

**PhosAgro Reports Operating and Financial Results for 1Q 2025**

**Moscow – 15th May 2025 –** PhosAgro Group (“PhosAgro” or the “Company”, Moscow Exchange, LSE: PHOR), one of the world’s leading vertically integrated phosphate-based fertilizer producers, today announces its consolidated interim condensed financial results for the three months ended 31st March 2025.

**Q1 2025 highlights**

* Production of agrochemicals increased by 3.6% year-on-year to 3.11 million tonnes. This growth was driven mainly by a 5.0% increase in the production of phosphate-based fertilizers and feed phosphates, to 2.37 million tonnes.
* Total sales of agrochemical products increased by 6.8% year-on-year to 3.30 million tonnes. At the same time, sales of phosphate-based fertilizers and feed phosphates rose 7.6%.
* Revenue for 1Q 2025 amounted to RUB 159.4 billion, an increase of 33.6% year-on-year.
* The Company’s EBITDA was RUB 48.8 billion, up 25.0% year-on-year. Adjusted EBITDA was up 72.3% year-on-year to RUB 65.2 billion.
* Free cash flow amounted to RUB 34.8 billion.
* Net debt as of 31 March 2025 stood at RUB 263.0 billion. The net debt/EBITDA ratio at the end of the quarter was at a comfortable level of 1.41x.

 **Key financial and operating highlights:**

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| **FINANCIAL HIGHLIGHTS** |
| **RUB mln** | **1Q 2025** | **1Q 2024** | **Change, %** |
| Revenue | 159,390 | 119,272 | *33.6%* |
| EBITDA\* | 48,809 | 39,060 | *25.0%* |
| *EBITDA margin* | *30.6%* | *32.7%* |  |
| Adj. EBITDA\*\* | 65,245 | 37,876 | *72.3%* |
| Net profit | 47,656 | 18,754 | *154.1%* |
| Adj. net profit\*\*\* | 36,728 | 21,486 | *70.9%* |
| Free cash flow | 34,849 | 1,801 | *19.3x* |
|  | **31.03.2025** | **31.12.2024** |   |
| Net debt | 262,950 | 325,356 |   |
| ND/LTM EBITDA | 1.41 | 1.84 |   |

*\* EBITDA is calculated as operating profit adjusted for depreciation and amortisation.*

*\*\* Adj. EBITDA is calculated as EBITDA adjusted for FX differences from operating activities.*

*\*\*\* Adj. net profit is net profit as reported minus FX gain or loss.*

**Overview of the 1Q 2025 Financial Results**

The Company’s 1Q 2025 revenue increased 33.6% year-on-year. Revenue growth was primarily driven by higher sales of phosphate fertilizers (mainly NPS/NPK, up 16.7% year-on-year), on the back of a recovery in the average selling prices on global markets since the start of the year.

The Company’s EBITDA for the quarter amounted to RUB 48.8 billion, up 25.0% year-on-year. This increase was driven by higher sales volumes and prices of the Company’s products, along with positive foreign exchange effects resulting from the rouble’s depreciation against the US dollar in early 2025 compared to the same period last year.

Adjusted EBITDA for 1Q 2025 (excluding the impact of non-cash factors) totalled RUB 65.2 billion, a 72.3% increase from the same period last year.

EBITDA margin for Q1 2025 stood at 30.6%. This level of profitability was driven by the high efficiency of the Company’s production assets, increased production of high-margin fertilizers, the Company’s flexible sales policy, and a high level of self-sufficiency in terms of feedstocks. At the same time, pressure on sales margins was exerted by rising production costs on the back of higher prices for key purchased raw materials, particularly sulphur.

Free cash flow (FCF) for 1Q 2025 amounted to RUB 34.8 billion – more than 19 times the figure reported for the same period last year. This was mainly attributable to higher operating profit (from increased sales at higher prices on global markets) as well as cash inflow of more than RUB 18 billion from working capital.

The Company’s solid credit standing is confirmed by the highest possible ratings (AAA) awarded by the authoritative rating agencies Expert RA and ACRA. Both ratings were reaffirmed by the agencies in Q1 2025. These top-tier ratings are in line with the sovereign ceiling and reflect the Company’s ability to meet all its debt obligations in full and on time, including those denominated in foreign currency.

As at the end of Q1 2025, the Company’s debt load had been significantly reduced. Net debt stood at RUB 263.0 billion. The reduction in net debt over the first quarter was mainly attributable to the redemption of a USD 500 million Eurobond issue in January 2025, an increase in cash and cash equivalents on the Company’s balance sheet, and the strengthening of the rouble against the US dollar. The Net Debt / EBITDA ratio at the end of the quarter was 1.41x.

