

Press Release

Kassel (Germany), May 11, 2022

Q1/2022 figures

Successful start to the new financial year

- **Revenues increase to €1.2 billion (Q1/2021: €733 million)**
- **EBITDA significantly higher year-on-year at €524 million (Q1/2021: €126 million)**
- **Adjusted free cash flow before special effects reaches €+291 million (Q1/2021: €-15 million)**
- **2022 outlook (assuming unrestricted energy supply):**
 - **EBITDA expected to range between €2.3 billion and €2.6 billion (previously: €1.6 billion to €1.9 billion; 2021: €969 million)**
 - **Adjusted free cash flow (operating) expected to range between €1.0 billion and €1.2 billion (previously: €600 million to €800 million; 2021: €93 million)**

K+S made a very good start to the current year. Revenues in the first quarter rose by 65% to €1.2 billion compared with the same period last year. EBITDA operating earnings more than quadrupled to €524 million. Higher average prices in both customer segments and positive currency effects more than offset lower volumes and increased costs for energy, logistics, and materials.

“We have again translated our continued strong operating performance and favorable market conditions into increased earnings and higher cash flows,” says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S Aktiengesellschaft.



Revenues in the Agriculture customer segment doubled

In the **Agriculture customer segment**, first-quarter revenues increased significantly to €944 million (Q1/2021: €469 million). This was mainly attributable to significantly higher average selling prices and positive currency effects. At the same time, sales volumes were lower due to occasional logistical shifts and lower inventories at the end of 2021. This was accompanied by declining potash supplies to the complex fertilizer industry as a result of production restrictions there due to nitrogen shortages.

Revenues in the **Industry+ customer segment** rose slightly to €268 million in the reporting quarter (Q1/2021: €264 million). This was mainly attributable to higher average prices and volumes for products containing potassium chloride, which offset lower sales volumes caused by weather conditions compared with the above-average de-icing salt business in the previous year. The higher prices had a positive impact in particular on industrial products and products for the chemical industry.

Outlook for the 2022 financial year

For the full year 2022, K+S expects EBITDA of €2.3 billion to €2.6 billion (previously: €1.6 billion to €1.9 billion; 2021: €969 million) – as already published in an ad hoc disclosure on April 13. This corresponds to more than double the operating earnings compared with the previous year. Excluding the special effect from the almost complete repayment of factoring and the purchase of CO₂ certificates totaling around €230 million and assuming a good €400 million in capital expenditure, adjusted free cash flow is expected to range between €1.0 billion and €1.2 billion in the full year 2022.

The outlook assumes unrestricted production for the rest of the year. Possible interruptions to production caused by potential disruptions to energy or gas supplies at German sites have not been taken into account.

If a gas shortage were to occur, this would have an impact on the energy supply to the German sites and therefore lead to restrictions in production.



The increase in the outlook is mainly based on further higher average prices in the Agriculture customer segment. These will significantly exceed expected cost increases, particularly for energy, logistics, and materials.

Note

Further information and data on the development in the first quarter of 2022 are provided not only in the [Q1/2022 Quarterly Report](#), but also in the [Q1/2022 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 conference call for investors and analysts with Dr. Burkhard Lohr, Chairman of the Board of Executive Directors, will take place today at 10:00 a.m. in English language. 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.

The Annual General Meeting of K+S will be held in virtual form on Thursday, May 12, from 10:00 a.m. onwards. Media representatives can follow the event via the [Internet](#) with guest access. This can be requested from the press office.

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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