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Group Azoty Puławy temporarily scales down production in response to record gas prices

Due to record prices for gas, the main production feedstock of Grupa Azoty Puławy, the Puławy-based company of the Grupa Azoty Group has decided to temporarily scale down production at further units. As a consequence of Russia's aggression against Ukraine, since February 24th 2022 natural gas prices on the European exchanges have been soaring to extraordinary, historically high levels. Gas prices over the past six months have nearly quadrupled, having surged from EUR 72/MWh on February 22nd 2022 to EUR 276/MWh on August 22nd 2022.

Grupa Azoty Puławy will reduce ammonia output to about 10% of its production capacity. Production in the Plastics and Agro Segments will be halted, with the exception of production of ammonium sulfate from the FGD Plant, NOXy®, Likam and PULNOX®.

Although there are no problems with the availability of gas, the current situation in the gas market, which determines the profitability of production activities, is extraordinary and completely beyond the control of the Grupa Azoty Group, and could not have been predicted.

During the announced temporary shutdown of production units, investment and repair work will be carried out.