This reduction in leverage is expected to lower the future cost of servicing debt and further strengthen the Company’s position as a high-grade borrower with strong credit ratings.

Notable events impacting the Company’s debt profile since the beginning of 2025 include the placement of two issues of exchange-traded bonds – one totalling CNY 1 billion and another USD 250 million. Both issues were awarded the highest possible credit rating of AAA. The US dollar-denominated bond, placed in April, carried the lowest coupon rate of any bond issuance on the Russian market since the beginning of 2025.

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| **OPERATING HIGHLIGHTS** |
| **Production volumes by category** |
| **kt** | **1Q 2025** | **1Q 2024** | **Change, %** |
| Phosphate-based fertilizers and feed phosphates | 2,374.4 | 2,260.3 | *5.0%* |
| Nitrogen-based fertilizers | 672.3 | 672.7 | *-0.1%* |
| Other products | 66.1 | 71.5 | *-7.6%* |
| **TOTAL agrochemicals** | **3,112.8** | **3,004.5** | ***3.6%*** |
| **Sales volumes by category** |
| **kt** | **1Q 2025** | **1Q 2024** | **Change, %** |
| Phosphate-based fertilizers and feed phosphates | 2,515.2 | 2,338.5 | *7.6%* |
| Nitrogen-based fertilizers | 718.1 | 676.8 | *6.1%* |
| Other products | 65.6 | 72.5 | *-9.5%* |
| **TOTAL agrochemicals** | **3,298.9** | **3,087.8** | ***6.8%*** |

**Overview of the 1Q 2025 Operating Results**

Production of agrochemicals in Q1 2025 increased by 3.6%, reaching a record 3.11 million tonnes. This growth was driven by the ongoing implementation of the long-term development programme for production assets, announced in 2019.

Phosphate fertilizers accounted for the bulk of the increase, with NPS up 57.3% and MCP up 20.2%. These figures were attributable to the Volkhov production complex reaching its design capacity and higher output of key raw materials, including phosphoric and sulphuric acids.

Nitrogen fertilizer production volumes remained at the same level as in Q1 2024.

In 1Q 2025, the Company’s fertilizer sales were up 7.2% year-on-year – a reflection of increased production volumes, the high efficiency of the Group’s sales network in Russia, and the strong position of the Company’s products in global markets.

Total sales of agrochemical products for the quarter rose to 3.30 million tonnes, an increase of 6.8%.

Phosphate fertilizers, up 7.6% year-on-year, were the main driver of sales. The impressive growth in sales of NPS fertilisers is attributable to both the expansion of the Company’s production capacity for this group of products at the Volhov site and stronger demand from customers in Russia, Turkey, India, the CIS, Argentina and Brazil, where the margin for these products is higher compared to alternative brands.

The markets with the highest growth in shipments in Q1 2025 include Latin America, India, Africa and Europe.

**Fertilizer market in Q1 2025**

In Q1 2025, the global fertilizer market was shaped by seasonal demand across Europe, North and Central America, China, and the domestic Russian market. There was also residual demand for urea from the Indian market.

Global prices for phosphate fertilizers remained stable at relatively high levels, with an upward trend toward the end of the quarter. This pricing environment was driven by China maintaining export restrictions and limited short-term availability due to leading producers being fully booked up to six weeks in advance. In Q1 2025, the average price for MAP was USD 587 per tonne (FOB Baltic), compared to USD 583 per tonne (FOB Baltic) in Q4 2024 and USD 514 per tonne (FOB Baltic) in Q1 2024.

The nitrogen fertilizer market in Q1 2025 was characterized by high price volatility. Strong seasonal demand in key Western markets combined with additional demand from India drove a sharp increase in urea prices in the first two months of the year. However, this was followed by a correction as a result of oversupply. The average urea price in Q1 2025 was USD 364 per tonne (FOB Baltic), up from USD 319 per tonne (FOB Baltic) in Q4 2024 and USD 297 per tonne (FOB Baltic) in Q1 2024.

**Outlook for Q2 2025**

In Q2 2025, seasonal activity is expected to increase in key Southern Hemisphere markets India and Brazil. This trend is already fuelling global prices, particularly as export restrictions in China remain in place at the start of the quarter.

Residual seasonal demand in the US domestic market is providing strong support for global urea prices, while critically low levels of phosphate fertilizer stocks in India are prompting earlier-than-usual purchasing activity.

