

PhosAgro Reports Operating and Financial Results for 1H 2025

**Moscow, 7 August 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 six months ended 30 June 2025.

1H 2025 highlights

* Agrochemical production grew by 4.0% year-on-year to 6.12 million tonnes, driven mainly by a 6.0% increase in the production of phosphate-based fertilizers and feed phosphates to 4.69 million tonnes.
* Total sales of agrochemical products increased by 2.4% year-on-year to 6.24 million tonnes. At the same time, sales of phosphate-based fertilizers and feed phosphates rose by 2.8%.
* Revenue in 1H 2025 amounted to RUB 298.6 billion, an increase of 23.6% year-on-year.
* The Company’s EBITDA amounted to RUB 94.6 billion, up 26.8% year-on-year. At the same time, adjusted EBITDA increased by 50.0% year-on-year, amounting to RUB 115.3 billion.
* Free cash flow more than doubled, reaching RUB 56.5 billion.
* Net debt amounted to RUB 245.7 billion as of 30 June 2025, and the ratio of net debt to EBITDA decreased to 1.25x by the end of the reporting period.

**Financial and operating highlights:**

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| FINANCIAL HIGHLIGHTS |
| RUB mln | 1H 2025 | 1H 2024 | Change, % |
| Revenue | 298,556 | 241,563 | 23.6 |
| EBITDA\* | 94,595 | 74,594 | 26.8 |
| EBITDA margin | 31.7% | 30.9% |  |
| Adj. EBITDA\*\* | 115,277 | 76,874 | 50.0 |
| Net profit | 75,542 | 53,469 | 41.3 |
| Adj. net profit\*\*\* | 61,731 | 40,635 | 51.9 |
| Free cash flow | 56,538 | 26,627 | 112.3 |
|  | 30.06.2025 | 31.12.2024 |   |
| Net debt | 245,702 | 325,356 |   |
| ND/LTM EBITDA | 1.25x | 1.84x |   |

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

\*\* 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.

Comments on 1H 2025 financial performance

The Company’s revenue in 1H 2025 increased by 23.6% year-on-year, primarily as a result of an increase in sales volumes of phosphate- and nitrogen-based fertilizers amid a recovery in average selling prices in global markets since the beginning of the year.

One of the factors that had an impact on revenue in 1H 2025 was the appreciation of the rouble against the US dollar in the second quarter.

The Company’s EBITDA for the first six months of the year amounted to RUB 94.6 billion, a year-on-year increase of 26.8%, driven by increased sales volumes and higher prices. At the same time, EBITDA faced downward pressure from the non-monetary impact of exchange rate differences resulting from the appreciation of the rouble against the US dollar in 2Q 2025.

Adjusted for this impact, EBITDA for 1H 2025 amounted to RUB 115.3 billion, a 50% year-on-year increase.

EBITDA margin for the first half of the year was 31.7%. This level of profitability was driven by the high level of 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.

Free cash flow (FCF) for 1H 2025 amounted to RUB 56.5 billion, a more than twofold year-on-year increase. FCF was supported by higher operating profit (driven by an increase in sales volumes at higher prices in global markets), improved sales margins and an inflow of more than RUB 27 billion from working capital.

Robust cash flow generation enabled the Company to continue reducing its debt position in the second quarter, bringing its net debt to RUB 245.7 billion. The decrease in net debt in 1H 2025 was mainly associated with the scheduled repayment of Eurobonds and several bank loans, a significant cash balance (amid a recovery in cash flow) and the appreciation of the rouble against the US dollar. The net debt / EBITDA ratio at the end of the quarter was 1.25x.

In the context of a high key rate set by the Bank of Russia, reducing its debt position allows the Company to lower its debt servicing costs, relieving pressure on its balance sheet.

The quality of the Company’s creditworthiness is reflected in the high credit ratings it has received from leading Russian agencies (at the country ceiling level of AAA), enabling the Company to execute transactions that are unique in the Russian market to manage its public debt portfolio, such as the placement of US dollar–denominated bonds settled in roubles, replacing repurchased rouble-denominated bonds.

One such transaction was carried out in June 2025, raising the equivalent of USD 400 million at a coupon rate of 6.53% per annum. At the time of the placement, this was the lowest coupon rate among all foreign-currency placements on the Russian primary bond market since the beginning of the year.

