

## Press Release

Kassel (Germany), November 14, 2023

### Q3 and 9M/2023 figures after record year 2022 Solid third quarter - Outlook for 2023 confirmed

- **Q3 revenues: €881 million (Q3/22: €1,470 million); 9M: €2.9 billion (9M/22: €4.2 billion)**
- **Q3 EBITDA: €72 million (Q3/22: €633 million); 9M: €550 million (9M/22: €1,864 million)**
- **Q3: Significant increase in demand leads to price recovery in Brazil**
- **9 months: Adjusted free cash flow reaches €+328 million (9M/22: €+814 million)**
- **K+S sets guiding principles for attractive shareholder participation: Payout of 30% to 50% of the annual adjusted free cash flow generated by dividend which can be combined with a share buyback, if applicable**
- **K+S confirms 2023 outlook:**
  - **EBITDA still expected to range between €600 million and €800 million (record year 2022: €2.4 billion)**
  - **Adjusted free cash flow still expected to range between €300 million and €450 million (record year 2022: €932 million)**

K+S generated revenues of around €881 million in the third quarter of the current year, following a record figure of approximately €1.5 billion in the prior-year quarter.

Operating earnings EBITDA reached €72 million (Q3/22: €633 million).

“Potash prices have now recovered in our important overseas market Brazil. Against this background, we have achieved solid earnings in the third quarter and confirm our



forecast for EBITDA and free cash flow in 2023," says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S Aktiengesellschaft.

### **Higher sales volumes in the Agriculture customer segment**

In the **Agriculture customer segment**, revenues amounted to €621 million in the third quarter (Q3/2022: €1,163 million) and reached €2,039 million in the first nine months, compared to the record figure of €3,351 million in the prior-year period. This decline was mainly attributable to the lower prices described above compared to the record level of the previous year. The sales volumes rose to 1.87 million tonnes in the third quarter compared with 1.56 million tonnes in the prior-year period.

In the **Industry+ customer segment**, higher salt prices resulted in revenues of €860 million in the first nine months, up more than 2% on the previous year's figure (9M/2022: €841 million). These could not fully offset lower average prices for products containing potash and lower sales volumes in the third quarter of 2023, with revenues reaching €260 million (Q3/2022: €307 million).

### **K+S sets guiding principles for attractive shareholder participation**

In future, the amount of the shareholders' participation in the Company's success will generally be based on the adjusted free cash flow (operative, excluding special effects). K+S aims to return 30% to 50% of the adjusted free cash flow generated annually to shareholders. Capital is returned in the form of a dividend, which may be combined with a share buyback. The possible combination of both instruments also aims to counteract large fluctuations in the annual dividend. When determining the exact percentage of the adjusted free cash flow, the expected business development, the balance sheet structure, and the expected development of capital expenditure are taken into account. Furthermore, K+S wants to maintain a strong balance sheet and generally strives for a maximum leverage ratio (net debt/EBITDA) of 1.5 times.

### **K+S confirms 2023 outlook**

According to the assessment of the market environment, the annual average price in the agricultural customer segment should be moderately to tangibly higher overall



than in the third quarter of 2023 (€331/t; previous forecast: moderately to tangibly higher compared with the second quarter of 2023: 334 €/t). For 2023 as a whole, EBITDA is therefore still expected to range between €600 million and €800 million (record year 2022: €2.4 billion).

Adjusted free cash flow is still expected to range between €300 million and €450 million (2022: €932.0 million).

K+S continues to expect adjusted Group earnings after tax, excluding impairment effects, to be in the low triple-digit million euro range (2022: €1,494.0 million).

#### Notes

Further information and data on the development in the third quarter of 2023 can be found in the [Q3/2023 Quarterly Report](#), the [Q3/2023 Facts & Figures](#) as well as in the [interview](#) on business development with Dr. Burkhard Lohr, Chairman of the K+S Board of Executive Directors. A Teams conference for capital market participants with Dr. Burkhard Lohr, Chairman of the Board of Executive Directors, and Dr. Christian H. Meyer, Chief Financial Officer, in English language will take place today at 10:00 am. Members of the press and interested members of the public are invited to follow the conference via a live [webcast](#). The conference will be recorded and will also be available as a replay afterwards.

#### About K+S

We make an important contribution to society: We enable farmers securing the world's food supply. Our products keep numerous industries running. We enrich consumers' daily lives and ensure safety in winter. With around 11,000 employees, production sites on two continents, and a global distribution network, we are a reliable partner for our customers. At the same time, we are realigning ourselves: We are focusing even more strongly than before on fertilizers and specialties. We are becoming leaner, more cost-efficient, more digital, and more performance-oriented. On a solid financial basis, we are tapping into new markets and business models. We are committed to our responsibility towards society and the environment in all regions in which we operate. Learn more about K+S at [www.kpluss.com](http://www.kpluss.com).



### **Forward-looking statements**

This press release contains facts and forecasts that relate to the future development of the K+S Group and its companies. The forecasts represent estimates that we have made on the basis of all the information available to us at the present time. Should the assumptions underlying these forecasts prove not to be correct or risks - such as those described in the risk report contained in the current annual report - materialize, actual developments and results may deviate from current expectations. The Company assumes no obligation to update the statements contained in this press release other than as required by law.

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