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**About the Company**

*PhosAgro (www.phosagro.ru) is a vertically integrated Russian company and one of the world’s leading producers phosphate-based fertilizers and high-grade phosphate rock with P2O5 content of 39% or higher. PhosAgro’s high-performance fertilizers produce crops with advanced features.*

*PhosAgro Group is the largest producer of phosphate-based fertilizers in Europe (by total combined capacity for the production of DAP, MAP, NP, NPK and NPS fertilizers), the largest producer of high-grade phosphate rock with P2O5 content of 39%, one of the leading producers of MAP and DAP fertilizers globally, one of the leading producers of monocalcium feed phosphates (MCP) in Europe – and the only such producer in Russia – and Russia’s only producer of nepheline concentrate.*

*PhosAgro’s main products, including phosphate rock, 58 grades of fertilizers, feed phosphates, ammonia and sodium tripolyphosphate, are used by customers in 100 countries spanning all the world’s inhabited continents. The Company’s priority markets beyond Russia and the CIS are Latin America, Europe and Asia.*

*The Company’s shares are listed on the Moscow Exchange and its global depositary receipts (GDRs) are listed on the London Stock Exchange (MOEX and LSE ticker: PHOR).*

*More information about PhosAgro can be found on our website: www.phosagro.com.*

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|  |  | **Three months ended 31 March** |
| *RUB million* | **2025** | **2024** |
|   |  |  |
| Revenues | 159,390 | 119,272 |
| Cost of Group products sold | (81,050) | (73,137) |
| Cost of products for resale | (7,397) | (2,361) |
|   |  |  |
|   |  |  |
| **Gross profit** | **70,943** | **43,774** |
|  |  |  |
| Administrative and selling expenses | (10,281) | (9,597) |
| Taxes, other than income tax | (3,110) | (3,457) |
| Other expenses, net | (2,300) | (2,099) |
| Foreign exchange (loss)/gain from operating activities, net | (16,436) | 1,184 |
|   |  |  |
|   |  |  |
| **Operating profit** | **38,816** | **29,805** |
|  |  |  |
| Finance income | 718 | 1,035 |
| Finance costs | (6,804) | (3,001) |
| Foreign exchange gain/(loss) from financing activities, net | 27,364 |  (3,916) |
|   |  |  |
|   |  |  |
| **Profit before tax** | **60,094** | **23,923** |
|   |  |  |
| Income tax expense | (12,438) | (5,169) |
|   |  |  |
|   |  |  |
| **Profit for the period** | **47,656** | **18,754** |
|   |  |  |
| Attributable to: |  |  |
| Shareholders of the Company | 47,646 | 18,762 |
| Non-controlling interests\* | 10 | (8) |
|   |  |  |
| Basic and diluted earnings per share (in RUB) | 368 | 145 |
|   |  |  |
|  |  |  |
| **Total comprehensive income for the period** | **47,656** | **18,754** |
|  |  |  |
|   |  |  |
| Attributable to: |  |  |
| Shareholders of the Company | 47,646 | 18,762 |
| Non-controlling interests\* | 10 | (8) |
|   |  |  |

*\*Non-controlling interests are the minority shareholders of the subsidiaries of PJSC PhosAgro*

