

K+S Q3/2023 FACTS & FIGURES

Highlights

- + K+S Group revenues reach €880.8 million in Q3/2023 (Q3/2022: €1,469.9 million); 9M: €2,898.6 million (9M/2022: €4,192.2 million)
- + EBITDA amounts to €72.2 million after record year 2022 (Q3/2022: €633.3 million); 9M: €550.2 million (9M/2022: €1,863.8 million)
- + Adjusted Group earnings after tax is at €-24 million (Q3/2022: €379 million); 9M: €153 million (9M/2022: €1,128 million)
- + Significantly increased demand in the third quarter leads to price recovery in the important overseas market of Brazil
- + Sales volumes in the Agriculture customer segment rose to 1.87 million tonnes (Q3/2022: 1.56 million tonnes)
- + Adjusted free cash flow reaches €+328 million (9M/2022: €+814 million)

K+S sets guiding principles for attractive shareholder participation

- + **New distribution policy adopted:** Payout of 30% to 50% of the annually generated adjusted free cash flow by dividend which can be combined with a share buyback, if applicable
- + **2023 share buyback program:** 56% of the planned €200 million had already been bought back by September 30

KEY FIGURES FOR CONTINUING OPERATIONS

		Q3/2022	Q3/2023	%	Cons. Q3 VARA (median)	9M/2022	9M/2023	%
K+S Group								
Revenues	€ million	1,469.9	880.8	-40.1	867.0	4,192.2	2,898.6	-30.9
EBITDA ¹	€ million	633.3	72.2	-88.6	52.7	1,863.8	550.2	-70.5
EBITDA margin	%	43.1	8.2	-81.0		44.5	19.0	-57.3
Depreciation and amortization ²	€ million	110.9	115.3	+4.0		326.9	325.6	-0.4
Agriculture customer segment³								
Revenues	€ million	1,162.8	620.7	-46.6	582.5	3,351.0	2,039.0	-39.2
Sales volumes	t million	1.56	1.87	+20.1	1.74	5.23	5.27	+0.8
Industry+ customer segment³								
Revenues	€ million	307.1	260.1	-15.3	291.7	841.2	859.6	+2.2
Sales volumes	t million	1.68	1.55	-7.8	1.65	4.96	4.73	-4.7
- thereof de-icing salt	t million	0.48	0.44	-9.0	0.47	1.40	1.34	-4.0
Capital expenditures (CapEx) ⁴	€ million	115.3	148.6	+28.9	150.1	240.4	347.2	+44.4
Equity ratio	%	-	-	-		64.6	70.9	+9.8
Return on Capital Employed (LTM) ⁵	%	-	-	-		30.2	8.3	-
Net financial liabilities (-) / net asset position (+) as of September 30	€ million	-	-	-		152.3	241.0	+58.2
Net financial liabilities/EBITDA (LTM) ⁵	x-times	-	-	-		-	-	-
Market capitalization as of September 30	€ billion	-	-	-		3.71	3.17	-14.6
Enterprise value (EV) as of September 30	€ billion	-	-	-		4.63	4.06	-12.2
Book value per share as of September 30	€	-	-	-		33.87	35.97	+6.2
Total number of shares as of September 30	million	-	-	-		191.4	191.4	-
Shares outstanding as of September 30 ⁶	million	-	-	-		191.4	184.5	-3.6
Average number of shares ⁷	million	191.4	186.7	-2.5		191.4	189.6	-1.0
Employees as of September 30 ⁸	number	-	-	-		11,045	11,393	+3.2

KEY FIGURES FOR CONTINUING AND DISCONTINUED OPERATIONS

Group earnings after tax, adjusted⁹	€ million	378.7	-24.3	-	-44.1	1,127.7	153.1	-86.4
Earnings per share, adjusted⁹	€	1.98	-0.13	-	-0.23	5.89	0.81	-86.3
Net cash flow from operating activities	€ million	656.4	176.4	-73.1		1,141.1	656.8	-42.4
- thereof continuing operations	€ million	656.4	173.9	-73.5		1,142.6	657.5	-42.5
- thereof discontinued operations	€ million	-	2.5	-		-1.5	-0.7	+53.3
Adjusted free cash flow from continuing operations	€ million	580.3	54.6	-90.6	37.5	814.1	328.2	-59.7

1 EBITDA is defined as earnings before income taxes, interest, depreciation and amortization, adjusted for the amortization amount recognized directly in equity in connection with own work capitalized, the result of changes in the fair value of operating forecast hedges still outstanding, and changes in the fair value of operating forecast hedges recognized in prior periods.

2 Relates to depreciation and amortization of property, plant, and equipment and intangible assets and of investments accounted for using the equity method, adjusted for the amount of depreciation and amortization recognized directly in equity in connection with own work capitalized.

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 Total number of shares after deduction of the number of own shares held by K+S on the reporting date.

