



March 13, 2025  
Dr. Burkhard Lohr | CEO  
Dr. Christian H. Meyer | CFO  
Dr. Jens Christian Keuthen | Member of the Board of Executive Directors

# Annual Press Conference

2024 Financial Year

**The spoken word is binding.**

**Please note the blocking period: March 13, 2025, 10:30 a.m.**

## Annual Press Conference March 13, 2025



Dear Ladies and Gentlemen,

Welcome to K+S. We are pleased to have you here today.

As you may have read, I have decided not to seek a new service agreement and to retire. At the end of May, when my mandate expires, I will, therefore, hand over the chairmanship to my colleague Christian Meyer. Against this background, there are three of us here in Frankfurt today.

Jens Keuthen has been a member of the K+S Board of Executive Directors since February. He will take over responsibility for Finance as of June 1. We are very pleased to have an experienced manager from our own ranks in our team.

Jens, please introduce yourself!

## Board of Executive Directors Member Dr. Jens Christian Keuthen



- Since 2014 at K+S
- General Counsel
- Since February 1, 2025, Member of the Board of Executive Directors, responsible for Legal, Tax, Regulatory Affairs & New Business Areas, Procurement
- As of June 1, 2025: Chief Financial Officer

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A very warm welcome to all of you. My name is Jens Christian Keuthen, I am an educated lawyer, and since February I have been responsible on the Board of Management for the central functions of Legal, Tax, Regulatory Affairs, and New Business Areas, as well as for Procurement.

In June, I will also take over responsibility for Finance and Controlling as CFO from Christian Meyer.

A few words about myself: I have been with K+S since 2014 and became General Counsel in 2016. During this time, I have gained extensive insights into our business and have been involved in major optimization and restructuring projects, such as the sale of OU Americas and the strategic realignment of K+S.

Over the years, my responsibilities were complemented by Tax, Regulatory Affairs, and New Business Areas, such as our REKS joint venture. I was member of the Management Team and, furthermore, closely involved in financial matters such as investment matters, securities issues, syndicated loans, and mining provisions.

Additionally, I supported K+S-specific issues at the political and administrative level.

As a member of the Board of Executive Directors and Chief Financial Officer, my focus will be on further optimizing our existing business in line with our corporate strategy, strengthening performance management, while at the same time driving forward the leveraging of our unique infrastructure to develop new business areas.



Thank you very much, Jens.

Ladies and Gentlemen,

I am particularly fascinated by the extraction and processing of raw materials. It is our core business. For 135 years, our miners have been going deep underground day after day to efficiently extract valuable potash and rock salts that are in demand worldwide. The German miners' greeting "Glück auf" expresses the hope for a healthy return and the extraction of rich deposits beyond local and national borders. It is an expression of mutual trust, strong cohesion, a solution-oriented approach, and shared confidence in long-term success.

And this is not an end in itself: industrial value creation is unthinkable without our mineral raw materials. Our raw materials are systemically important. They are at the beginning of most value chains. They guarantee security of supply, stability, growth and, last but not least, industrial transformation!



## Sustainable transformation

- Innovative raw material extraction
- Potash production on both sides of the Atlantic
- Strong European salt business
- Reduction of environmental footprint
- Improvement of efficiency
- Solid balance sheet without debt
- Investment grade rating

K+S

We are consistently driving forward the sustainable transformation of our company. We are not only improving our environmental footprint, but also our economic efficiency and increasing our shareholder value.

We achieve all this under our own steam. With a strong balance sheet and no debt. This is a strong and reliable basis for implementing our plans.

We have completely eliminated net financial debt. Our rating is back in the investment grade range.

Of course, I am also thinking of the difficult decision to sell our American salt business. Low potash prices combined with high capital expenditures for water protection and the construction of our plant in Bethune made this step unavoidable.

At the same time, we have opened new opportunities. After all, our great strength lies in the network of our potash sites on both sides of the Atlantic as well as in our European salt business and the new business areas.

Solving the complex issues of wastewater disposal and avoiding production interruptions were particularly important to me. We have stopped the injection. However, the disposal of the unavoidable mining residues is still secured.

Reducing our environmental footprint through innovative solutions has been an important step towards environmental peace, which we have achieved through constructive dialogue with many of our stakeholders. This is a valuable asset that must be continuously maintained.

At the same time, our corporate strategy has a clear focus on optimizing our existing business. We are focusing most of our management capacity on this.

This will enable us to benefit more effectively from positive market developments as they arise.



## Werra 2060

- Domestic potash production will become more sustainable and competitive
- Major step towards decarbonization
- Securing the long-term future of the plant

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K+S

Ladies and Gentlemen,

Our Werra 2060 transformation project will make domestic potash production more sustainable and more competitive in the long term within just a few years. We are taking a major step towards the decarbonization of our German production.

