Almaz Group
fertilizers

# Corporate Profile

Mineral Fertilizers Organic Fertilizers
Agrochemicals

2025

# ALMAZ GROUP FERTILIZERS


**717**

**MILLION USD**

Value of sales contracts signed in 2024

**2**

**MILLION METRIC TONS**

Volume of products traded in 2024

**53**

**MILLION USD**

Value of investment commenced in 2024

**1**

**BILLION USD**

Liquid Assets (Cash on hand)

# MESSAGE FROM THE BOARD OF DIRECTORS

**"The Board of Directors of Almaz Group Fertilizers is making, and will continue to make, every effort to protect the interests of its shareholders. Our goal is not only to preserve, but also to expand our presence in our traditional markets."**

Dear Shareholders & Partners!

The past year tested the stability and sustainability of fertilizer companies globally, including Almaz Group Fertilizers.

2024 marked a historical milestone for the world's fertilizers and agrochemical industry with the continued growth of transnational agricultural initiatives aimed at producing more food for the world's rapidly growing population. Globally, some stability was observed for leading fertilizer producers, industry investors, and major traders. I would like to highlight that Almaz Group Fertilizers performed relatively well in this challenging year and also demonstrated a steady growth in the key operating and financial parameters against the backdrop of price volatility and the huge demand for fertilizers and agrochemicals in various economies around the globe.

With best practice, I can assure you that we continue to successfully meet the challenge.

The Board of Directors of Almaz Group Fertilizers is making, and will continue to make, every effort to protect the interests of its shareholders. Our goal is not only to preserve, but also to expand our presence in our traditional markets. We signed a series of supply contracts with our Asian, European and African partners in 2024. These agreements confirm our status as a leading manufacturer and supplier of mineral fertilizers, organic fertilizers, and agrochemicals in the fast-growing Asia-Pacific markets; as well, we are expanding our network of trading partners in Europe, Middle East and Africa.

Our achievements are important because they not only demonstrate the performance of the Company's main asset — which is our people — but also re-confirm the Company's commitment to its strategic goals.

In 2024, the company signed sales contracts in aggregate value exceeding 717 Million US Dollars, with more than 2 million metric tons of products traded during the period across a wide range of products. Operating profit before tax stood at approximately 180 Million US Dollars. Liquid assets (Cash on hand) in 2024 operational year stood at an aggregate of 1 Billion US Dollars.

Furthermore, as a company with a mandate to handle major investment programs, we are ensuring that we meet our long-term products supply contract obligations to our partners, investing in strategic assets as approved by our parent company, as well as maintaining Almaz Group Fertilizers' leading position in the market. We are also generating solid cash flows supporting the Company's stability and achieving positive social and economic effect in the regions of operation. Therefore, we will continue to intensify our investment in the fertilizer and agrochemicals value chain. We have plans to increase financing of various projects by more than one fifth in 2025 and 2026.

As a strategically-placed company, Almaz Group Fertilizers adheres to the highest corporate management standards and follows the principles and recommendations of the Code of Corporate Governance to provide the long-term and sustainable development of the Company and protect the interests of its shareholders and investors.

Current global turbulence in markets provides opportunities for growth, and Almaz Group Fertilizers is well-positioned to efficiently stay focused!

**Signed,**

**Chairman of the Board of Directors,**
**Almaz Group Fertilizers.**

# MACROECONOMIC SITUATION IN 2024

The Company's operations in 2024 were significantly impacted by the following key macroeconomic factors:

- continued impact of post COVID-19 global recovery efforts;
- global and national economy growth rates;
- FX rates and inflation rates in several countries;
- global fertilizer prices.

## GLOBAL AND NATIONAL ECONOMY GROWTH RATES

The global economy growth rates stood at 3.2% in 2024, despite some slowdown in the economic dynamics of developing countries.

Such slowdown was due to the reduced scope of commodity products export, slowed down growth rate or reduced amount of investments and consumption rates.

The growth rates of developed economies (OECD) being key consumers of resources in the global market (USA, Japan, and Eurozone countries) in 2024 rebounded to 3.7%.