7 Total number of shares after deduction of the average number of own shares held by K+S during the period.

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

9 The adjusted key figures include the gains/losses from operating forecast hedges for the respective reporting period; effects from changes in the fair value of hedges are eliminated. The effects on deferred and cash taxes are also adjusted; tax rate Q3/2023: 30.2% (Q3/2022: 30.2%).

Customer Segment Information

Agriculture Customer Segment

- + Revenues decreased to €621 million (Q3/2022: €1,163 million); 9M: €2,039 million (9M/2022: €3,351 million)
- + Significantly lower average price of 331€/t (Q3/2022: €745/t); 9M: €387/t (9M/2022: €641/t)
- + Sales volumes increased to 1.87 million tonnes (Q3/2022: 1.56 million tonnes); 9M: 5.27 million tonnes (9M/2022: 5.22 million tonnes)

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

		Q1/22	Q2/22	Q3/22	9M/22	Q4/22	2022	Q1/23	Q2/23	Q3/23	VARA Q3	9M/23
Revenues	€ million	944.1	1,244.2	1,162.8	3,351.0	1,114.6	4,465.6	861.4	557.0	620.7	582.5	2,039.0
Europe	€ million	349.9	543.0	372.0	1,264.9	406.8	1,671.6	340.1	231.9	300.1		872.0
Overseas	USD million	666.5	746.5	796.3	2,209.3	722.3	2,931.6	559.3	353.9	349.0		1,262.2
Sales volumes	million t eff.	1.79	1.87	1.56	5.22	1.89	7.11	1.73	1.67	1.87	1.74	5.27
Europe	million t eff.	0.76	0.84	0.55	2.15	0.66	2.81	0.62	0.59	0.86		2.07
Overseas	million t eff.	1.03	1.03	1.01	3.07	1.23	4.30	1.11	1.08	1.01		3.20
Average price	€/tonne eff.	527.0	663.9	744.5	641.0	592.2	628.1	498.9	333.5	331.4	333.8	386.9
Europe	€/tonne eff.	462.1	648.4	675.9	586.9	617.7	594.1	548.3	390.5	349.2		420.6
Overseas	USD/t eff.	644.3	727.2	787.3	719.1	585.6	682.4	505.6	328.9	344.3		394.9

Industry+ Customer Segment

- + Revenues decreased to €260 million (Q3/2022: €307 million); moderately lower volumes and lower prices for products containing potash were partially offset by significantly higher prices for salt products
- + Sales volumes at 1.55 million tonnes (Q3/2022: 1.68 million tonnes)

2023 OUTLOOK - confirmed

- + EBITDA forecast confirmed: €600 to €800 million
- + Adjusted free cash flow still expected to range between €300 to €450 million

CHANGES IN THE FORECAST FOR THE FULL YEAR 2023

K+S Group		2022 Actual	2023 Forecast in 2022 Annual Report	2023 Forecast Q1/2023	2023 Forecast Q2/2023	2023 Forecast Q3/2023	Cons. Q3 VARA (median)
EBITDA ¹	€ billion	2.4	1.3 to 1.5	1.15 to 1.35 ²	0.6 to 0.8 ²	0.6 to 0.8 ²	0.7
Capital expenditures (CapEx) ³	€ million	403.8	mid triple-digit million euro amount	mid triple-digit million euro amount	550	550	550
Group earnings after tax, adjusted, excluding impairment effects ⁴	€ million	1,494.0	high triple-digit million euro amount	mid triple-digit million euro amount	low triple-digit million euro amount	low triple-digit million euro amount	170
Adjusted free cash flow	€ million	932.0	700 to 900	650 to 850	300 to 450	300 to 450	376
ROCE, excluding impairment effects	%	25.7	low double-digit percentage	high single-digit to low double-digit	low single-digit percentage	low single-digit percentage	
EUR/USD exchange rate for remaining months	EUR/USD	1.05	1.08	1.08	1.08	1.08	1.05
Sales volumes Agriculture customer segment	t million	7.1	7.3 to 7.5	7.2 to 7.4	7 to 7.4	7 to 7.4	7.15
Average price in Agriculture customer segment in the full year	€/t	628.1	decrease of more than 20% compared to FY 2022	tangibly below Q1/2023 (499)	moderately to tangibly above Q2/2023 (334)	moderately to tangibly above Q3/2023 (331)	378
Sales volumes de-icing salt	t million	2.1	a good 2	about 2	about 2	just under 2	2.01

1 EBITDA is defined as earnings before income taxes, interest, depreciation and amortization, adjusted for the amortization amount recognized directly in equity in connection with own work capitalized, the result of changes in the fair value of operating forecast hedges still outstanding, and changes in the fair value of operating forecast hedges recognized in prior periods.

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

3 Relates to cash payments for investments in property, plant, and equipment and intangible assets, excluding leases 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 changes 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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