

H1/2024

Half-Year Financial Report

Q2/2024 and H1/2024 figures:

Key figures in line with expectations:

- + Q2 revenues: €873.8 million (Q2/2023: €825.8 million; Vara consensus estimate as of July 16, 2024: €831.7 million); H1: €1,861.8 million (H1/2023: €2,017.8 million)
- + Q2 EBITDA: €128.3 million (Q2/2023: €24.3 million; Vara consensus estimate as of July 16, 2024: €128.6 million); H1: €328.4 million (H1/2023: €478.1 million)
- + Agriculture customer segment with a high proportion of fertilizer specialties and continued strong European business; average selling price at €313/t (Q2/2023: €334/t); sales volumes (excluding trade goods) increased tangibly to 1.84 million tonnes (Q2/2023: 1.63 million tonnes)
- + Industry+ customer segment at a good level; recovery in demand for chemical and industrial products
- + Transformation process on track
- + Adjusted free cash flow reaches €+87 million in the first six months (H1/2023: €+274 million; Vara consensus estimate as of July 16, 2024: €+78 million)

K+S confirms cash flow expectations as well as midpoint for 2024 EBITDA outlook and narrows forecast EBITDA range

- + For the year as a whole, an oversupply on the potash market is still not expected
- + In the Agriculture customer segment, stable price development compared to current levels for the remainder of the year and annual sales volumes (excluding trade goods) in a range of 7.4 to 7.7 million tonnes are assumed
- + EBITDA expected to range between €530 million and €620 million (previous outlook: €500 million to €650 million; 2023: €712 million; Vara consensus estimate as of July 16, 2024: €585 million)
- + Adjusted free cash flow continues to be expected to at least break even (2023: €+311 million; Vara consensus estimate as of July 16, 2024: €+25 million)

The logo for K+S, featuring the letters 'K+S' in a bold, white, sans-serif font, set against a dark blue background.

KEY FIGURES

		Q2/2023	Q2/2024	%	H1/2023	H1/2024	%
K+S Group							
Revenues	€ million	825.8	873.8	+5.8	2,017.8	1,861.8	-7.7
EBITDA ¹	€ million	24.3	128.3	> +100	478.1	328.4	-31.3
EBITDA margin	%	2.9	14.7	> +100	23.7	17.6	-25.5
Depreciation and amortization ²	€ million	102.4	122.0	+19.1	210.3	247.3	+17.6
Agriculture customer segment ³							
Revenues	€ million	557.0	615.9	+10.6	1,418.3	1,295.8	-8.6
Sales volumes	t million	1.67	1.97	+17.9	3.40	3.99	+17.3
- thereof trade goods	t million	0.04	0.13	> +100	0.05	0.18	> +100
Industry+ customer segment ³							
Revenues	€ million	268.7	257.9	-4.0	599.4	566.0	-5.6
Sales volumes	t million	1.39	1.47	+5.7	3.18	3.32	+4.3
- thereof de-icing salt	t million	0.32	0.31	-4.4	0.91	1.02	+12.3
Capital expenditures (CapEx) ⁴	€ million	121.3	116.4	-4.1	198.7	211.9	+6.7
Equity ratio	%	-	-	-	71.2	65.5	-8.0
Return on Capital Employed (LTM) ⁵	%	-	-	-	15.2	0.9	-
Net financial liabilities (-)/ net asset position (+) as of June 30	€ million	-	-	-	261.3	90.7	-65.3
Net financial liabilities/EBITDA (LTM) ⁵	x-times	-	-	-	-	-	-
Market capitalization as of June 30	€ billion	-	-	-	3.01	2.25	-25.1
Enterprise value (EV) as of June 30	€ billion	-	-	-	3.92	3.60	-8.0
Book value per share as of June 30	€	-	-	-	35.58	35.65	+0.2
Total number of shares as of June 30	million	-	-	-	191.4	179.1	-6.4
Shares outstanding as of June 30 ⁶	million	-	-	-	188.4	179.1	-5.0
Average number of shares ⁷	million	190.6	179.1	-6.1	191.0	179.1	-6.2
Employees as of June 30 ⁸	number	-	-	-	11,150	11,307	+1.4
Group earnings after tax, adjusted ⁹							
Group earnings after tax, adjusted ⁹	€ million	-54.9	6.5	-	177.5	58.1	-67.3
Earnings per share, adjusted ⁹	€	-0.29	0.04	-	0.93	0.32	-65.1
Net cash flow from operating activities	€ million	263.0	93.9	-64.3	480.4	318.2	-33.8
- thereof continuing operations	€ million	263.0	95.5	-63.7	483.6	321.4	-33.5
- thereof discontinued operations	€ million	-	-1.6	-	-3.2	-3.2	-
Adjusted free cash flow	€ million	160.4	-24.2	-	273.6	86.8	-68.3

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 after deduction of the average number of own shares held by K+S during the period.

