

Debt management

The Company uses a conservative approach to leverage and believes that a comfortable net debt/EBITDA ratio should be below 2x. As at 31 December 2024, the Company’s leverage was comfortable, with the net debt/ EBITDA ratio standing at 1.84x.

When determining its borrowing requirements, the Company assesses the cost of borrowing from banks and public debt markets, the amount and maturity available while striving to ensure that this fits into the Group’s long-term debt reduction strategy. The choice of the currency of borrowings is based on the availability of currencies and the structure of the Company’s revenue, with almost 67% of total amount denominated in foreign currency in 2024.

In line with the investment policy designed to meet PhosAgro’s investor obligations and strengthen its investment case, the investment budget shall not exceed 50% of planned EBITDA.

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.

The record high capital investments and charitable expenses in 2024 did not affect the Company’s leverage, which remained comfortably below the net debt/EBITDA target.

Eurobonds

ISIN	XS2099039542	XS2384719402
Borrower	PJSC PhosAgro	PJSC PhosAgro
Issuer	PhosAgro Bond Funding Limited	PhosAgro Bond Funding Limited
Currency	USD	USD
Offering date	23 January 2020	16 September 2021
Maturity date	23 January 2025 (redeemed)	16 September 2028
Issue value, USD mln	500	500
Including replacement bonds, USD mln	RU000A106G31 356.915	RU000A106G56 383.470

RUB-denominated exchange bonds

ISIN	RU000A106516	RU000A109K40	RU000A10A4S7
Series	BO-P01	BO-P02	BO-02-01
Issuer	PJSC PhosAgro	PJSC PhosAgro	PJSC PhosAgro
Currency	RUB	RUB	RUB
Offering date	21 April 2023	18 September 2024	22 November 2024
Maturity date	17 April 2026	8 August 2026	12 November 2026
Coupon rate	9.4%	Key rate + 1.10%	Key rate + 2.00%
Coupon payments	Semi-annual	Monthly	Monthly
Issue value, RUB mln	20,000	35,000	60,000

CNY-denominated exchange bonds

ISIN	RU000A1063Z5
Series	BO-P01-CNY
Issuer	PJSC PhosAgro
Currency	CNY
Offering date	13 April 2023
Maturity date	9 April 2026
Coupon rate	China Loan Prime Rate (LPR 1Y) + 1.2%
Coupon payments	91 days
Issue value, CNY mln	2,000

USD-denominated exchange bonds

ISIN	RU000A108LP2
Series	BO-P01-USD
Issuer	PJSC PhosAgro
Currency	USD
Offering date	6 June 2024
Maturity date	31 May 2029
Coupon rate	6.25%
Coupon payments	91 days
Issue value, USD mln	100

In 2024, we successfully completed three bond offerings, generating strong interest from both institutional and private investors.

In June, PhosAgro issued a USD 100 mln five-year exchange-traded bond with settlements in roubles. Despite heightened volatility in the Russian capital market, which saw several other issuers cancel their offerings, we managed to reduce the initial coupon guidance by 25 bps to 6.25%. This transaction aligned perfectly with PhosAgro’s debt policy of securing financing in foreign currencies.

In September, we launched our debut issue of rouble-denominated exchange-traded bonds with a variable coupon, totalling RUB 35 bln with a two-year maturity. The coupon rate was set as the Bank of Russia’s key rate plus a spread of 110 bps. Strong investor demand enabled us to reduce the initial spread guidance by a total of 30 bps, achieved through three consecutive reductions. This offering became the largest placement among corporate issuers in the Russian market.

In November, we completed another bond offering – a five-year exchange-traded bond totalling RUB 20 bln, with a variable coupon and a put option in two years. The coupon rate was set as the Bank of Russia’s key rate plus a spread of 200 bps. We secured these terms thanks to our established track record of successful public offerings and our premium credit rating.

All offerings were executed on the most favourable terms aligned with prevailing market conditions. The proceeds were used to support our investment programmes and refinance our existing loan portfolio.

Alexander Sharabaika

Deputy CEO for Finance and International Projects at PhosAgro

