



**PJSC “PhosAgro”**

**Consolidated Interim Condensed  
Financial Statements  
for the nine months ended  
30 September 2023**

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# Report on Review of Consolidated Interim Condensed Financial Statements

To the Shareholders and Board of Directors of Public Joint Stock Company "PhosAgro":

## Introduction

We have reviewed the accompanying consolidated interim condensed statement of financial position of Public Joint Stock Company "PhosAgro" and its subsidiaries (together – the "Group") as at 30 September 2023 and the related consolidated interim condensed statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, changes in equity and cash flows for the nine-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these consolidated interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" (hereinafter – "IAS 34"). Our responsibility is to express a conclusion on these consolidated interim condensed financial statements based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated interim condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Basis for qualified conclusion

Management of the Group has not disclosed segment information in the notes to the consolidated interim condensed financial statements as required by paragraph 16A (g) of IAS 34 for the nine months ended 30 September 2023 and for the comparative period nine months ended 30 September 2022.

Considering the undisclosed segment information required by paragraph 16A (g) of IAS 34 is unduly voluminous, presenting this undisclosed information in our report on review of consolidated interim condensed financial statements is not practicable.

## Qualified conclusion

Based on our review, except for the effects of the matter described in the Basis for qualified conclusion section of our report, nothing has come to our attention that causes us to believe that the accompanying consolidated interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

9 November 2023  
Moscow, Russian Federation



A.Y. Fegetsyn is authorised to sign on behalf of the general director of Joint-Stock Company "Technologies of Trust – Audit" (Principal Registration Number of the Record in the Register of Auditors and Audit Organizations (PRNR) – 12006020338), certified auditor (PRNR – 21906101957)

**PJSC "PhosAgro"**

Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income  
for the three and nine months ended 30 September 2023

RUB million	Note	Nine months ended 30 September		Three months ended 30 September	
		2023	2022	2023	2022
Revenues		328,885	459,423	116,133	122,914
Cost of Group products sold	5	(171,699)	(201,268)	(59,885)	(57,529)
Cost of products for resale		(12,964)	(12,122)	(2,356)	(4,728)
<b>Gross profit</b>		<b>144,222</b>	<b>246,033</b>	<b>53,892</b>	<b>60,657</b>
Administrative and selling overhead expenses	6	(23,659)	(35,135)	(8,507)	(6,705)
Taxes, other than income tax, net	7	(9,219)	(8,087)	(3,209)	(2,851)
Other expenses, net	8	(4,152)	(2,985)	(2,082)	(1,223)
Foreign exchange gain/(loss) from operating activities, net	24	19,824	(23,039)	6,122	6,735
<b>Operating profit</b>		<b>127,016</b>	<b>176,787</b>	<b>46,216</b>	<b>56,613</b>
Finance income	9	2,060	3,657	805	1,748
Finance costs	9	(5,737)	(10,672)	(2,151)	(1,162)
Foreign exchange (loss)/gain from financing activities, net	24	(45,945)	38,341	(17,968)	(11,928)
<b>Profit before tax</b>		<b>77,394</b>	<b>208,113</b>	<b>26,902</b>	<b>45,271</b>
Income tax expense	10	(20,619)	(42,612)	(11,624)	(8,818)
<b>Profit for the period</b>		<b>56,775</b>	<b>165,501</b>	<b>15,278</b>	<b>36,453</b>
Attributable to:					
Non-controlling interests*		19	6	16	2
Shareholders of the Company		56,756	165,495	15,262	36,451
Basic and diluted earnings per share (in RUB)	18	438	1,278	118	282
<b>Other comprehensive loss</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation difference		-	(2,929)	-	-
Foreign currency translation difference reclassified to profit or loss upon loss of control over subsidiaries		-	(6,302)	-	-
Actuarial losses reclassified to profit or loss upon loss of control over subsidiaries		-	61	-	-
<b>Other comprehensive loss for the period</b>		<b>-</b>	<b>(9,170)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>56,775</b>	<b>156,331</b>	<b>15,278</b>	<b>36,453</b>
Attributable to:					
Non-controlling interests*		19	6	16	2
Shareholders of the Parent		56,756	156,325	15,262	36,451

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

The consolidated interim condensed financial statements were approved on 9 November 2023:

Chief executive officer  
M.K. Rybnikov

Deputy CEO for Finance and International Projects  
A.F. Sharabaiko




The consolidated interim condensed statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 5 to 19.

**PJSC “PhosAgro”****Consolidated Interim Condensed Statement of Financial Position as at 30 September 2023**

<i>RUB million</i>	<b>Note</b>	<b>30 September 2023</b>	<b>31 December 2022</b>
<b>Assets</b>			
Property, plant and equipment	11	292,595	274,522
Other non-current assets	13	12,504	8,546
Deferred tax assets		10,237	7,903
Advances issued for property, plant and equipment		9,370	9,270
Non-current spare parts		7,873	5,125
Right-of-use assets	12	7,121	4,277
Catalysts		2,681	1,965
Intangible assets		2,299	2,099
Investments in associates		648	592
<b>Non-current assets</b>		<b>345,328</b>	<b>314,299</b>
Trade and other receivables	16	57,440	75,741
Inventories	15	44,084	39,349
Cash and cash equivalents	17	36,424	13,356
VAT and other taxes receivable		10,272	12,565
Income tax receivable		1,258	93
Other financial assets	14	352	210
<b>Current assets</b>		<b>149,830</b>	<b>141,314</b>
<b>Total assets</b>		<b>495,158</b>	<b>455,613</b>
<b>Equity</b>			
Share capital		372	372
Share premium		7,494	7,494
Retained earnings		153,016	190,664
Actuarial losses		(968)	(968)
<b>Equity attributable to shareholders of the Parent</b>		<b>159,914</b>	<b>197,562</b>
Equity attributable to non-controlling interests		46	158
<b>Total equity</b>		<b>159,960</b>	<b>197,720</b>
<b>Liabilities</b>			
Loans and borrowings	19	181,870	109,784
Deferred tax liabilities		11,204	17,820
Lease liabilities	20	2,868	1,660
Defined benefit obligations		1,079	1,050
<b>Non-current liabilities</b>		<b>197,021</b>	<b>130,314</b>
Loans and borrowings	19	78,146	80,974
Trade and other payables	21	32,429	39,412
Dividends payable		14,716	82
Income tax payable		6,592	203
VAT and other taxes payable		4,901	5,632
Lease liabilities	20	1,393	1,276
<b>Current liabilities</b>		<b>138,177</b>	<b>127,579</b>
<b>Total equity and liabilities</b>		<b>495,158</b>	<b>455,613</b>

The consolidated interim condensed statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 5 to 19.