8 FTE = full-time equivalents; part-time positions are weighted according to their share of working hours.

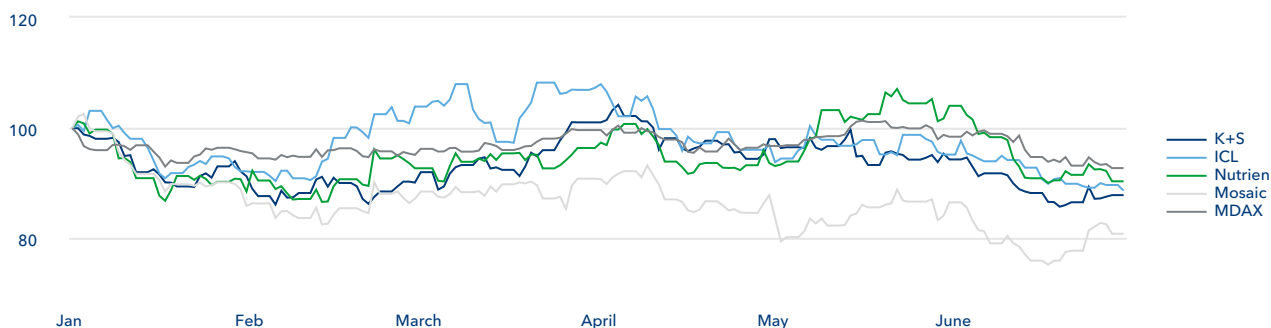
9 The adjusted key figures include the gains/losses from operating forecast hedges for the respective reporting period; effects from changes in the fair value of hedges are eliminated. The effects on deferred and cash taxes are also adjusted; tax rate Q2/2024: 30.2% (Q2/2023: 30.2%).

SHARE PRICE PERFORMANCE

In the first half of 2024, both the K+S share price and the MDAX came under pressure. As of June 30, 2024, K+S closed about 12% below its year-end value; the MDAX dropped by about 7%. We also track the share price performance of publicly traded competitors. These include, in particular, the fertilizer producers Nutrien from Canada, Mosaic from the US, and ICL from Israel. Particularly due to the overall decline in potassium chloride prices as well as the delay in concluding contracts with China and India, the shares of our competitors also closed the first half of the year with a loss (Mosaic -19%, ICL -11%, Nutrien -10%).

K+S SHARE PERFORMANCE COMPARED WITH MDAX AND COMPETITORS IN 2024

in % (Index: December 31, 2023)



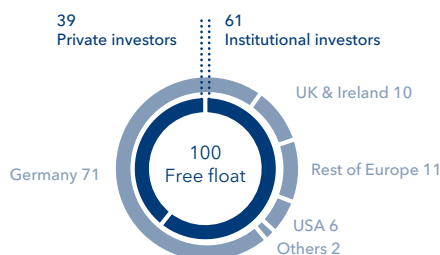
SHAREHOLDER STRUCTURE

By June 30, 2024, the following shareholders had notified us of shareholdings above the statutory reporting thresholds:

- David Iben/Kopernik Global Investors, LLC.: 5.13%; thereof **5.13% voting rights** (notification dated June 7, 2024)
- Rossmann Beteiligungs GmbH: 8.24%; divided into **5.06% voting rights** and 3.18% via instruments (notification dated June 26, 2024)
- BlackRock, Inc.: 7.58%; divided into **4.88% voting rights** and 2.69% via instruments (notification dated July 1, 2024)
- Norges Bank: 4.25%; divided into 2.92% voting rights and 1.33% via instruments (notification dated November 9, 2023)¹
- Bank of America Corporation: 4.68%; divided into 0.66% voting rights and 4.03% via instruments (notification dated April 12, 2024)
- JPMorgan Chase & Co.: 4.62%; divided into 0.34% voting rights and 4.28% via instruments (notification dated June 28, 2024)
- The Goldman Sachs Group, Inc.: 4.94%; divided into 0.04% voting rights and 4.90% via instruments (notification dated July 2, 2024)

SHAREHOLDER STRUCTURE

in %



¹ The notification of the shareholding relates to the previous number of outstanding shares of 191.4 million.