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| **OPERATING HIGHLIGHTS** |
| **Production volumes by category** |
| kt | 1H 2025 | 1H 2024 | Change, % |
| Phosphate-based fertilizers and feed phosphates | 4,687.8 | 4,423.8 | 6.0 |
| Nitrogen-based fertilizers | 1,311.2 | 1,321.1 | -0.7 |
| Other products | 124.5 | 144.4 | -13.8 |
| TOTAL agrochemicals | 6,123.5 | 5,889.3 | 4.0 |
| **Sales volumes by category** |
| kt | 1H 2025 | 1H 2024 | Change, % |
| Phosphate-based fertilizers and feed phosphates | 4,729.2 | 4,600.9 | 2.8 |
| Nitrogen-based fertilizers | 1,391.9 | 1,353.7 | 2.8 |
| Other products | 120.9 | 142.9 | -15.4 |
| TOTAL agrochemicals | 6,242.0 | 6,097.5 | 2.4 |

Comments on 1H 2025 operating performance

Agrochemical output in 1H 2025 grew by 4.0% year-on-year, reaching a record high of 6.12 million tonnes, driven by the ongoing implementation of the Company’s long-term development programme, launched in 2019, to develop its production assets.

The largest production increases were seen in phosphate-based fertilizers (DAP production rose 35.0%; NPS, 25.0%; and MCP, 22.8%), mainly due to the Volkhov production complex reaching full design capacity and increased production volumes of key feedstocks, such as phosphoric acid and sulphuric acid.

The production of nitrogen-based fertilizers remained flat year-on-year.

Fertilizer sales in 1H 2025 rose 2.8%, driven by increased production volumes, the strong performance of the Group’s sales network in the Russian market and the solid positions enjoyed by the Company’s products in global markets.

Phosphate-based fertilizers were the main sales driver. For example, sales of DAP (a higher-margin product supported by growing demand in the Indian market) grew by 26.6% year-on-year, while sales of complex NPS fertilizers increased by 31.7%, reflecting both an increase in the Company’s production capacity for these fertilizers at its Volkhov site and greater consumer demand for these brands, which offer higher margins than alternative brands.

The fastest-growing export markets in 1H 2025 were India (with shipments increasing by nearly 41% due to Chinese export restrictions that were in place for most of the period, as well as attractive netbacks), Africa and Europe.

Fertilizer market in 2Q 2025

Global fertilizer markets continued to show an upward price trend throughout 2Q 2025.

Prices for complex and compound fertilizers rose on the back of seasonal demand in India, Brazil and other Latin American markets amid the extension of China’s fertilizer export restrictions until nearly the middle of the quarter. The average price for DAP/MAP in 2Q 2025 was $662 per tonne (FOB Baltic), versus an average price of $586 per tonne (FOB Baltic) in 1Q 2025 and $523 per tonne (FOB Baltic) in 2Q 2024.

Prices for nitrogen-based fertilizers decreased early in the quarter due to the end of seasonal demand in Western markets, but they began to recover in June amid production and supply disruptions among several producers, including in the Middle East and North Africa (owing to interruptions in natural gas supplies). In addition, continued strong demand from India also supported prices. The average price for urea in 2Q 2025 was $360 per tonne (FOB Baltic), compared with $363 per tonne (FOB Baltic) in 1Q 2025 and $278 per tonne (FOB Baltic) in 2Q 2024.

Outlook for 3Q 2025

Strong demand for both phosphate- and nitrogen-based fertilizers is expected to continue in India, where carry-over stocks of phosphate-based fertilizers remain critically low, and a reduction in domestic production and inventories of urea has been noted.

Seasonal demand in Brazil may be constrained by reduced affordability of nitrogen- and phosphate-based fertilizers amid stagnating prices for key agricultural products.