**PJSC “PhosAgro”****Consolidated Interim Condensed Statement of Cash Flows  
for the nine months ended 30 September 2023**

<i>RUB million</i>	Note	Nine months ended 30 September	
		2023	2022
<b>Cash flows from operating activities</b>			
Operating profit		127,016	176,787
<i>Adjustments for:</i>			
Depreciation and amortisation	5, 6	24,082	22,651
Loss on disposal of property, plant and equipment and intangible assets	8	186	260
<hr/>			
Operating profit before changes in working capital and provisions		151,284	199,698
Decrease in trade and other receivables <sup>1</sup>		16,783	27,258
Decrease in trade and other payables <sup>1</sup>		(9,821)	(15,393)
Increase in inventories, catalyts and non-current spare parts		(7,495)	(9,955)
<hr/>			
Cash flows from operations before income taxes and interest paid		150,751	201,608
Income tax paid		(24,345)	(38,391)
Finance costs paid		(5,254)	(3,820)
<hr/>			
<b>Cash flows from operating activities</b>		<b>121,152</b>	<b>159,397</b>
<hr/>			
<b>Cash flows from investing activities</b>			
Interest income		1,174	3,191
Acquisition of property, plant and equipment and intangible assets		(40,158)	(41,998)
Borrowing cost capitalised paid	11	(1,246)	(718)
Advances issued for right-of-use assets		(94)	(419)
Cash and cash equivalents disposed as a result of loss of control over subsidiaries		-	(36,729)
Loans issued	14	-	(3,130)
Proceeds from disposal of financial assets measured at fair value through profit or loss		-	1,778
Other		149	167
<hr/>			
<b>Cash flows used in investing activities</b>		<b>(40,175)</b>	<b>(77,858)</b>
<hr/>			
<b>Cash flows from financing activities</b>			
Proceeds from borrowings, net of transaction costs	19	120,953	31,082
Repayment of borrowings	19	(104,724)	(22,293)
Refund of dividends paid <sup>2</sup>		14,716	-
Dividends paid to shareholders of the Parent		(94,487)	-
Lease payments	20	(1,032)	(1,119)
Dividends paid to non-controlling interests		(131)	-
<hr/>			
<b>Cash flows (used in)/ from financing activities</b>		<b>(64,705)</b>	<b>7,670</b>
<hr/>			
<b>Net increase in cash and cash equivalents</b>		<b>16,272</b>	<b>89,209</b>
Cash and cash equivalents at 1 January		13,356	21,710
Effect of exchange rates fluctuations		6,796	(3,990)
<hr/>			
<b>Cash and cash equivalents at 30 September</b>	<b>17</b>	<b>36,424</b>	<b>106,929</b>

<sup>1</sup> Changes in trade and other receivables and changes in trade and other payables include effect of foreign exchange differences from operating activities.

<sup>2</sup> The Group received cash refund from depositories paid as dividends to parties who were entitled to receive them, but didn't receive dividends due to reasons beyond the depositories' control.

The consolidated interim condensed statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 5 to 19.

**PJSC “PhosAgro”**

Consolidated Interim Condensed Statement of Changes in Equity for the nine months ended 30 September 2023

<i>RUB million</i>	Attributable to shareholders of the Parent					Total	Attributable to non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Actuarial losses	Foreign currency translation reserve			
<b>Balance at 1 January 2022</b>	<b>372</b>	<b>7,494</b>	<b>148,193</b>	<b>(753)</b>	<b>9,231</b>	<b>164,537</b>	<b>106</b>	<b>164,643</b>
<b><i>Total comprehensive income</i></b>								
Profit for the period	-	-	165,495	-	-	<b>165,495</b>	6	<b>165,501</b>
Foreign currency translation difference	-	-	-	-	(2,929)	<b>(2,929)</b>	-	<b>(2,929)</b>
Foreign currency translation difference reclassified to profit or loss upon loss of control over subsidiaries	-	-	-	-	(6,302)	<b>(6,302)</b>	-	<b>(6,302)</b>
Actuarial losses reclassified to profit or loss upon loss of control over subsidiaries	-	-	-	61	-	<b>61</b>	-	<b>61</b>
<b><i>Transactions with owners recognised directly in equity</i></b>								
Dividends	-	-	(101,010)	-	-	<b>(101,010)</b>	-	<b>(101,010)</b>
<b>Balance at 30 September 2022</b>	<b>372</b>	<b>7,494</b>	<b>212,678</b>	<b>(692)</b>	<b>-</b>	<b>219,852</b>	<b>112</b>	<b>219,964</b>
<b>Balance at 1 January 2023</b>	<b>372</b>	<b>7,494</b>	<b>190,664</b>	<b>(968)</b>	<b>-</b>	<b>197,562</b>	<b>158</b>	<b>197,720</b>
<b><i>Total comprehensive income</i></b>								
Profit for the period	-	-	56,756	-	-	<b>56,756</b>	19	<b>56,775</b>
<b><i>Transactions with owners recognised directly in equity</i></b>								
Dividends	-	-	(94,404)	-	-	<b>(94,404)</b>	(131)	<b>(94,535)</b>
<b>Balance at 30 September 2023</b>	<b>372</b>	<b>7,494</b>	<b>153,016</b>	<b>(968)</b>	<b>-</b>	<b>159,914</b>	<b>46</b>	<b>159,960</b>

The consolidated interim condensed statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 5 to 19.

## **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.

As at 30 September 2023 and at 31 December 2022, the Company’s major shareholder is the entity registered in Russia – ILLC Adorabella holding approximately 23.3% of the Company’s ordinary shares. As of 30 September 2023, and 31 December 2022, the Parent does not have the ultimate controlling party in accordance with the definitions 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. 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 2023. 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. There is no way to determine how long the increased volatility will continue and when the above financial indicators will stabilize.

