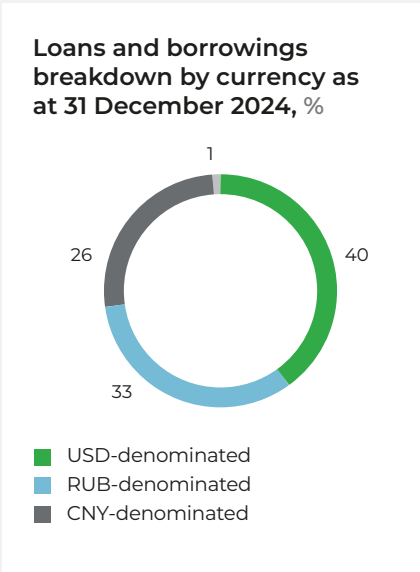
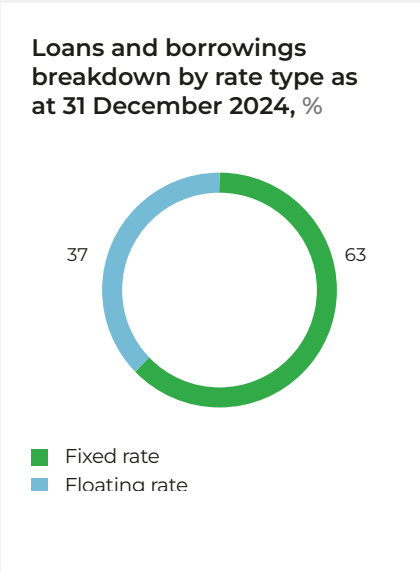
Our commitment to maintaining high credit quality and ensuring timely debt servicing continues to be a priority for the Company.

Despite the accessibility of debt markets, the Company will focus on debt repayment rather than refinancing throughout the year to reduce servicing costs and strengthen its positions as a top-quality borrower with high credit ratings.

TAX POLICY

GRI 3-3, 207-1, 207-2, 207-3

In 2023, the Board of Directors approved a new version of PhosAgro's Tax Strategy. The approach to taxation was developed in accordance with the Company's Strategy to 2025 and combines social responsibility for developing and maintaining the well-being of regions across PhosAgro's footprint, minimising tax litigation risks, and maximising the use of the Company's leverage toolkit stipulated by law for actively



Debt maturity profile, RUB bln

Item	2025	2026	2027	2028	2029	Total
Unsecured bank loans ¹	96.7	19.1	–	–	–	115.8
Bonds ²	62.7	101.9	–	39.0	10.2	213.8
Interest payable	2.6	–	–	–	–	2.6
Total debt	162.0	121.0	–	39.0	10.2	332.2

¹ Debt amount under unsecured bank loans does not include the bank fee of RUB 4 mln.
² Bond debt amount does not include the bank fee of RUB 464 mln.



Country-by-country reporting, RUB mln

GRI 207-4, MED 6, MED 7

Tax jurisdiction	Unrelated party revenue			Revenue from intra-group transactions with other tax jurisdictions			Profit/(loss) before income tax			Income tax paid (cash basis) ¹			Income tax accrued ²		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Russian Federation	440,639	440,304	507,689	106,420	0	0	157,360	114,603	109,044	41,393	36,132	20,953	39,932	34,527	25,477
Switzerland	96,268	0	0	27,436	0	0	57,850	0	0	331	0	0	764	0	0
Cyprus	0	0	0	4	0	0	(4,243)	0	0	2	0	0	2	0	0
Poland	8,088	0	0	0	0	0	4,943	0	0	48	0	0	235	0	0
Germany	7,446	0	0	0	0	0	5,242	0	0	2	0	0	129	0	0
France	7,045	0	0	0	0	0	5,541	0	0	5	0	0	94	0	0
Serbia	2,020	0	0	58	0	0	1,063	0	0	1	0	0	65	0	0
Lithuania	1,598	0	0	0	0	0	1,038	0	0	26	0	0	0	0	0
Romania	4,050	0	0	0	0	0	1,916	0	0	0	0	0	63	0	0
South Africa	2,343	0	0	0	0	0	1,643	0	0	0	0	0	174	0	0
Finland	29	0	0	0	0	0	(2)	0	0	3	0	0	3	0	0
Brazil	0	0	0	0	0	0	(42)	0	0	0	0	0	4	0	0
Singapore	0	0	0	0	0	0	(13)	0	0	0	0	0	0	0	0
Total	569,527	440,304	507,689	133,918	0	0	232,297	114,603	109,044	41,811	36,132	20,953	41,465	34,527	25,477

The Company's income tax rate in 2022–2024 was

20%

For the list of tax jurisdictions where the entities included in the Group's consolidated financial statements are resident for tax purposes, and the details of taxes payable in each jurisdiction, please see

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Tax jurisdiction	Statutory tax rate ³ , %			Average headcount, people			Tangible assets other than cash and cash equivalents			Total employee remuneration			Intra-group loans received		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Russia	20.00	20.00	20.00	19,846	21,839	23,617	320,961	367,857	430,233	55,318	53,745	70,948	103,233	137,911	213,642
Switzerland	12.05	–	–	36	0	0	0	0	0	528	0	0	0	0	0
Cyprus	12.50	–	–	30	0	0	0	0	0	57	0	0	0	0	0
Poland	19.00	–	–	15	0	0	0	0	0	55	0	0	0	0	0
Germany	32.27	–	–	7	0	0	0	0	0	33	0	0	0	0	0
France	25.00	–	–	6	0	0	0	0	0	58	0	0	0	0	0
Serbia	15.00	–	–	14	0	0	0	0	0	28	0	0	0	0	0
Lithuania	15.00	–	–	4	0	0	0	0	0	20	0	0	0	0	0
Romania	16.00	–	–	7	0	0	0	0	0	14	0	0	0	0	0
South Africa	28.00	–	–	2	0	0	0	0	0	10	0	0	0	0	0
Finland	20.00	–	–	1	0	0	0	0	0	2	0	0	0	0	0
Brazil	34.00	–	–	7	0	0	0	0	0	32	0	0	0	0	0
Singapore	17.00	–	–	3	0	0	0	0	0	8	0	0	0	0	0
Total							320,961	367,857	430,233	56,163	53,745	70,948	103,233	137,911	213,642

¹ Income tax paid in 2023 includes windfall tax security payment in the amount of RUB 6,355 mln.

² Tax rates effective in any given jurisdiction apply to profit/loss before income tax. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax are as follows:

- intercompany transactions elimination;
- provisions accrued in accordance with IFRS (mostly allowance for expected credit losses);
- reduction in tax rate for certain Russian and foreign entities;
- items which are not deductible or assessable for taxation purposes, including charitable expenses;
- other differences (including the 2023 windfall tax in the amount of RUB 6,355 mln).

³ For the Russian tax jurisdiction, an average statutory tax rate is used.