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| --- | --- | --- |
| *RUB million* | **31 March 2025** | **31 December 2024** |
|   |  |  |
| ***Assets*** |  |  |
| Property, plant and equipment | 366,871 | 357,577 |
| Non-current spare parts | 14,518 | 13,564 |
| Deferred tax assets  | 12,944 | 14,081 |
| Advances issued for property, plant and equipment | 8,708  | 8,818 |
| Right-of-use assets | 5,939 | 6,419 |
| Catalysts  | 3,108 | 2,987 |
| Intangible assets | 2,914 | 2,991 |
| Investments in associates and joint ventures | 794 | 715 |
| Other non-current assets | 137 | 1,310 |
|   |  |  |
|   |  |  |
| **Non-current assets** | **415,933** | **408,462** |
|  |  |  |
|  |  |  |
| Trade and other receivables | 86,727 | 104,653 |
| Inventories | 53,972 | 56,105 |
| Cash and cash equivalents  | 21,881 | 10,398 |
| VAT and other taxes receivable | 9,962 | 9,628 |
| Income tax receivable | 1,606 | 99 |
| Other short-term assets  | 841 | 3,125 |
|   |  |  |
|   |  |  |
| **Current assets** | **174,989** | **184,008** |
|  |  |  |
|  |  |  |
| **Total assets** | **590,922** | **592,470** |
|  |  |  |
|  |  |  |
| ***Equity*** |  |  |
| Share capital | 372 | 372 |
| Share premium | 7,494 | 7,494 |
| Retained earnings | 205,246 | 157,590 |
| Actuarial losses | (871) | (871) |
|   |  |  |
|   |  |  |
| **Equity attributable to shareholders of the Company** | **212,241** | **164,585** |
| Equity attributable to non-controlling interests | 137 | 137 |
|   |  |  |
|   |  |  |
| **Total equity** | **212,378** | **164,722** |
|  |  |  |
|  |  |  |
| ***Liabilities*** |  |  |
| Loans and borrowings | 216,995 | 169,962 |
| Deferred tax liabilities | 23,453 | 17,031 |
| Lease liabilities | 2,827 | 3,056 |
| Defined benefit obligations | 1,041 | 1,029 |
|   |  |  |
|   |  |  |
| **Non-current liabilities** | **244,316** | **191,078** |
|  |  |  |
|   |  |  |
| Loans and borrowings | 64,127 | 161,661 |
| Trade and other payables | 46,337 | 48,394 |
| Dividends payable  | 19,749 | 19,779 |
| VAT and other taxes payable  | 2,726 | 2,633 |
| Lease liabilities | 882 | 1,075 |
| Income tax payable  | 407 | 3,128 |
|   |  |  |
|   |  |  |
| **Current liabilities** | **134,228** | **236,670** |
|  |  |  |
|  |  |  |
| **Total equity and liabilities** | **590,922** | **592,470** |
|  |  |  |

|  |  |  |
| --- | --- | --- |
|  |  | **Three months ended 31 March** |
| *RUB million* | **2025** | **2024** |
|   |  |  |
| ***Cash flows from operating activities*** |  |  |
| Operating profit | 38,816 | 29,805 |
| *Adjustments for:* |  |  |
| Depreciation and amortisation | 9,993 | 9,255 |
| Loss on disposal of property, plant and equipment and intangible assets | 32 | 36 |
|   |  |  |
|   |  |  |
| **Cash flows from operations before changes in working capital**  | **48,841** | **39,096** |
| Decrease/(increase) in trade and other receivables1 | 17,139 | (10,416) |
| Decrease/(increase) in inventories, catalysts and non-current spare parts | 644 | (2,132) |
| Increase in trade and other payables1 | 278 | 2,252 |
|   |  |  |
|   |  |  |
| **Cash flows from operations before income tax and interest paid** | **66,902** | **28,800** |
| Income tax paid | (9,107) | (6,321) |
| Finance costs paid | (6,955) | (2,773) |
|   |  |  |
|   |  |  |
| **Cash flows from operating activities** | **50,840** | **19,706** |
|  |  |  |
|   |  |  |
| ***Cash flows from investing activities*** |  |  |
| Repayment of loans issued | 2,064 | 64 |
| Interest income | 871 | 529 |
| Acquisition of property, plant and equipment and intangible assets | (16,791) | (15,191) |
| Borrowing cost capitalised paid  | (2,811) | (774) |
| Advances issued for right-of-use assets  | (410) | - |
| Loans issued | (7) | (2,527) |
| Other | 1,093 | (6) |
|  |  |  |
|   |  |  |
| **Cash flows used in investing activities** | **(15,991)** | **(17,905)** |
|  |  |  |
|   |  |  |
| ***Cash flows from financing activities*** |  |  |
| Proceeds from borrowings, net of transaction costs  | 79,885 | 57,894 |
| Repayment of borrowings | (100,606) | (29,231) |
| Lease payments  | (365) | (493) |
| Repayment of dividends previously refunded to shareholders of the Company | (32) | (95) |
| Dividends paid to shareholders of the Company | - | (37,685) |
| Refund of dividends paid2 | 2 | 2 |
|  |  |  |
|   |  |  |
| **Cash flows used in financing activities** | **(21,116)** | **(9,608)** |
|  |  |  |
|  |  |  |
| **Net increase/(decrease) in cash and cash equivalents** | **13,733** | **(7,807)** |
| Cash and cash equivalents at 1 January | 10,398 | 29,163 |
| Effect of exchange rates fluctuations | (2,250) | 282 |
|   |  |  |
|   |  |  |
| **Cash and cash equivalents at 31 March** | **21,881** | **21,638** |
|  |  |  |  |

*1 Changes in trade and other receivables and changes in trade and other payables include the effect of foreign exchange differences on operating activities.*

*2 The Group received a refund from depositories of cash paid as dividends to persons who were entitled to receive them but did not receive them due to reasons beyond the depositories’ control.*