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.

Starting from 1 September 2023, the Russian government decree was put into force. It introduced custom duties on certain mineral fertilisers export sales. 7% rate from the customs value but not less than RUB 1,100 per 1 ton was applied to nitrogen-based fertilisers, 7% rate from the customs value but not less than RUB 2,100 per 1 ton was applied to phosphate-based and complex fertilisers.

On 4 August 2023, the Federal Law № 414-FZ *On windfall profit tax* was signed by the Russian President. It will be effective since 1 January 2024. The law introduced tax at 10% rate on extra profits calculated as the excess of arithmetic average profits for the years of 2021 and 2022 over arithmetic average profits for the years of 2018 and 2019. If the taxpayer makes a security payment to the Federal budget during the period from 1 October 2023 till 30 November 2023, tax amount will be reduced by 2 times (to 5% effective tax rate). Taking into consideration the Company’s management intention to conduct a security payment during 2023, the Group recognised a windfall profit tax liability of RUB 6,353 million.

Management of the Group has considered events and conditions that could give rise to material uncertainties and concluded that the range of possible outcomes does not cast significant doubt over the Group’s ability to continue as a going concern.

## **2 BASIS OF PREPARATION**

### **(a) Statement of compliance**

The consolidated interim condensed financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*.

The Group additionally prepared consolidated interim condensed financial statements in the Russian language in order to comply with the securities market legislation.



**2 BASIS OF PREPARATION (CONTINUED)**

These consolidated interim condensed financial statements do not contain all the information required for presentation in a complete set of IFRS financial statements and therefore should be read in conjunction with the consolidated annual financial statements of PJSC “PhosAgro” for the year ended 31 December 2022.

**(b) Significant accounting policies**

The accounting policies used for the preparation of these consolidated interim condensed financial statements are consistent with those applied in the annual consolidated financial statements as of and for the year ended 31 December 2022, except for points mentioned below.

**Export customs duties.** Starting from 1 September 2023, the Russian government decree was put into force. It introduced custom duties on certain mineral fertilisers export sales. The Group considered export custom duties as additional levies, but not as a part of goods selling price. Export custom duties are reflected as part of logistics expenses included in cost of products sold (note 5).

**Windfall profit tax.** On 4 August 2023, the Federal Law № 414-FZ *On windfall profit tax* was signed by the Russian President. It will be effective since 1 January 2024. According to this Federal Law the Group is a windfall profit tax taxpayer. According to IAS 12 Income Taxes windfall profit tax is a current income tax, so the relevant income tax accounting policies are applied to it.

Windfall profit tax is one-off tax. Windfall profit tax liability and expenses are recognised in the consolidated financial statements starting from the moment when the Federal Law has been put into force. Windfall profit tax liability and expenses are measured at the amount expected to be paid by the Group using the current tax rates considering the intention to make a security payment during the current year.

In the consolidated interim condensed statement of profit or loss and other comprehensive income windfall profit tax expense is reflected as a part of Income tax expense. In the consolidated interim condensed statement of financial position windfall profit tax liability is reflected as a part of Income tax payable.

**(c) New and amended standards adopted by the Group**

A number of new and amended standards came into force in the current reporting period. However, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

**(d) Functional currency**

The national currency of the Russian Federation is the Russian Rouble (“RUB”), which is the functional currency of the Parent and its subsidiaries. In March 2022, the Group lost control over 100% owned foreign subsidiary Phosint Limited (currently PUREFERT LIMITED), owning all the foreign Group companies. Until the loss of control, the Group included entities with US dollar, Euro and other currencies as a functional currency.

**(e) Presentation currency**

These consolidated interim condensed financial statements are presented in RUB. All financial information presented in RUB has been rounded to the nearest million, except per share amounts.

The translation from USD and EUR into RUB, where applicable, was performed as follows:

In 2022, until the loss of control over Phosint Limited, profit and loss items of foreign subsidiaries were translated at the following average exchange rates for the appropriate month:

Average exchange rate for the month	2022	
	RUB to USD 1	RUB to EUR 1
January	75.8837	85.9393
February	77.4048	87.7638
March	104.0810	114.7127

### **3 FAIR VALUE DETERMINATION**

When measuring a fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels of a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- *Level 3*: inputs for the asset and liability that are not based on observable market data (unobservable inputs).

If inputs used to measure a fair value of an asset or a liability might be categorised into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Fair values have been determined for measurement and / or disclosure purposes based on the methods described below. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

#### **(a) Financial assets and liabilities measured at amortised cost**

The fair value of financial assets and liabilities presented by loans issued, trade and other receivables, cash and cash equivalents, trade and other payables approximate their carrying amounts as at the reporting date.

The fair value of Eurobonds is determined for disclosure purposes based on quoted market prices and included in level 1 of the fair value hierarchy. The fair value of loans and borrowings is categorised as Level 3 of the fair value hierarchy. The fair values are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

#### **(b) Financial instruments measured at fair value**

Fair value of investments measured at fair value through profit or loss and receivables recognised under provisionally priced sales agreements measured at fair value through profit or loss are determined using the valuation techniques and categorised as Level 3 of fair value hierarchy. Fair value of receivables under provisionally priced sales agreements is calculated using market prices for mineral fertilisers expected at the date of final price settlement. These assumptions are based on consensus prices forecasts prepared by independent analytical agencies, adjusted in accordance with price calculation formulas specified in respective sales agreements.

### **4 SEASONALITY**

The Group is subject to certain seasonal fluctuations in fertiliser demand due to the timing of fertiliser application and, as a result, fertiliser purchases by farmers. This normally results in increase of advances received from local customers at the year-end. However, the effect of seasonality on the Group's revenue is partially offset by the fact that the Group sells its fertilisers globally and fertiliser application and purchases vary by region.

The Group's costs are generally stable throughout the year, however several maintenance activities undertaken at the Group's production facilities may not be evenly spread.