At the same time, we will extend the lifetime of the Werra integrated plant. In this way, we will continue to guarantee long-term value creation and secure jobs, especially in this structurally weak region.

Work on the underground infrastructure has started on schedule. Just to give you an idea of the scope of the work: we are installing around 15 kilometers of new conveyor belts. That's like the baggage belt at Frankfurt Airport. And all 500 meters underground, where the routes first must be prepared. The first conversion work in the above-ground factories will begin this year.

At the same time, we are committed to driving the energy transition of our sites. A key element of this is the increasing use of power-to-heat (PtH) technology. Our Neuhof, Zielitz, and Hattorf sites now each have a power-to-heat boiler. This innovative technology, which is powered by renewable energy, is a decisive step on our way to climate neutrality.



The image shows a large industrial facility with complex piping and machinery. A large blue circle with the text 'C-LIGHT' is overlaid on the left side of the image. In the bottom left corner of the image, there is small text: '6 March 13, 2025, Annual Press Conference'. In the bottom right corner of the overall slide, there is a blue triangle containing the 'K+S' logo.

## CO<sub>2</sub>-reduced fertilizers

- Up to 90% lower CO<sub>2</sub> footprint
- Innovative technology for more climate-friendly agriculture
- Production at several K+S sites

We are also pioneering climate-friendly fertilizers. We are helping our customers to achieve their sustainability targets. With the introduction of our PtH technology this year, we can offer our customers CO<sub>2</sub>-reduced fertilizers.

Our new C-LIGHT products set a new standard for climate-friendly agriculture, with a carbon footprint up to 90 percent lower than conventional fertilizers.





## Bethune Ramp-up

- Attractive growth prospects
- Ramp-up of capacity to 4 million tonnes per year
- Improved overall cost position for the Company

K+S

Ladies and Gentlemen,

On the other side of the Atlantic, we are focusing on the ramp-up of our potash plant in Bethune. The growth prospects for the Canadian site are excellent!

We will almost double potash production by 2040: from 2.2 million tonnes today to 4 million tonnes, with an average increase of 100,000 to 150,000 tonnes per year. For the entire K+S Group, this means continuous growth and an improved cost position from year to year.

Ladies and Gentlemen,

K+S is well positioned for the future. Our strategy, our decisions, the intensive and persistent work of all teams as well as our willingness to change have paid off.

In many discussions with political decision-makers, I have pleaded for more attractive framework conditions. Unfortunately, we are still a long way from achieving our goal.



## Demands on federal government

1. Reduce energy costs
2. Stop the regulatory overload
3. Strengthen domestic raw material extraction

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We expect more from the new federal government than just a clear commitment to domestic industry! We urgently need a change of industrial policy in our country!

Our three key demands are

First, reduce energy costs.

Energy costs in Germany are many times higher than in our neighboring countries - not to mention the countries where our competitors are based. Gas prices in Germany are sometimes six times higher than our costs in Canada for our Bethune site.

Second, stop the regulatory overload.

Instead of new regulations, we urgently need a real reduction in bureaucracy. Planning and approval procedures that take more than ten years, which is the norm for us, represent a significant locational disadvantage.

Third, strengthen domestic resource extraction.

Domestic extraction of mineral resources must be strengthened by creating a reliable framework and an attractive regulatory environment. Potash is found in large amounts in only a few countries around the world.

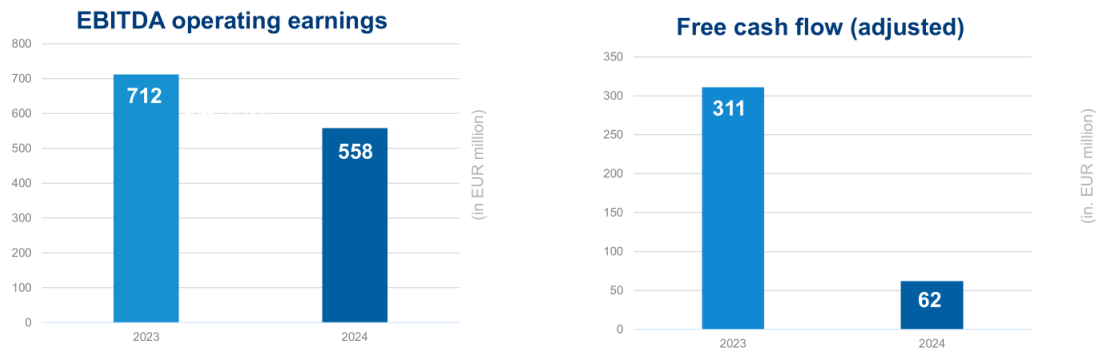


Ladies and Gentlemen,

In the 2024 financial year, K+S once again demonstrated that it can operate soundly despite difficult conditions.

