

K+S Q1/2023 FACTS & FIGURES

HIGHLIGHTS

- + K+S Group revenues reach €1,192 million in the first quarter (Q1/2022: €1,212 million)
- + EBITDA amounts to €454 million (Q1/2022: €524 million); including negative valuation effects from mining provisions
- + Adjusted Group earnings after tax is at €232 million after €313 million in Q1/2022
- + Adjusted free cash flow reaches €+113million (Q1/2022: €+103 million); including the one-off inflation compensation premium paid in March as well as energy prepayments which jointly impacted the adjusted free cash flow in mid the double-digit million euros range
- + Net asset position of €347.0 million after a net financial liabilities/EBITDA of 0.4 times (LTM) from the previous year's figure
- + Trade receivables outstanding still at €1.1 billion, as at year-end 2022, and, therefore, at a high level at reporting date

KEY FIGURES FROM CONTINUING OPERATIONS

		Q1/2022	Q1/2023	%	Consensus Q1 VARA (mean)
K+S Group					
Revenues	€ million	1,212.3	1,192.0	-1.7	1,200.5
EBITDA ¹	€ million	524.1	453.8	-13.4	421.7
EBITDA margin	%	43.2	38.1	-11.8	
Depreciation and amortization ²	€ million	101.4	107.9	+6.5	
Agriculture customer segment³					
Revenues	€ million	944.1	861.4	-8.8	914.8
Sales volumes	t million	1.79	1.73	-3.4	1.71
Industry+ customer segment³					
Revenues	€ million	268.2	330.6	+23.3	292.8
Sales volumes	t million	1.83	1.79	-2.2	1.83
– thereof de-icing salt	t million	0.61	0.59	-3.3	0.67
Capital expenditure (CapEx) ⁴	€ million	49.2	77.5	+57.5	102.8
Equity ratio	%	62.1	71.2	+14.7	
Return on Capital Employed (LTM) ⁵	%	42.0	23.9	-	
Net financial liabilities as of March 31	€ million	-520.4	347.0	-	-
Net financial liabilities/EBITDA (LTM) ⁵	x-times	0.4	-	-	
Market capitalization as of March 31	€ billion	5.25	3.75	-28.6	
Enterprise value (EV) as of March 31	€ billion	6.90	4.57	-33.8	
Book value per share as of March 31	€	29.69	36.11	+21.6	
Average number of shares	million	191.4	191.4	-	191.4
Employees on March 31 ⁶	number	10,772	11,198	+4.0	

KEY FIGURES FOR CONTINUING AND DISCONTINUED OPERATIONS

Group earnings after tax, adjusted⁷	€ million	312.7	232.4	-25.7	224.0
Earnings per share, adjusted⁷	€	1.63	1.21	-25.8	1.19
Net cash flow from operating activities	€ million	252.8	217.3	-14.0	
– thereof continuing operations	€ million	253.7	220.5	-13.1	
– thereof discontinued operations	€ million	-0.9	-3.2	>-100	
Adjusted free cash flow for continuing operations	€ million	103.0	113.2	+9.9	188.0

¹ EBITDA is defined as earnings before interest, taxes, depreciation, and amortization, adjusted for depreciation and amortization of own work capitalized recognized directly in equity, gains/losses from fair value changes arising from operating anticipatory hedges still outstanding, and changes in the fair value of operating anticipatory hedges recognized in prior periods.

² Relates to scheduled amortization of intangible assets and depreciation of property, plant, and equipment, adjusted for depreciation and amortization of own work capitalized recognized directly in equity.

³ No segments in accordance with IFRS 8.

⁴ Relates to cash payments for investments in property, plant, and equipment and intangible assets, excluding leases in accordance with IFRS 16.

⁵ LTM = last twelve months

⁶ FTE = full-time equivalents; part-time positions are weighted according to their share of working hours.

⁷ The adjusted key figures include the gains/losses from operating anticipatory hedges for the respective reporting period; effects from fluctuations in the fair value of hedges are eliminated. The effects on deferred and cash taxes are also adjusted; tax rate Q1/2023: 30.2% (Q1/2022: 30.2%).