**PJSC “PhosAgro”**

Notes to the Consolidated Interim Condensed Financial Statements  
for the nine months ended 30 September 2023

**5 COST OF GROUP PRODUCTS SOLD**

<i>RUB million</i>	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
<b>Production expense for Group goods sold</b>	<b>(148,695)</b>	<b>(175,275)</b>	<b>(52,510)</b>	<b>(53,146)</b>
Depreciation	(21,878)	(20,573)	(7,619)	(6,635)
Salaries and social contributions	(19,203)	(14,594)	(6,992)	(4,876)
Potash	(18,953)	(21,582)	(6,328)	(7,501)
Materials and services	(16,656)	(14,965)	(6,026)	(4,998)
Natural gas	(11,407)	(10,828)	(3,598)	(3,208)
Repair and maintenance expenses	(11,403)	(8,243)	(4,403)	(2,803)
Transportation of phosphate rock	(10,286)	(8,603)	(3,666)	(2,982)
Sulphur and sulphuric acid	(9,282)	(36,038)	(2,570)	(11,876)
Ammonia	(8,693)	(16,533)	(2,622)	(1,975)
Electricity	(5,262)	(5,246)	(1,970)	(1,593)
Fuel	(3,836)	(5,015)	(1,242)	(1,314)
Anti-clodding agent	(2,985)	(3,489)	(978)	(1,152)
Drilling and blasting operations expenses	(2,361)	(2,410)	(735)	(767)
Feedstock processing services	(2,295)	-	(2,171)	-
Reagents	(2,247)	(2,214)	(739)	(665)
Ammonium sulphate	(1,948)	(4,942)	(851)	(801)
<b>Logistics expenses for Group goods sold</b>	<b>(23,004)</b>	<b>(25,993)</b>	<b>(7,375)</b>	<b>(4,383)</b>
Russian Railways infrastructure tariff and operators' fees	(10,624)	(9,532)	(3,935)	(2,839)
Freight, port and stevedoring expenses	(7,046)	(14,524)	(2,635)	(1,444)
Customs duties	(4,872)	(1,420)	(592)	-
Other services and materials	(462)	(517)	(213)	(100)
<b>Cost of Group products sold</b>	<b>(171,699)</b>	<b>(201,268)</b>	<b>(59,885)</b>	<b>(57,529)</b>

**6 ADMINISTRATIVE AND SELLING OVERHEAD EXPENSES**

<i>RUB million</i>	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
<b>Administrative overhead expenses:</b>	<b>(19,878)</b>	<b>(31,212)</b>	<b>(7,075)</b>	<b>(5,656)</b>
Salaries and social contributions	(13,639)	(25,269)	(4,860)	(3,684)
Professional services	(1,468)	(1,600)	(496)	(496)
Depreciation and amortisation	(1,175)	(1,107)	(395)	(362)
Security and fire safety services	(984)	(884)	(338)	(305)
Other	(2,612)	(2,352)	(986)	(809)
<b>Selling overhead expenses:</b>	<b>(3,781)</b>	<b>(3,923)</b>	<b>(1,432)</b>	<b>(1,049)</b>
Salaries and social contributions	(1,853)	(2,260)	(692)	(547)
Depreciation and amortisation	(1,029)	(971)	(350)	(280)
Materials and services	(899)	(692)	(390)	(222)
<b>Administrative and selling overhead expenses</b>	<b>(23,659)</b>	<b>(35,135)</b>	<b>(8,507)</b>	<b>(6,705)</b>

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**7 TAXES, OTHER THAN INCOME TAX, NET**

<i>RUB million</i>	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Mineral extraction tax	(7,208)	(6,254)	(2,523)	(2,233)
Property tax	(1,503)	(1,326)	(515)	(449)
Environment pollution payment	(156)	(140)	(49)	(45)
Land tax	(138)	(169)	(46)	(56)
VAT included in expenses	(138)	(104)	(48)	(32)
Using water objects payment	(49)	(43)	(16)	(15)
Other taxes	(27)	(51)	(12)	(21)
<b>Taxes, other than income tax, net</b>	<b>(9,219)</b>	<b>(8,087)</b>	<b>(3,209)</b>	<b>(2,851)</b>

**8 OTHER EXPENSES, NET**

<i>RUB million</i>	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Social expenditures	(4,756)	(3,236)	(2,431)	(1,272)
Increase in provision for doubtful accounts and expected credit losses allowance	(229)	(56)	(20)	(13)
Loss on disposal of property, plant and equipment and intangible assets	(186)	(260)	(21)	(39)
Accrual of contingent liabilities	(73)	(99)	(64)	(67)
Fines, penalties and compensations received	724	155	252	38
Gain on disposal of inventories	311	268	175	123
Decrease / (increase) in provision for inventory obsolescence	46	117	(6)	15
Other income/(loss), net	11	126	33	(8)
<b>Other expenses, net</b>	<b>(4,152)</b>	<b>(2,985)</b>	<b>(2,082)</b>	<b>(1,223)</b>

**9 FINANCE INCOME AND FINANCE COSTS**

<i>RUB million</i>	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Interest income	1,297	3,207	536	1,574
Unwinding of discount (note 13)	682	347	259	164
Other finance income	81	103	10	10
<b>Finance income</b>	<b>2,060</b>	<b>3,657</b>	<b>805</b>	<b>1,748</b>
Interest expense on borrowings (note 19)	(5,289)	(3,112)	(1,986)	(1,009)
Interest expense on lease liabilities (note 20)	(182)	(197)	(77)	(50)
Bank fees	(100)	(184)	(25)	(64)
Interest expense on defined benefit obligations	(77)	(42)	(25)	(13)
Provision for impairment of loans issued (note 14)	-	(4,124)	-	-
Discount on extension of payment terms (note 13)	-	(2,777)	-	-
Loss from revaluation of financial instruments	-	(55)	-	-
Securitization fees	-	(47)	-	-
Other finance costs	(89)	(134)	(38)	(26)
<b>Finance costs</b>	<b>(5,737)</b>	<b>(10,672)</b>	<b>(2,151)</b>	<b>(1,162)</b>

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**10 INCOME TAX EXPENSE**

The Company's applicable corporate income tax rate is 20% (nine months ended 30 September 2022: 20%).

