

Press Release

Kassel (Germany), March 14, 2023

2022 financial year

K+S achieves best result in the Company's history

- **Revenues: +77% to €5.7 billion (2021: €3.2 billion)**
- **EBITDA: more than doubled to €2.4 billion (2021: €1.1 billion)**
- **Adjusted free cash flow before special effects: €1.2 billion (2021: €0.2 billion)**
- **Capital return to shareholders of up to a total of €391.4 million or about €2 per share, respectively, by dividend distribution and share buyback in equal parts**
- **Positive outlook on FY 2023:**
 - **EBITDA expected to range between €1.3 billion and €1.5 billion**
 - **Adjusted free cash flow: €700-€900 million expected**

“2022 was an outstanding year for K+S,” says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S Aktiengesellschaft. EBITDA operating earnings more than doubled to €2.4 billion (2021: €1.1 billion). Group revenues increased to €5.7 billion (2021: €3.2 billion). Significantly higher average prices in the Agriculture customer segment and for industrial products containing potash more than offset lower sales volumes and higher costs. By concluding long-term gas supply contracts at an early stage, cost increases for energy in the mid three-digit million euro range were avoided.

“We are also optimistic for the current year”, states Lohr. “EBITDA operating earnings are expected to range between €1.3 billion and €1.5 billion. That would be another very good result!”



Growth in both customer segments

In the **Agriculture customer segment**, revenues rose sharply to €4.5 billion in the 2022 financial year (2021: €2.3 billion) due to significantly higher average prices and despite lower sales volumes. This was attributable to good demand in the first half of the year, which encountered limited supply on the world market. Potash prices therefore rose again very significantly in all sales regions. The second half of the year experienced a wait-and-see attitude on the part of customers. Accordingly, prices normalized at a high level during this period, although with regional differences.

The **Industry+ customer segment**, with its wide range of product applications, was characterized overall by a positive trend in demand. Prices rose for both potash and salt products. In 2022, the customer segment reported revenues of €1.2 billion, up around 29% on the previous year (2021: €0.9 billion).

Higher dividend and share buyback proposed

The Board of Executive Directors and the Supervisory Board will propose to the Annual General Meeting a dividend for the 2022 financial year of €1.00 per share (2021: €0.20 per share). Furthermore, the Board of Executive Directors and Supervisory Board have resolved to buy back own shares up to a value of €200 million and subsequently cancel them. The buyback is to begin after the Annual General Meeting on May 10, 2023 and be completed by the end of February 2024 at the latest. Capital of up to about €2 per share would therefore be returned to shareholders. The total capital return to shareholders would be just under €400 million; this is more than 40% of adjusted free cash flow in 2022.

2023 outlook: Very good results expected again

K+S expects demand to increase this year and an attractive price level overall, although at a lower level than in the previous year. The supply of potash from Russia and Belarus will remain limited. At the same time, a further increase in costs, especially for energy, logistics, and materials, as well as higher personnel costs are to be expected. EBITDA is therefore expected to reach a level of between €1.3 billion and €1.5 billion in the current financial year (2022: €2.4 billion). Adjusted free cash flow



should range between €700 million and €900 million (2022: €932 million after deducting the use of funds for the full repayment of factoring and the purchase of further CO₂ certificates).

Notes

On Wednesday, March 15, 2023, the [2022 Annual Report](#) and a [video interview](#) on business development with Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S, will be available on our website from 7:00 am.

The Annual Press Conference for media representatives with CEO Dr. Burkhard Lohr and CFO Dr. Christian H. Meyer will take place tomorrow, Wednesday, March 15, 2023 at 10:00 am in Frankfurt. The event documents (speech manuscript and presentation) as well as printable photos of the event will be available on our [website](#) from 10:30 am onwards.

A recording of the analysts' conference to be held tomorrow at 1:00 pm will also be available on our website.



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.

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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