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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 of phosphate-based fertilizers and high-grade phosphate rock with P2O5 content of 39% (according to the IFA). 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, according to the CRU), the largest global producer of high-grade phosphate rock with P2O5 content of 39% (according to the IFA), 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 around 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)*

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| --- | --- | --- |
|  |  |  |
|  | **Six months ended** **30 June** | **Three months ended** **30 June** |
| *RUB million* | **2025** | **2024** | **2025** | **2024** |
|   |  |  |  |  |
| Revenues | 298,556 | 241,563 | 139,166 | 122,291 |
| Cost of Group products sold | (158,932) | (146,293) | (77,882) | (73,156) |
| Cost of products for resale | (13,062) | (4,454) | (5,665) | (2,093) |
|   |  |  |  |  |
|   |  |  |  |  |
| **Gross profit** | **126,562** | **90,816** | **55,619** | **47,042** |
|  |  |  |  |  |
| Administrative and selling expenses | (21,000) | (19,972) | (10,719) | (10,375) |
| Taxes, other than income tax | (5,975) | (7,585) | (2,865) | (4,128) |
| Other expenses, net | (4,059) | (4,944) | (1,759) | (2,845) |
| Foreign exchange loss from operating activities, net | (20,682) | (2,280) | (4,246) | (3,464) |
|   |  |  |  |  |
|   |  |  |  |  |
| **Operating profit** | **74,846** | **56,035** | **36,030** | **26,230** |
|  |  |  |  |  |
| Finance income | 1,638 | 3,315 | 920 | 2,280 |
| Finance costs | (13,505) | (6,235) | (6,701) | (3,234) |
| Foreign exchange gain from financing activities, net | 34,493 |  15,114 |  7,129 |  19,030 |
|   |  |  |  |  |
|   |  |  |  |  |
| **Profit before tax** | **97,472** | **68,229** | **37,378** | **44,306** |
|   |  |  |  |  |
| Income tax expense | (21,930) | (14,760) | (9,492) | (9,591) |
|   |  |  |  |  |
|   |  |  |  |  |
| **Profit for the period** | **75,542** | **53,469** | **27,886** | **34,715** |
|   |  |  |  |  |
| Attributable to: |  |  |  |  |
| Shareholders of the Company | 75,530 | 53,473 | 27,884 | 34,711 |
| Non-controlling interests\* | 12 | (4) | 2 | 4 |
|   |  |  |  |  |
| Basic and diluted earnings per share (in RUB) | 583 | 413 | 215 | 268 |
|   |  |  |  |  |
|  |  |  |  |  |
| **Total comprehensive income for the period** | **75,542** | **53,469** | **27,886** | **34,715** |
|  |  |  |  |  |
|   |  |  |  |  |
| Attributable to: |  |  |  |  |
| Shareholders of the Company | 75,530 | 53,473 | 27,884 | 34,711 |
| Non-controlling interests\* | 12 | (4) | 2 | 4 |
|   |  |  |  |  |

*\*Non-controlling interests mean minority shareholders of the subsidiaries of PJSC “PhosAgro”*

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| --- | --- | --- |
| *RUB million* | **30 June 2025** | **31 December 2024** |
|   |  |  |
| ***Assets*** |  |  |
| Property, plant and equipment | 375,669 | 357,577 |
| Non-current spare parts | 15,169 | 13,564 |
| Deferred tax assets  | 13,621 | 14,081 |
| Advances issued for property, plant and equipment | 7,608  | 8,818 |
| Right-of-use assets | 6,184 | 6,419 |
| Catalysts  | 3,225 | 2,987 |
| Intangible assets | 2,885 | 2,991 |
| Investments in associates and joint ventures | 821 | 715 |
| Other non-current assets | 129 | 1,310 |
|   |  |  |
|   |  |  |
| **Non-current assets** | **425,311** | **408,462** |
|  |  |  |
|  |  |  |
| Trade and other receivables | 75,585 | 104,653 |
| Inventories | 60,466 | 56,105 |
| Cash and cash equivalents  | 20,179 | 10,398 |
| VAT and other taxes receivable | 9,300 | 9,628 |
| Income tax receivable | 5,287 | 99 |
| Other short-term assets  | 972 | 3,125 |
|   |  |  |
|   |  |  |
| **Current assets** | **171,789** | **184,008** |
|  |  |  |
|  |  |  |
| **Total assets** | **597,100** | **592,470** |
|  |  |  |
|  |  |  |
| ***Equity*** |  |  |
| Share capital | 372 | 372 |
| Share premium | 7,494 | 7,494 |
| Retained earnings | 221,863 | 157,590 |
| Actuarial losses | (871) | (871) |
|   |  |  |
|   |  |  |
| **Equity attributable to shareholders of the Company** | **228,858** | **164,585** |
| Equity attributable to non-controlling interests | 139 | 137 |
|   |  |  |
|   |  |  |
| **Total equity** | **228,997** | **164,722** |
|  |  |  |
|  |  |  |
| ***Liabilities*** |  |  |
| Loans and borrowings | 178,664 | 169,962 |
| Deferred tax liabilities | 28,089 | 17,031 |
| Lease liabilities | 2,900 | 3,056 |
| Defined benefit obligations | 1,052 | 1,029 |
|   |  |  |
|   |  |  |
| **Non-current liabilities** | **210,705** | **191,078** |
|  |  |  |
|   |  |  |
| Loans and borrowings | 83,344 | 161,661 |
| Trade and other payables | 50,471 | 48,394 |
| Dividends payable  | 19,700 | 19,779 |
| VAT and other taxes payable  | 2,692 | 2,633 |
| Lease liabilities | 973 | 1,075 |
| Income tax payable  | 218 | 3,128 |
|   |  |  |
|   |  |  |
| **Current liabilities** | **157,398** | **236,670** |
|  |  |  |
|  |  |  |
| **Total equity and liabilities** | **597,100** | **592,470** |
|  |  |  |

