

K+S Q4/2023 FACTS & FIGURES

Highlights

- + After the record year 2022, K+S Group revenues reached €974 million (Q4/2022: €1,485 million); FY/2023: €3,873 million (FY/2022: €5,677 million).
- + EBITDA of €162 million significantly below prior-year quarter (Q4/2022: €559 million), but significantly above Q3/23 figure of €72 million; FY/2023: €712 million (FY/2022: €2,423 million).
- + Adjusted Group earnings after tax amounted to €9 million in Q4/2023 (Q4/2022: €366 million); FY/2023: €162 million (2022: €1,494 million).
- + Adjusted free cash flow decreased to €-17 million in Q4/2023 (Q4/2022: €118 million); FY/2023 adj. free cash flow reached €311 million (FY/2022: €932 million).
- + K+S maintained a net financial asset position. On 31 December 2023, it was at €125 million.
- + We would like our shareholders to participate appropriately in our success and return capital totaling 70 cent per share or €125.4 million (Vara Consensus for "Distribution to shareholders": €0.63 per share).

KEY FIGURES FOR CONTINUING OPERATIONS

		Q4/2022	Q4/2023	%	Cons. Q4/2023 VARA	2022	2023	%	Cons. 2023 VARA
K+S Group									
Revenues	€ million	1,484.5	974.0	-34.4	954.4	5,676.6	3,872.6	-31.8	3,853.0
EBITDA ¹	€ million	559.2	162.1	-71.0	145.1	2,422.9	712.4	-70.6	695.1
EBITDA margin	%	37.7	16.6	-55.9	15.2	42.7	18.4	-56.9	18.0
Depreciation and amortization ²	€ million	125.0	130.5	+4.4		443.8	456.1	+2.8	
Agriculture customer segment³									
Revenues	€ million	1,114.6	682.2	-38.8	662.3	4,465.6	2,721.3	-39.1	2,701.4
Sales volumes	t million	1.89	2.04	+8.1	1.95	7.11	7.31	+2.9	7.22
Industry+ customer segment³									
Revenues	€ million	369.9	291.9	-21.1	318.8	1,211.0	1,151.3	-4.9	1,178.2
Sales volumes	t million	1.87	1.89	+0.8	1.89	6.83	6.62	-3.1	6.62
- thereof de-icing salt	t million	0.68	0.75	+10.5	0.68	2.08	2.10	+1.2	2.03
Capital expenditures (CapEx) ⁴	€ million	163.3	177.9	+8.9	202.6	403.8	525.3	+30.1	550.0
Equity ratio	%	-	-	-	-	67.9	68.6	-	-
Return on Capital Employed (LTM) ⁵	%	-	-	-	-	25.7	3.2	-	-
Net financial liabilities (-) / net asset position (+) as of December 31	€ million	-	-	-	-	244.9	125.0	-49.0	195.0
Net financial liabilities/EBITDA (LTM) ⁵	x-times	-	-	-	-	-	-	-	-
Market capitalization as of December 31	€ billion	-	-	-	-	3.5	2.6	-27.1	-
Enterprise value (EV) as of December 31	€ billion	-	-	-	-	4.4	3.8	-12.7	-
Book value per share as of December 31	€	-	-	-	-	35.11	36.31	+3.4	-
Shares outstanding as of December 31 ⁶	million	-	-	-	-	191.4	179.1	-6.4	-
Average number of shares ⁷	million	191.4	180.7	-5.6	182.0	191.4	187.3	-2.1	187.1
Employees as of December 31 ⁸	number	-	-	-	-	11,097	11,447	3.2	-
Group earnings after tax, adjusted⁹	€ million	366.3	8.8	-97.6	10.6	1,494.0	161.9	-89.2	163.8
Earnings per share, adjusted⁹	€	1.92	0.07	-96.1	0.06	7.81	0.86	-88.9	0.85
Net cash flow from operating activities	€ million	251.1	164.8	-34.4	-	1,393.7	821.6	-41.0	-
Adjusted free cash flow	€ million	117.9	-17.0	-	3.0	932.0	311.2	-66.6	331.2

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 less the average number of own shares held by K+S.