The economic situation in CIS countries in 2024 was affected by worsening external trade conditions mostly triggered by fluctuating prices and continued economic sanctions imposed on some countries by the EU and the United States. However, GDP of the CIS countries in 2024 increased by 2.7 % YOY compared to 2023.

According to the forecast of the International Monetary Fund (IMF) as of December 2024, future global GDP growth rates will be moderate and will reach 3.3 % in 2025 and 2026.

According to the World Bank forecast, 2025 GDP of CIS countries will improve by 2.7 % YOY; in 2026 the economy is forecasted to grow by 2.8 % YOY.

## FERTILIZER PRICES, FX RATE AND INFLATION RATES

2024 was characterized by the growing imbalance in the global fertilizer market with demand significantly exceeding supply which was a key factor for a rise in the global fertilizer prices in 2024 by more than 3 %.

In the context of higher global prices, CIS countries, as well as many other countries exporting fertilizers and agrochemicals, experienced very slight devaluation of their national currencies.

Inflation in CIS countries remained relatively high: the consumer price index and producer price index in December 2024 was at 10.6 % and at 9.72 % year-on-year, respectively.

The transportation expenses of fertilizer companies in CIS countries increased significantly in 2024. The indexation of tariff rates for main logistics companies was at 7.8 % YOY.

Government-regulated tariff indexation, duties, and charges for cargo transportation and infrastructure services during shipments by Railways in 2024 amounted to 11.2 % YOY.

# GLOBAL FERTILIZERS AND AGROCHEMICALS INDUSTRY OVERVIEW


Global agricultural lands are essential for supporting the world's growing population, and fertilizers and agrochemicals play a critical role in enhancing crop productivity and ensuring food security.

Globally, there is an ever increasing demand for major crops such as cereals, grains, vegetables, fruits, and oilseeds, which are heavily dependent on fertilizers to boost yields and maintain soil health.

Cereals and grains consume the majority of fertilizers, with nitrogen-based products such as Urea and Ammonium Nitrate being very important for promoting growth. To enhance root development and crop resilience, Phosphorus and Potassium-based fertilizers like DAP, MAP, MOP are widely applied.

Vegetables and fruits require high nutrient inputs, thereby relying heavily on potassium-rich and balanced NPK fertilizers to improve size and quality.

The increasing demand for plant-based proteins has led to the expansion of oilseeds and pulses, which further drives up the demand for fertilizers and agrochemicals.

## Analysis of the Global Fertilizer Market by Countries and Regions

According to recent analysis by Mordor Intelligence service, the volume of the global fertilizer market is estimated at 381.7 Billion US Dollars in 2024. It is projected to reach 541.2 Billion US Dollars by 2030, with an average annual growth rate of 5.99% in 2024-2030.

### Analysis of major fertilizer-producing countries:

| | China | India | USA | Russia |
|---|---|---|---|---|
| Market size in 2024 (USD) | 55.79 Billion | 43.32 Billion | 28.69 Billion | 11.16 Billion |
| Market size in 2030 (USD), projected | 79.08 Billion | 62.83 Billion | 38.08 Billion | 16.41 Billion |
| Compounded Annual Growth Rate (2017 - 2023) | 5.74% | 8.01% | 5.04% | 7.63% |
| Compounded Annual Growth Rate (2024 - 2030) | 5.99% | 6.39% | 4.83% | 6.64% |

## Analysis of fastest growing fertilizer segments:

| | China | India | USA | Russia |
|---|---|---|---|---|
| Largest segment by product | 54.49% Urea | 58.87% Urea | 25.89% Urea | 50.08% Ammonium Nitrate |
| Largest segment by crop type | 67.72% Field crops | 89.07% Field crops | 87.18% Field crops | 95% Field crops |
| Fast-growing specialty type | 7.05% CRF | 7.33% CRF | 8.09% CRF | 7.23% Water Soluble |
| Largest segment by application mode | 74.97% Soil | 97.38% Soil | 78.25% Soil | 91.9% Soil |

Key indicators:

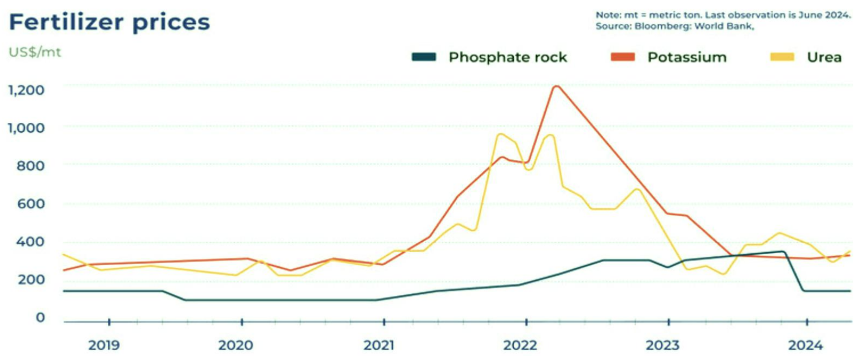
- Russia is the fastest growing fertilizer-producing country
- The Asia-Pacific region holds the largest share in fertilizer production at 44.8%, followed by Europe and South America.
- China is the largest producer and exporter of fertilizers in the region and the world, providing 25% of global fertilizer production. The Chinese fertilizer market in 202 is estimated at $55.79 billion.
- North America accounts for 17.8% of the global fertilizer market. The USA and Canada account for more than 90% of the fertilizers market volume. Although North America has phosphate and potassium resources, the region is a net importer of more than half of its nitrogen fertilizers and more than 85% of its potassium from international sources.
- Europe's share of the global market is 15.1%. France is one of the largest fertilizer-consuming countries in Europe.
- South America accounts for 11.2%. Field crops dominate the South American fertilizer market with a 95% share.

## Global price index:

The global fertilizer price index remained relatively stable in 2024, though the index was 24% lower than 2023 levels, mainly due to a significant decrease in the prices for phosphate rock (-56%) and potassium (-17%). This general weakness is attributed to improved production prospects, mainly due to lower input costs.

Compared to 2023, prices are expected to be lower on average in 2024 and 2025 but remain well above 2015 - 2019 levels due to sustained demand, some export restrictions (especially from China), and sanctions (mainly Belarus).

The risks of raising the forecast include a potential increase in input costs, especially for natural gas. However, the resumption of Chinese exports and lower-than-expected crop prices may contribute to a further decline in fertilizer prices.




## World Trade Diversions:

Despite export restrictions and sanctions, trade diversions have significantly mitigated their impact. While exports of phosphate from China and ammonia from Russia affected global trade flows, Europe replaced imports from China and Russia with imports from other exporters, including Egypt (ammonia), Morocco (phosphate), Saudi Arabia, and the United States.

As for potash, despite the sanctions imposed against Belarus and Russia, which together account for almost half of the world's potassium production, exports from both countries turned out to be stronger than expected due to the diversion of trade. Belarus has increased exports to China, and Russia has expanded railway capacity to facilitate supplies to Belarus. Meanwhile, exports from Canada have been redirected to Europe.

### Fertilizer Affordability:

In 2024, the availability of fertilizers returned to the average value similar to 2019. The relative decrease in fertilizer prices over the past few quarters has led the fertilizer availability index (the ratio of fertilizer prices to food prices) falling to the level of 2015 – 2019.


### Fertilizer Supply Forecast:

The IFA (International Fertilizer Association) forecasts that global ammonia production capacity will grow by 8% from 192 to 207 million tons between 2023 and 2028. Capacity increases are expected in all regions: by 4% in China and India, and by 14% in West Asia, Africa, and Europe. The United States will also significantly increase its ammonia production by 11% in the next five years due to tax incentives introduced under the IRA in 2022.

The world's production of phosphoric acid will increase by 10% from 2023 to 2028. The capacity increase will mainly come from existing producers in Morocco and Saudi Arabia, while small additional capacities are also expected in India, Brazil, and Egypt.