My colleague Christian Meyer will now talk about the business development of the past year. Christian, please go ahead.

## 2024 business performance



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Ladies and Gentlemen,

A very warm welcome from me as well.

Let's now look at the key figures for 2024:

K+S achieved revenues of €3.7 billion. Higher sales volumes and an improved product mix had a positive impact. However, lower prices for our products containing potash led to a moderate decline of 6 percent compared with the previous year.

At €558 million, EBITDA was within the expected earnings range.

Adjusted free cash flow was slightly better than expected at just over €62 million: Here, we had forecast at least a break-even level. Despite low potash prices, K+S, therefore, proved its capability of investing more in our sustainable transformation from our own resources even at the lower end of the cycle.

## Shareholders' participation in the Company's success

**2024 dividend proposal: 15 cents per share  
(2023: 70 cents)**

▶ Dividend payout: €27 million (previous year: €125 million)

▶ corresponds to 43% of the 2024 adjusted free cash flow (previous year: 40%)

The Board of Executive Directors and the Supervisory Board will, therefore, propose a dividend of 15 cents per share for the 2024 financial year to the Annual General Meeting.

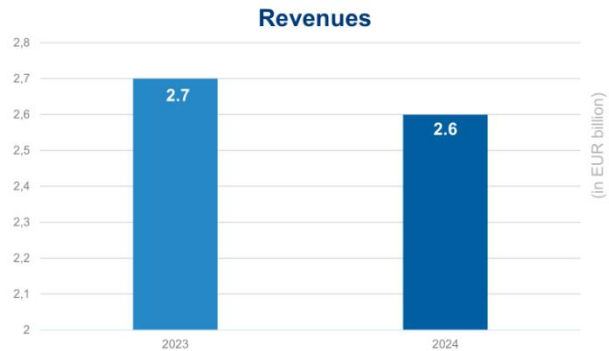
With a payout ratio of 43% of adjusted free cash flow, the proposed appropriation of profits is in line with our dividend policy. This policy aims to return 30 to 50 percent of the adjusted free cash flow generated each year to our shareholders.

Our proposal takes into account the maintenance of a strong balance sheet, as well as expected business development, and future investments.

Let us now turn to our customer segments:



## Agriculture customer segment



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The operating business of our Agriculture customer segment benefited from:

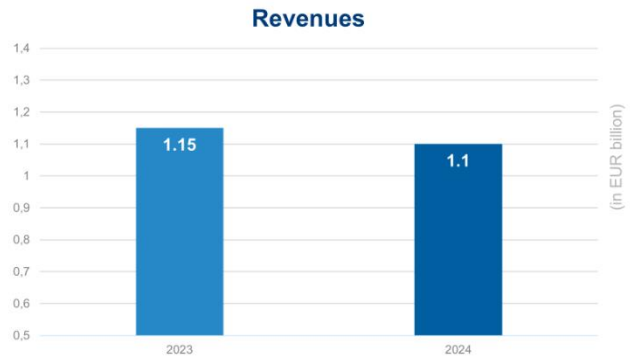
- our increased focus on customers in European agriculture,
- our regional flexibility, and
- strong demand for our broad range of specialty fertilizers.

Sales volumes excluding trade goods increased moderately to 7.6 million tonnes. Potassium chloride accounted for about 58 percent of deliveries; sales volumes of our higher-revenue fertilizer specialties increased by about 25 percent year on year to just under 3.2 million tonnes.