<i>RUB million</i>	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Current tax expense	(23,216)	(28,624)	(6,530)	(3,650)
Windfall profit tax expense	(6,353)	-	(6,353)	-
Deferred income tax - origination and reversal of temporary differences, including change in unrecognised tax assets	8,950	(13,988)	1,259	(5,168)
<b>Income tax expense</b>	<b>(20,619)</b>	<b>(42,612)</b>	<b>(11,624)</b>	<b>(8,818)</b>

Reconciliation of income tax:

<i>RUB million</i>	Nine months ended 30 September	
	2023	2022
Profit before tax	77,394	208,113
Income tax at applicable tax rate	(15,479)	(41,623)
Windfall profit tax	(6,353)	-
Tax effect of items which are not deductible or assessable for taxation purposes	(1,113)	(702)
Tax effect on receivables recognised from disposal of Phosint Group	(128)	(1,616)
Effect of reduction in tax rate	1,779	2,352
Tax effect on foreign exchange differences on receivables recognised from disposal of Phosint Group	675	(624)
Tax effect on provision for loans issued	-	(517)
Effect of tax rates in foreign jurisdictions	-	118
<b>Income tax expense</b>	<b>(20,619)</b>	<b>(42,612)</b>

**11 PROPERTY, PLANT AND EQUIPMENT**

<i>RUB million</i>	Land and buildings	Plant and equipment	Fixtures and fittings	Construction in progress	Total
<b>Net book value at 1 January 2022</b>	<b>85,791</b>	<b>100,390</b>	<b>7,769</b>	<b>43,494</b>	<b>237,444</b>
Additions	1,896	10,023	1,888	31,417	<b>45,224</b>
Transfers	11,593	14,676	-	(26,269)	-
Disposals	(84)	(198)	(54)	(160)	<b>(496)</b>
Depreciation	(5,383)	(14,319)	(1,468)	-	<b>(21,170)</b>
Disposal of foreign subsidiaries	(772)	(1,650)	(16)	-	<b>(2,438)</b>
Effect of foreign currency translation reserve	49	197	2	-	<b>248</b>
<b>Net book value at 30 September 2022</b>	<b>93,090</b>	<b>109,119</b>	<b>8,121</b>	<b>48,482</b>	<b>258,812</b>
<b>Net book value at 1 January 2023</b>	<b>101,112</b>	<b>120,468</b>	<b>8,941</b>	<b>44,001</b>	<b>274,522</b>
Additions	2,412	7,966	2,225	29,765	<b>42,368</b>
Transfers	3,854	10,883	-	(14,737)	-
Disposals	(24)	(341)	-	(10)	<b>(375)</b>
Depreciation	(6,355)	(15,926)	(1,639)	-	<b>(23,920)</b>
<b>Net book value at 30 September 2023</b>	<b>100,999</b>	<b>123,050</b>	<b>9,527</b>	<b>59,019</b>	<b>292,595</b>

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**11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

During the nine months ended 30 September 2023, the Group capitalised borrowing costs in the amount of RUB 1,246 million (718 million during the nine months ended 30 September 2022) in the value of property, plant and equipment using the weighted average interest rate of 4.25% per year (2.73% per year during the nine months ended 30 September 2022).

As at 30 September 2023, the most significant construction in progress balances were represented by the following investment projects:

- Kirovsk branch of Apatit, JSC: Kirovsk mine extension and modernization. As at 30 September 2023, the Group capitalised expenses of RUB 16,806 million (as at 31 December 2022: RUB 13,458 million);
- Kirovsk branch of Apatit, JSC: Rasvumchorrskiy mine extension and modernization. As at 30 September 2023, the Group capitalised expenses of RUB 6,084 million (as at 31 December 2022: RUB 4,821 million);
- Kirovsk branch of Apatit, JSC: apatit-nepheline beneficiation plants extension and modernization. As at 30 September 2023, the Group capitalised expenses of RUB 4,743 million (as at 31 December 2022: RUB 4,575 million);
- Balakovo branch of Apatit, JSC: sulphuric acid facilities extension and modernization. As at 30 September 2023, the Group has capitalised expenses of RUB 4,061 million (as at 31 December 2022: RUB 2,184 million);
- Balakovo branch of Apatit, JSC: granulated ammonium sulphate facilities construction. As at 30 September 2023, the Group has capitalised expenses of RUB 2,795 million (as at 31 December 2022: RUB 2,616 million);
- Volkhov branch of Apatit, JSC: construction of auxiliary facilities for the production of MAP. As at 30 September 2023, the Group has capitalised expenses of RUB 3,569 million (as at 31 December 2022: RUB 3,385 million);
- Apatit, JSC, Cherepovets: ammonia production facilities support and modernization. As at 30 September 2023, the Group has capitalised expenses of RUB 2,778 million (as at 31 December 2022: RUB 1,724 million).

**12 RIGHT-OF-USE ASSETS**

The Group has the following types of right-of-use assets: railway wagons, production equipment, containers for bulk cargo, offices. The leases typically run for a period of 5 years, with an option to renew the lease after that date.

<i>RUB million</i>	<b>Buildings</b>	<b>Plant and equipment</b>	<b>Fixtures and fittings</b>	<b>Total</b>
<b>Net book value at 1 January 2022</b>	<b>452</b>	<b>6,503</b>	<b>-</b>	<b>6,955</b>
New lease contracts or modification on existing lease contracts	45	(1,712)	-	<b>(1,667)</b>
Depreciation	(65)	(909)	-	<b>(974)</b>
Disposals	(15)	(132)	-	<b>(147)</b>
Disposal of foreign subsidiaries	(246)	(18)	-	<b>(264)</b>
Effect of foreign currency translation reserve	27	2	-	<b>29</b>
<b>Net book value at 30 September 2022</b>	<b>198</b>	<b>3,734</b>	<b>-</b>	<b>3,932</b>
<b>Net book value at 1 January 2023</b>	<b>148</b>	<b>4,129</b>	<b>-</b>	<b>4,277</b>
New lease contracts or modification on existing lease contracts	52	946	2,720	<b>3,718</b>
Depreciation	(43)	(717)	(41)	<b>(801)</b>
Disposals	(11)	(62)	-	<b>(73)</b>
<b>Net book value at 30 September 2023</b>	<b>146</b>	<b>4,296</b>	<b>2,679</b>	<b>7,121</b>