8 FTE: Full-time equivalents; part-time positions are weighted according to their respective share of working hours.

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

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Customer Segment Information

Agriculture Customer Segment

- + Revenues decreased to €682 million (Q4/2022: €1,115 million); FY/2023: €2,721 million (FY/2022: €4,466 million)
- + Average price of €334/t higher than in Q3/23, but significantly lower than in previous year (Q4/2022: €592/t); FY/2023: €372/t (FY/2022: €628/t)
- + Sales volumes increased to 2.04 million tonnes (Q4/2022: 1.89 million tonnes); FY/2023: 7.31 million tonnes (FY/2022: 7.11 million tonnes)

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

		Q1/22	Q2/22	Q3/22	Q4/22	2022	Q1/23	Q2/23	Q3/23	Q4/23	Cons Q4/23 VARA	2023
Revenues	€ million	944.1	1,244.2	1,162.8	1,114.6	4,465.6	861.4	557.0	620.7	682.2	662.3	2,721.3
Europe	€ million	349.9	543.0	372.0	406.8	1,671.6	340.1	231.9	300.1	330.8		1,202.9
Overseas	USD million	666.5	746.5	796.3	722.3	2,931.6	559.3	353.9	349.0	377.8		1,640.0
Potassium chloride	€ million	625.3	849.2	779.5	722.5	2,976.5	545.6	348.0	382.5	385.0		1,661.1
Fertilizer specialties	€ million	318.8	395.0	383.3	392.1	1,489.2	315.8	208.9	238.2	297.2		1,060.2
Sales volumes	million t eff.	1.79	1.87	1.56	1.89	7.11	1.73	1.67	1.87	2.04	1.95	7.31
Europe	million t eff.	0.76	0.84	0.55	0.66	2.81	0.62	0.59	0.86	0.90		2.97
Overseas	million t eff.	1.03	1.03	1.01	1.23	4.30	1.11	1.08	1.01	1.14		4.34
Potassium chloride	million t eff.	1.11	1.18	0.95	1.20	4.44	1.10	1.11	1.19	1.22		4.62
Fertilizer specialties	million t eff.	0.69	0.69	0.61	0.68	2.67	0.63	0.56	0.68	0.82		2.69
Average price	€/tonne eff.	527.0	663.9	744.5	592.2	628.1	498.9	333.5	331.4	333.9	332.0	372.1
Europe	€/tonne eff.	462.1	648.4	675.9	617.7	594.1	548.3	390.5	349.2	367.0		404.8
Overseas	USD/t eff.	644.3	727.2	787.3	585.6	682.4	505.6	328.9	344.3	330.8		377.7
Potassium chloride	€/tonne eff.	565.3	718.9	822.7	602.1	671.0	496.0	313.5	321.4	315.2		359.4
Fertilizer specialties	€/tonne eff.	465.0	570.2	623.9	576.6	557.0	501.3	373.0	350.3	361.7		393.9

Industry+ Customer Segment

- + Revenues declined moderately to €292 million (Q4/2022: €370 million); FY/2023: €1,151 million (FY/2022: €1,211 million) due to lower volumes.
- + Lower prices for industrial products containing potash due to falling prices for potassium chloride on the fertilizer market were offset by rising prices for our salt products.
- + Sales volumes at 1.89 million tonnes, thereof 0.75 million tonnes of de-icing salt (Q4/2022: 1.89 million tonnes, thereof 0.68 million tonnes of de-icing salt); FY/2023: 6.62 million tonnes, thereof 2.10 million tonnes of de-icing salt (FY/2022: 6.83 million tonnes, thereof 2.08 million tonnes of de-icing salt).

2024 OUTLOOK

- + **EBITDA** forecast: €500 to €650 million (**upper end**: assuming significant price recovery overseas during spring season as well as sales volumes of 7.6 million tonnes in the Agriculture customer segment; **lower end**: in case of prices for MOP in Brazil remaining at level of end of February 2024 and having spillover effects in other regions, fertilizer sales volume of 7.3 million tonnes).
- + **Adjusted free cash flow** should at least break even, despite increased capex due to Werra 2060 and Ramp-up Bethune projects.

FORECAST FOR THE FULL YEAR 2024

K+S Group		2023 Actual	2024 Forecast in 2023 Annual Report	Consensus 2024 VARA
EBITDA ¹	€ million	712.4	500 to 650	557
Capital expenditures (CapEx) ²	€ million	525.3	about 550	579
Group earnings after tax, adjusted, excluding impairment effects ³	€ million	161.9	double-digit million euro amount	59
Adjusted free cash flow	€ million	311.2	at least break even	28
ROCE, excluding impairment effects	%	3.2	low single-digit percentage	-
EUR/USD exchange rate for remaining months	EUR/USD	1.08	1.11	1.10
Sales volumes Agriculture customer segment	t million	7.3	7.3 to 7.6	7.4
Average price in Agriculture customer segment in the full year	€/t	372.1	moderately to tangibly below Q4/23 (334)	335
Sales volumes de-icing salt	t million	2.1	a good 2	2.1

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² Relates to cash payments for investments in property, plant, and equipment and intangible assets, excluding leases in accordance with IFRS 16.

³ The adjusted key figures include the gains/losses from anticipatory 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 2023: 30.2%.