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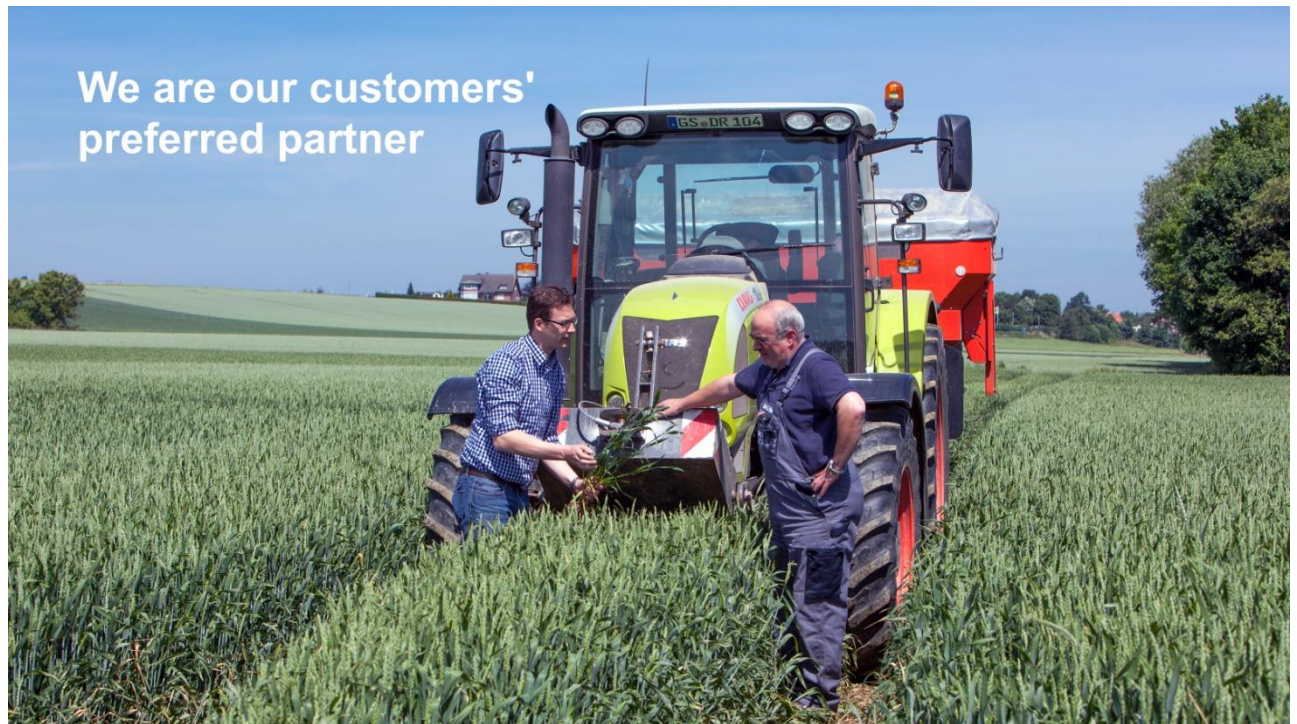
## Industry+ customer segment



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We also had a very good business in the Industry+ customer segment. In particular, we offer our customers in the pharmaceutical and chemical industries a comprehensive portfolio of high-purity salt products with high value added.

Prices for our salt products remained stable overall compared with the previous year. At the end of the year, there were even signs of a positive trend. At just under 6.6 million tonnes, sales volumes almost reached the previous year's level.



Ladies and Gentlemen,

All in all, the past year was a lot of hard work.

But it also makes one thing clear: With our broad range of fertilizers and salt products as well as our comprehensive advisory services, we are the preferred partner of our customers in agriculture and industry - with the best quality and application-oriented service tailored to their needs.





We would also like to thank our colleagues for their commitment and their willingness to work hard. It is only with you that we have been able to make K+S even better and more successful. Together, we are driving forward the sustainable transformation of the Company.

Ladies and Gentlemen,

I would now like to turn to our outlook for the current financial year:



## 2025 market outlook

- Increase in global potash demand expected
- Tangible price recovery in Brazil
- Further potash development depends on the course of the spring season
- Positive demand trend also expected in the Industry+ customer segment

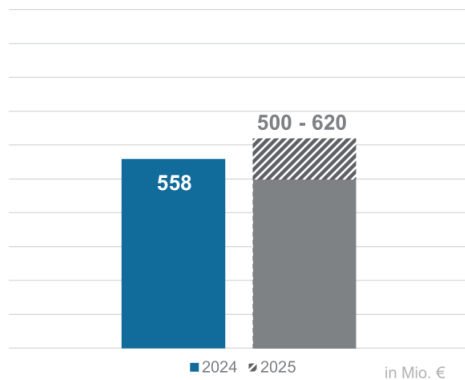
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For the year as a whole, we expect global demand for potash to increase.

This has already led to tangible price increases in the important overseas market of Brazil at the beginning of the year. Further developments will depend on the course of the spring season. During this period, demand from many important sales areas has to be met simultaneously.

## Forecast for 2025 as a whole

### EBITDA operating earnings



- EBITDA expected to range between €500 million and €620 million (2024: €558 million)
- At least break-even adjusted free cash flow expected

Against this background, we expect EBITDA in the range of €500 million to €620 million for the 2025 financial year.

At the upper end of this range, we are assuming a further tangible price recovery for potassium chloride in Brazil in the current spring season, which will also have a positive impact on other sales markets and product groups. Assuming this, the price recovery can also be maintained throughout the second half of the year. Sales volumes in the Agriculture customer segment should then reach 7.7 million tonnes, excluding trade goods.

If average annual potash prices in Brazil remain at 2024 levels, EBITDA could be at the lower end of the range with sales volumes of 7.5 million tonnes.

In addition, higher energy and personnel costs cannot be fully offset by material cost reductions and positive inventory effects.

The adjusted free cash flow should, however, at least break even, taking into account the continued high level of capital expenditure of around €550 million in total.

Ladies and Gentlemen,

That concludes our outlook for the current year.

We are now happy to answer any questions you may have.