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**12 RIGHT-OF-USE ASSETS (CONTINUED)**

Amounts recognised in the consolidated interim condensed statement of profit or loss and other comprehensive income:

<i>RUB million</i>	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Depreciation expense on right-of-use assets	801	974	291	222
Expenses relating to leases with variable payments	408	376	152	114
Expenses relating to short-term leases	289	273	109	51
Interest expense on lease liabilities	182	197	77	50

Amounts recognised in the consolidated interim condensed statement of cash flows:

<i>RUB million</i>	Nine months ended 30 September	
	2023	2022
Principal lease payments (note 20)	(1,032)	(1,119)
Expenses relating to leases with variable payments	(408)	(376)
Expenses relating to short-term leases	(289)	(273)
Interest lease payments (note 20)	(182)	(197)
<b>Total payments</b>	<b>(1,911)</b>	<b>(1,965)</b>

**13 OTHER NON-CURRENT ASSETS**

<i>RUB million</i>	30 September	31 December
	2023	2022
Receivable accrued as a result of Phosint Group disposal	12,513	8,454
Allowance for expected credit losses	(125)	(85)
<b>Receivable accrued as a result of Phosint Group disposal, net</b>	<b>12,388</b>	<b>8,369</b>
Long-term accounts receivable	49	58
<b>Long-term accounts receivable, net</b>	<b>49</b>	<b>58</b>
Loans issued to third parties, at amortised cost	-	38
<b>Loans issued to third parties, at amortised cost, net</b>	<b>-</b>	<b>38</b>
Loans issued to employees, at amortised cost	56	69
Financial assets, at fair value through profit or loss	11	12
<b>Total other non-current assets</b>	<b>12,504</b>	<b>8,546</b>

The following information shows the movements of the Group’s receivables recognised as a result of Phosint Group disposal during the reporting period:

<i>RUB million</i>	2023	2022
<b>Balance at 1 January</b>	<b>8,454</b>	<b>-</b>
Foreign currency translation difference	3,377	(3,122)
Unwind of discount (note 9)	682	347
Receivable accrued	-	12,189
Discount on extension of payment terms (note 9)	-	(2,777)
<b>Balance at 30 September</b>	<b>12,513</b>	<b>6,637</b>

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**14 OTHER FINANCIAL ASSETS**

<i>RUB million</i>	<b>30 September 2023</b>	<b>31 December 2022</b>
Interest receivable	199	76
Loans issued to third parties, at amortised cost	96	51
Loans issued to employees, at amortised cost	75	101
Provision for doubtful accounts and expected credit losses allowance	(18)	(18)
<b>Total other financial assets</b>	<b>352</b>	<b>210</b>

The movements in provision for doubtful accounts and expected credit losses allowance are as follows:

<i>RUB million</i>	<b>2023</b>	<b>2022</b>
<b>Balance at 1 January</b>	<b>(18)</b>	<b>(113)</b>
Disposal of foreign subsidiaries	-	4,235
Use of allowance	-	6
Increase in provision for doubtful accounts and expected credit losses allowance	-	(4,135)
Effect of foreign currency translation reserve	-	(11)
<b>Balance at 30 September</b>	<b>(18)</b>	<b>(18)</b>

In February 2022, the Group provided cash of RUB 3,130 million (USD 40 million) to the investment broker at 0.25% and received securities as a collateral for the funds deposited (reverse repo transaction). As a result of negative economic situation, significant market disruptions to broker cross-border operations led to his liquidity problems and inability to repurchase securities back from the Group. As a result, the Group loan issued under this transaction was fully impaired and loss of RUB 4,124 million was recognised as a part of finance costs.

**15 INVENTORIES**

<i>RUB million</i>	<b>30 September 2023</b>	<b>31 December 2022</b>
Raw materials and spare parts	22,481	15,109
<i>Finished goods:</i>		
Chemical fertilisers	9,524	10,388
Apatite concentrate	795	801
Other products	1,024	1,379
<i>Work-in-progress:</i>		
Chemical fertilisers and other products	7,722	5,685
Chemical fertilisers and other products for resale, purchased from third parties	2,449	5,941
Other goods	145	148
Provision for inventory obsolescence	(56)	(102)
<b>Total inventories</b>	<b>44,084</b>	<b>39,349</b>



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**16 TRADE AND OTHER RECEIVABLES**

<i>RUB million</i>	<b>30 September 2023</b>	<b>31 December 2022</b>
<b>Financial assets</b>		
Trade accounts receivable	47,150	61,997
Other receivables	454	1,479
Provision for doubtful accounts and expected credit losses allowance	(646)	(482)
<b>Non-financial assets</b>		
Advances issued	7,798	8,634
Advances issued on custom duties	2,446	3,901
Deferred expenses	183	202
Receivables from employees	64	20
Provision for doubtful accounts and expected credit losses allowance	(9)	(10)
<b>Total trade and other receivables</b>	<b>57,440</b>	<b>75,741</b>

As of 30 September 2023, the Group performed revaluation of receivables under provisionally priced sales agreements measured at fair value through profit or loss and recognised adjustment in revenue.

The following information shows the movement of the Group's receivables under provisionally priced sales agreements:

<i>RUB million</i>	<b>2023</b>
<b>Balance at 1 January</b>	<b>2,711</b>
Receivables recognised	56,780
Receivables redeemed	(33,572)
Foreign exchange gain, net	5,523
Income from revaluation at fair value (unrealised)	3,641
<b>Balance at 30 September</b>	<b>35,083</b>

As at 30 September 2023, a 5% increase/(decrease) in forecasted market prices, with all other variables held constant, will lead to increase/(decrease) fair value of the Group's receivables under provisionally priced sales agreements by RUB 1,651 million.