In 2028, potash production capacity will increase by 19% to 76 million tons compared to 2023. By 2026, Laos and Russia will make the main contribution to this growth. A second wave of new capacity is expected in 2027. Investments in new mines will lead to the start of production in Canada, Russia, and Belarus.

### Consumption Forecast:

According to the IFA report, fertilizer consumption is expected to continue growing, but its rate will decrease from 2.2% in 2025 to 1.5% in 2028. This is consistent with expectations of improved nutrient efficiency and slower growth in food production.

The consumption of phosphorus and potassium will grow faster than the consumption of nitrogen. Between 2024 and 2028, potash consumption is projected to increase by 10%, compared with 8% for phosphorus and 6% for nitrogen.

Latin America and South Asia will be the main engines of global growth, adding 3 to 4 million tons of nutrients each between 2024 and 2028.

It is expected that consumption in the EECA region will grow by 1.7 million tons (+15%) due to the recovery of the agricultural sector in Ukraine.

Consumption in East Asia is expected to increase by 2% over 4 years, but this means an additional 1.5 million tons of nutrients due to the large market size.

Growth will be insignificant in mature markets such as North America and Eastern Europe. Consumption will increase by 0.8 and 0.9 million tons respectively.

Africa is projected to grow the fastest, increasing by 25% (2 million tons) in the next five years.

As the fertilizer consumption grows, Almaz Group Fertilizers is set to continue investing  in new productions facilities to enhance overall supply capabilities.

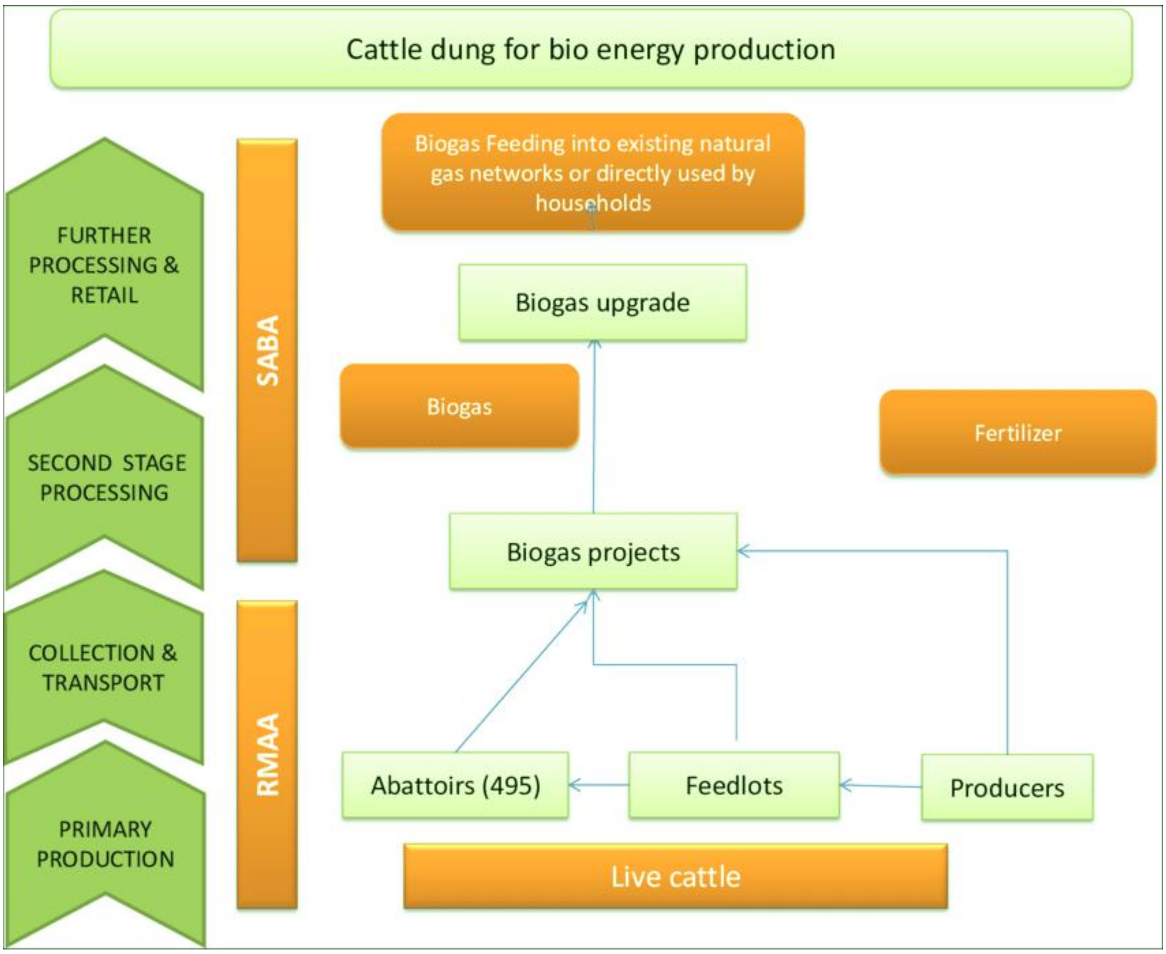
## Biofertilizers:

The growing attention to organic agriculture is contributing to the growth of the biofertilizer market. Organic agriculture promotes sustainable farming practices that focus on soil health, biodiversity, and environmental conservation. Biofertilizers, as well as synthetic chemicals, effectively increase soil fertility and nutrient availability.

The 'Biofertilizers Global Market Report' by the Business Research company says the biofertilizer market was estimated at 2.31 Billion US Dollars in 2023 and is expected to show an average annual growth rate of more than 8.5% between 2024 and 2032. This trend can be explained by strong economic growth in emerging markets and increasing demand for organic food and natural agricultural products.

Government support through subsidies and policies further stimulates the market by encouraging farmers to use environmentally friendly resources.

Since 2023, Almaz Group Fertilizers has been investing substantially in biofertilizer production capacities, with two major production plants set to commence operations in 2026.



# ALMAZ GROUP FERTILIZERS


## BUSINESS MODEL

The Almaz Group Fertilizers business model ensures shareholder wealth growth, using the company's competitive advantages.

**Competitive advantages and investment appeal:**

1. First-class resource base in the CIS countries (especially Kazakhstan and Russia);
2. Integrated production and trading business model;
3. Diversified sales channels and growing share of long-term contracts;
4. International business expansion opportunities;
5. Strategic development of transport/logistics service and infrastructure;
6. Costs control and high business efficiency.

## INVESTMENT PROCESS

The main focus during the investment process is the efficient use of capital aimed at improving performance of individual investment projects and initiatives and business growth driven by the formation of the best portfolio, optimal balance between the Company's profitability and unlocking its long-term potential by financing the investment programs of its businesses. In 2024, the Company continued to improve its investment process based on the best investment management practices both by developing regulations and methodology framework and improving the investment discipline.

We carefully review investment program implementation and performance efficiency both for the Company in general and its key business segments and projects in particular

In the 2025 - 2030 period, the company looks to make investments in potentially high-yield strategic assets, such as investment in new fertilizer production plants, and biofertilizer production plants, acquisition of additional logistics assets both in the transportation and storage sectors, etc.

## AUTHORIZED EXPORTERS

Almaz Group Fertilizers supplies its products to international customers through a network of authorized exporters. One of such authorized exporters is Beriumchem LLC, which operates international offices in Lithuania and Canada.


# CONTACT INFORMATION

## Almaz Group Fertilizers

Industrial zone 6, Aktau, 130000,
Mangistau region, Republic of Kazakhstan.
Tel: +77079642161
Email: sales@almazfertilizers.com
Website: www.almazfertilizers.com

## Authorized Exporter

**Beriumchem LLC**

**Ukraine office:** 3-15 Bolsunovska Str. 01014, Kyiv, Ukraine.
**Lithuania office:** Giruliu G 5 Vilniaus M Sav Lt12124
**Canada office:** 2325 Hurontario Street, Unit 106, Mississauga On L5a 4k4, Canada.

Email: order@beriumchem.com
Website: www.beriumchem.com