|  |  |
| --- | --- |
|  | **Six months ended 30 June** |
| *RUB million* | **2025** | **2024** |
|   |  |  |
| ***Cash flows from operating activities*** |  |  |
| Operating profit | 74,846 | 56,035 |
| *Adjustments for:* |  |  |
| Depreciation and amortisation | 19,749 | 18,559 |
| Loss on disposal of property, plant and equipment and intangible assets | 53 | 71 |
|   |  |  |
|   |  |  |
| **Cash flows from operations before changes in working capital**  | **94,648** | **74,665** |
| Decrease in trade and other receivables1 | 28,142 | 815 |
| Increase in trade and other payables1 | 5,305 | 10,442 |
| Increase in inventories, catalysts and non-current spare parts | (6,300) | (4,515) |
|   |  |  |
|   |  |  |
| **Cash flows from operations before income tax and interest paid** | **121,795** | **81,407** |
| Income tax paid | (18,510) | (10,969) |
| Finance costs paid | (13,796) | (5,983) |
|   |  |  |
|   |  |  |
| **Cash flows from operating activities** | **89,489** | **64,455** |
|  |  |  |
|   |  |  |
| ***Cash flows from investing activities*** |  |  |
| Repayment of loans issued | 2,054 | 77 |
| Interest income | 1,635 | 2,076 |
| Acquisition of property, plant and equipment and intangible assets | (31,986) | (35,747) |
| Borrowing cost capitalised paid  | (5,339) | (1,674) |
| Advances issued for right-of-use assets  | (410) | - |
| Loans issued | - | (2,557) |
| Other | 1,095 | (3) |
|  |  |  |
|   |  |  |
| **Cash flows used in investing activities** | **(32,951)** | **(37,828)** |
|  |  |  |
|   |  |  |
| ***Cash flows from financing activities*** |  |  |
| Proceeds from borrowings, net of transaction costs  | 135,193 | 119,178 |
| Repayment of borrowings | (166,247) | (63,196) |
| Lease payments  | (592) | (847) |
| Dividends paid to shareholders of the Company | (11,267) | (37,685) |
| Repayment of dividends previously refunded to shareholders of the Company | (81) | (148) |
| Refund of dividends paid2 | 2 | 2,463 |
|  |  |  |
|   |  |  |
| **Cash flows (used in)/from financing activities** | **(42,992)** | **19,765** |
|  |  |  |
|  |  |  |
| **Net increase in cash and cash equivalents** | **13,546** | **46,392** |
| Cash and cash equivalents at 1 January | 10,398 | 29,163 |
| Effect of exchange rates fluctuations | (3,765) | (1,555) |
|   |  |  |
|   |  |  |
| **Cash and cash equivalents at 30 June** | **20,179** | **74,000** |
|  |  |  |

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

2 *The* *Group* *received dividends cash refund from* *depositories* *as parties* *entitled* *for dividends* *didn’t receive them due to reasons beyond the depositories’* *control.*