The movements in provision for doubtful accounts and expected credit losses allowance are as follows:

<i>RUB million</i>	<b>2023</b>	<b>2022</b>
<b>Balance at 1 January</b>	<b>(492)</b>	<b>(355)</b>
Increase in provision for doubtful accounts and expected credit losses allowance	(177)	(5)
Reversal of allowance	14	4
Use of allowance	-	201
Disposal of subsidiaries	-	125
Effect of foreign currency translation reserve	-	(20)
<b>Balance at 30 September</b>	<b>(655)</b>	<b>(50)</b>

**17 CASH AND CASH EQUIVALENTS**

<i>RUB million</i>	<b>30 September 2023</b>	<b>31 December 2022</b>
Cash in bank	36,220	7,438
Call deposits	198	5,911
Petty cash	6	7
<b>Total cash and cash equivalents</b>	<b>36,424</b>	<b>13,356</b>

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**18 EARNINGS PER SHARE**

Basic earnings per share are calculated based on the weighted average number of ordinary shares outstanding during the reporting period. Basic and diluted earnings per share are the same, as there is no effect of dilution.

	Nine months ended 30 September		Three months ended 30 September	
	2023	2022	2023	2022
Weighted average number of ordinary shares in issue	129,500,000	129,500,000	129,500,000	129,500,000
Profit for the period attributable to shareholders of the Parent, RUB million	56,756	165,495	15,262	36,451
Basic and diluted earnings per share, RUB	438	1,278	118	282

**19 LOANS AND BORROWINGS**

This note provides information about the contractual terms of the Group’s loans and borrowings. For more information about the leases, see note 20.

<i>RUB million</i>	30 September 2023	31 December 2022
<b>Current loans and borrowings</b>		
Unsecured bank loans	76,265	44,648
Interest payable	1,883	1,157
Eurobonds	-	35,169
Bank commission (short-term)	(2)	-
<b>Total current loans and borrowings</b>	<b>78,146</b>	<b>80,974</b>
<b>Non-current loans and borrowings</b>		
Replacement bonds	72,125	-
Unsecured bank loans	38,135	39,666
Bonds CNY-denominated	26,717	-
Eurobonds	25,290	70,338
Bonds RUB-denominated	20,000	-
Bank commission (long-term)	(397)	(220)
<b>Total non-current loans and borrowings</b>	<b>181,870</b>	<b>109,784</b>
<b>Total loans and borrowings</b>	<b>260,016</b>	<b>190,758</b>

Information on the Group's bond loans is presented below:

<i>RUB million</i>	30 September 2023				31 December 2022	
Currency	Expiry date	Rate, %	Carrying value	Fair value	Carrying value	Fair value
<b>Eurobonds</b>						
USD	24.04.2023	3.95%	-	-	35,169	27,256
USD	23.01.2025	3.05%	13,938	11,827	35,169	18,552
USD	16.09.2028	2.60%	11,352	7,787	35,169	24,407
<b>Replacement bonds</b>						
USD	23.01.2025	3.05%	34,769	33,667	-	-
USD	16.09.2028	2.60%	37,356	30,813	-	-
<b>CNY-denominated bonds</b>						
CNY	09.04.2026	4.75%	26,717	27,559	-	-
<b>RUB-denominated bonds</b>						
RUB	17.04.2026	9.40%	20,000	19,235	-	-
<b>Total bonds</b>			<b>144,132</b>	<b>130,888</b>	<b>105,507</b>	<b>70,215</b>

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**19 LOANS AND BORROWINGS (CONTINUED)**

In April 2023, the Company repaid Eurobonds with a nominal value of USD 500 million issued in January 2018 with a coupon rate of 3.949%. The source of funds for making payments also included funds raised as part of the placement of exchange-traded bonds in April 2023.

In April 2023, the Company issued two series of 3-year bonds on the Moscow Stock Exchange:

- CNY 2,000 million, with a coupon period of 91 days and coupon income China Loan prime rate (LPR 1Y) + 1.2%;
- RUB 20,000 million, with a coupon period of 182 days and coupon income 9.4%.

In accordance with the Russian President Decree from 05.07.2022 № 430 *On repatriation of foreign currency and Russian Federation currency by the residents as a foreign economic activity participants*, in July 2023 the Company issued replacement bonds of Z025-D series for USD 356.9 million and Z028-D series for USD 383.5 million in exchange for Eurobonds with maturity in 2025 and 2028 respectively. Replacement bonds have the same terms as Eurobonds including rate, coupon payment terms, par value and maturity date. Bonds repayment during issue was made by the Eurobonds, rights on which are registered by Russian depositaries. Repayment of Z025-D and Z028-D series bonds and appropriate coupon will be made in Russian roubles applying Bank of Russia exchange rate at the repayment date.

The breakdown of the loans and borrowings denominated in different currencies is as follows:

<i>RUB million</i>	30 September 2023	31 December 2022
USD-denominated	129,462	135,825
RUB-denominated	77,534	42,805
CNY-denominated	46,459	-
EUR-denominated	6,561	12,128
<b>Total</b>	<b>260,016</b>	<b>190,758</b>

The maturity of the loans and borrowings is as follows:

<i>RUB million</i>	30 September 2023	31 December 2022
Less than 1 year	78,148	80,974
1-2 years	63,775	23,218
2-3 years	64,356	38,824
3-4 years	5,050	10,688
4-5 years	49,086	2,105
More than 5 years	-	35,169
Bank commission	(399)	(220)
<b>Total</b>	<b>260,016</b>	<b>190,758</b>

Reconciliation of loans and borrowings balances:

<i>RUB million</i>	Nine months ended 30 September	
	2023	2022
<b>Balance as at 1 January</b>	<b>190,758</b>	<b>169,791</b>
Cash inflows	120,953	31,082
Cash outflows	(104,724)	(22,293)
Foreign exchange differences	52,560	(40,344)
Interest expense	5,289	3,112
Amortisation of bank commission	87	59
Interest payments	(4,907)	(3,315)
<b>Balance as at 30 September</b>	<b>260,016</b>	<b>138,092</b>