CUSTOMER SEGMENT INFORMATION

CUSTOMER SEGMENT AGRICULTURE

- + Moderate decrease of revenues to €861 million (Q1/2022: €944 million)
- + Average price moderately decreased to 499€/t (Q1/2022: 527€/t)
- + Sales volumes decreased to 1.73 mt (Q1/2022: 1.79 mt); declines in sales due to delayed deliveries in view of still strained logistics and a continued wait-and-see attitude on the side of the customers

CUSTOMER SEGMENT INDUSTRY+

- + Revenues increased significantly to €331 million (Q1/2022: €268 million); higher average prices for products containing potassium chloride, but also for salt products
- + Sales volumes stable at 1.79 million tonnes (Q1/2022: 1.83 mt); higher volumes in pharmaceutical, chemical and consumer products

AGRICULTURE CUSTOMER SEGMENT: DEVELOPMENT OF REVENUES, SALES VOLUMES, AND AVERAGE PRICES BY REGION

		Q1/2022	Q2/2022	Q3/2022	Q4/2022	2022	Q1/2023	Cons. Q1 VARA (mean)
Revenues	€ million	944.1	1,244.2	1,162.8	1,114.6	4,465.6	861.4	914.8
Europe	€ million	349.9	543.0	372.0	406.8	1,671.6	340.1	
Overseas	USD million	666.5	746.5	796.3	722.3	2,931.6	559.3	
Sales volumes	million tonnes eff.	1.79	1.87	1.56	1.89	7.11	1.73	1.71
Europe	million tonnes eff.	0.76	0.84	0.55	0.66	2.81	0.62	
Overseas	million tonnes eff.	1.03	1.03	1.01	1.23	4.30	1.11	
Average price	€/tonne eff.	527.0	663.9	744.5	592.2	628.1	498.9	517.5
Europe	€/tonne eff.	462.1	648.4	675.9	617.7	594.1	548.3	
Overseas	USD/tonne eff.	644.3	727.7	787.6	585.6	682.4	505.6	

2023 OUTLOOK

- + **EBITDA** forecast from continuing operations: €1.15 to €1.35 billion; includes negative valuation effects from mining provisions in mid double-digit million euro range
- + **Adjusted free cash flow** expected to range between **€650 to €850 million**
- + Forecast assumes MOP overseas market prices to moderately recover in H2/23 from current level

CHANGES IN THE FORECASTS FOR THE FULL YEAR 2023

K+S Group		2022 ACTUAL	2023 Forecast in 2022 Annual Report	2023 Forecast Q1/2023	Consensus Q1 VARA (mean)
EBITDA ¹	€ billion	2.4	1.3 to 1.5	1.15 to 1.35 ²	1.32
Capital expenditures ³	€ million	403.8	mid triple-digit amount	mid triple-digit amount	549
Group earnings after tax, adjusted ⁴	€ million	1,494.0	higher triple-digit amount	mid triple-digit amount	617
Adjusted free cash flow	€ million	932.0	700 to 900	650 to 850	790
ROCE	%	25.4	low double-digit amount	high single-digit to low double-digit amount	
EUR/USD exchange rate for remaining months	EUR/USD	1.05	1.08	1.08	1.08
Sales volumes in Agriculture customer segment	million tonnes eff.	7.1	7.3 to 7.5	7.2 to 7.4	7.36
Average price in Agriculture customer segment for the full financial year 2023	€/tonne eff.	628.1	decrease by more than 20% vs. FY 2022	tangibly below Q1/2022 (499)	468
Sales volumes de-icing salt	million tonnes eff.	2.1	a good 2.0	about 2.0	2.08

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² Includes negative valuation effects from mining provisions in the mid double-digit million euro range.

³ Relates to cash-effective investments in property, plant and equipment and intangible assets excluding lease additions in accordance with IFRS 16.

⁴ The adjusted key figures include the gains/losses from operating forecast hedges for the respective reporting period; effects from fluctuations in the fair value of hedges are eliminated. The effects on deferred and cash taxes are also adjusted; tax rate 2022: 30.2%.

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