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**20 LEASE LIABILITIES**

<i>RUB million</i>	Lease liability without subsequent asset buyout	Lease liability with subsequent asset buyout	Total
<b>Balance as at 1 January 2022</b>	<b>3,148</b>	<b>2,489</b>	<b>5,637</b>
New lease contracts or modification of existing lease contracts	(1,429)	64	(1,365)
Principal lease payments	(625)	(494)	(1,119)
Interest expense on lease liabilities	91	106	197
Interest lease payments	(91)	(106)	(197)
Disposal of foreign subsidiaries	(290)	-	(290)
Effect of foreign currency translation reserve	33	(144)	(111)
<b>Balance as at 30 September 2022</b>	<b>837</b>	<b>1,915</b>	<b>2,752</b>
<b>Balance as at 1 January 2023</b>	<b>731</b>	<b>2,205</b>	<b>2,936</b>
New lease contracts or modification of existing lease contracts	202	1,974	2,176
Principal lease payments	(283)	(749)	(1,032)
Interest expense on lease liabilities	45	137	182
Interest lease payments	(45)	(137)	(182)
Foreign exchange differences	-	181	181
<b>Balance as at 30 September 2023</b>	<b>650</b>	<b>3,611</b>	<b>4,261</b>

**21 TRADE AND OTHER PAYABLES**

<i>RUB million</i>	30 September 2023	31 December 2022
Trade accounts payable including accounts payable for property, plant and equipment and intangible assets	18,852	15,700
Advances received (contract liabilities)	6,226	4,294
Payables to employees	6,051	4,620
Accruals and provisions	314	241
Other payables	514	1,593
<b>Total trade and other payables</b>	<b>32,429</b>	<b>39,412</b>

**22 COMMITMENTS**

As at 30 September 2023, the Group had contractual commitments for the purchase of property, plant and equipment for RUB 59,548 million (31 December 2022: RUB 35,181 million), including VAT where applicable.

**23 RELATED PARTY TRANSACTIONS**

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Other related parties include entities controlled by the Company’s key shareholders.

The balances and transactions with related parties are usually unsecured and denominated in RUB.

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**23 RELATED PARTY TRANSACTIONS (CONTINUED)****a) Transactions with related parties**

<i>RUB million</i>	Nature of relationship	Nine months ended 30 September	
		2023	2022
Sales of goods and services	Associates	19	20
Purchases of goods and services	Associates	(641)	(555)
Sales of goods and services	Other related parties	1,060	1,037
Other income/(expenses), net	Other related parties	(90)	(55)
Purchases of goods and services	Other related parties	(58)	(171)

During nine months ended 30 September 2023, the Company declared dividends, including RUB 60,660 million to the shareholders holding more than 20% of the Company’s shares (nine months ended 30 September 2022: RUB 64,905 million).

**b) Balances with related parties**

<i>RUB million</i>	Nature of relationship	30 September	31 December
		2023	2022
Trade and other receivables	Associates	51	42
Trade and other payables	Associates	(23)	(39)
Trade and other receivables	Other related parties	128	8
Trade and other payables	Other related parties	(20)	(451)

**c) Key management personnel remuneration**

Remuneration of key management personnel consists of monthly compensation, annual performance bonus contingent on operating results, termination payments and obligatory insurance contributions. The remuneration of the Board of Directors and key management personnel recognised as part of administrative and selling overhead expenses amounted to RUB 2,507 million (nine months ended 30 September 2022: RUB 16,386 million).

**24 FOREIGN CURRENCY RISK**

The Group has the following net monetary position on financial assets and liabilities denominated in foreign currencies:

<i>RUB million</i>	30 September 2023			31 December 2022	
	USD- denominated	EUR- denominated	CNY- denominated	USD- denominated	EUR- denominated
Current assets	73,374	1,357	-	72,727	1,242
Non-current liabilities	(120,445)	(2,649)	(36,751)	(92,131)	(9,293)
Current liabilities	(12,137)	(4,796)	(9,773)	(46,001)	(3,333)
<b>Total net position</b>	<b>(59,208)</b>	<b>(6,088)</b>	<b>(46,524)</b>	<b>(65,405)</b>	<b>(11,384)</b>

The foreign exchange loss recognised in profit or loss of RUB 26,121 million (gain in amount of RUB 15,302 million for the comparative period) resulted from Russian rouble depreciation against major currencies during the reporting period (the appreciation of the Russian rouble relative to major currencies during the comparative period).

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**25 SIGNIFICANT SUBSIDIARIES**

Subsidiary	Country of incorporation	Effective ownership interest (rounded)	
		30 September 2023	31 December 2022
Apatit, JSC (including Balakovo, Volkhov and Kirovsk branches)	Russia	100%	100%
Mekhanik, LLC	Russia	100%	100%
NIUIF, JSC	Russia	94%	94%
PhosAgro-Region, LLC	Russia	100%	100%
PhosAgro-Belgorod, LLC	Russia	100%	100%
PhosAgro-Don, LLC	Russia	100%	100%
PhosAgro-Kuban, LLC	Russia	100%	100%
PhosAgro-Kursk, LLC	Russia	100%	100%
PhosAgro-Lipetsk, LLC	Russia	100%	100%
PhosAgro-Oryol, LLC	Russia	100%	100%
PhosAgro-Stavropol, LLC	Russia	100%	100%
PhosAgro-Volga, LLC	Russia	100%	100%
PhosAgro-SeveroZapad, LLC	Russia	100%	100%
PhosAgro-Tambov, LLC	Russia	100%	100%
PhosAgro-Sibir, LLC	Russia	100%	100%

**26 SUBSEQUENT EVENTS**

Starting from 1 October 2023, the Russian government decree № 1538 dated 21 September 2023 was put into force. Following the decree, export custom duties rates were changed for certain mineral fertilisers, depending on the exchange rate of USD to RUB, determined by the Central Bank of the Russian Federation. Starting from 1 October 2023 to 31 December 2024, the following duty rates apply:

- for nitrogen-based fertilisers – 7% from the customs value but not less than RUB 1,100 per 1 ton if average monthly exchange rate during monitoring period reaches below 80 roubles per US dollar, or 10% from the customs value but not less than RUB 1,100 per 1 ton if average monthly exchange rate reaches more than 80 roubles per US dollar;
- for phosphate-based fertilisers – 7% from the customs value but not less than RUB 2,100 per 1 ton if average monthly exchange rate during monitoring period reaches below 80 roubles per US dollar or 10% from the customs value but not less than RUB 2,100 per 1 ton if average monthly exchange rate reaches more than 80 roubles per US dollar.

In November 2023, the Company's Board of Directors proposed dividends payment in the amount of RUB 291 per ordinary share.