MANAGEMENT REPORT

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CORPORATE STRATEGY AND GOVERNANCE

For a comprehensive presentation of our corporate strategy and governance, please refer to the corresponding chapters “Corporate strategy” starting on page 45 and “Corporate governance and monitoring” starting on page 125 of the 2023 Annual Report.

CHANGES TO THE LEGAL GROUP STRUCTURE

As already presented in the Q1/2024 Quarterly Report, the scope of consolidation changed as follows as of March 31, 2024, compared to December 31, 2023:

On January 25, 2023, K+S signed an agreement to acquire 75% of the fertilizer business of the South African trading company Industrial Commodities Holdings (Pty) Ltd (ICH). The closing of the transaction was subject to the fulfillment of a number of conditions, including the granting of the necessary regulatory approvals, and was completed on July 3, 2023. The company now operates under the name Fertiva (Pty) Ltd. The purchase price was in the low double-digit million euro range. The remaining 25% of the shares are held by two former ICH shareholders, who previously managed the fertilizer business at ICH and now also form part of the company's management team. Fertiva (Pty) Ltd. has been included in the scope of consolidation.

At the beginning of January 2024, K+S concluded an agreement under public law with the Saxony-Anhalt State Office for Geology and Mining. The content of the agreement is the safeguarding of the post-closure obligations for the tailings pile capacity expansion II of the Zielitz plant by the newly founded K+S Vorsorgegesellschaft Zielitz GmbH & Co. KG (100% subsidiary of K+S). The purpose of the company is the establishment of a special fund to secure the liquidity required to meet the post-closure obligations after the operating phase of the Zielitz plant. From 2024 onwards, assets will be built up gradually through the contribution of assets by K+S. At the end of the accumulation phase in 2054, the assets must amount to around €250 million on the basis of current assumptions. K+S Vorsorgegesellschaft Zielitz GmbH & Co. KG and K+S Zielitz Vorsorge Verwaltungs GmbH have been included in the scope of consolidation.

Furthermore, the previously non-consolidated subsidiary K+S Brasileira Fertilizantes e Produtos Industriais Ltda. in Brazil, whose business comprises the sale of our fertilizers to customers in South America, has been included in the scope of consolidation.

There were no further changes to the scope of consolidation as of June 30, 2024.

EVENTS IN THE REPORTING PERIOD OR UP TO THE PUBLICATION DATE

Development of the operating business

After market participants have expected a new contract price for potassium chloride in India and China since the middle of the first quarter, reports of a contract between Uralkali and China at USD 273 per tonne were published on July 9, 2024. The contract price, which is fixed until the end of 2024, is, therefore, only slightly below the forecasts previously stated in publications. With the changing regional mix of Russian and Belarusian suppliers, increasing domestic production, and supply from new suppliers in Laos, China's importance as a buyer of potash that is not supplied by producers from Russia and Belarus is also continuing to decline. The North American export organization Canpotex concluded a contract with India at a price of USD 283 per tonne on July 17. Due to the historically customary discount of Indian/Chinese contract prices compared to the Brazilian potassium chloride price at the time the contract was concluded, there were no significant effects on potassium chloride prices in the overseas markets relevant to us once they became known.

Development of the financial position

On June 7, 2024, the rating agency Standard & Poor's (S&P) confirmed our rating of BBB- (outlook "stable"). K+S, therefore, continues to meet its long-term goal of having an investment grade rating. On June 19, 2024, a new corporate bond in the amount of €500 million was issued. In particular, this serves the early refinancing of the 2018 bond, which expired and was repaid in full on July 18, 2024.

BOND PRICES AND YIELDS

in %	Jun. 30, 2024	
	Price	Yield
K+S bond (July 2024); coupon: 3.250% ¹	99.91	5.11
K+S bond (June 2029); coupon: 4.250% ¹	99.83	4.29

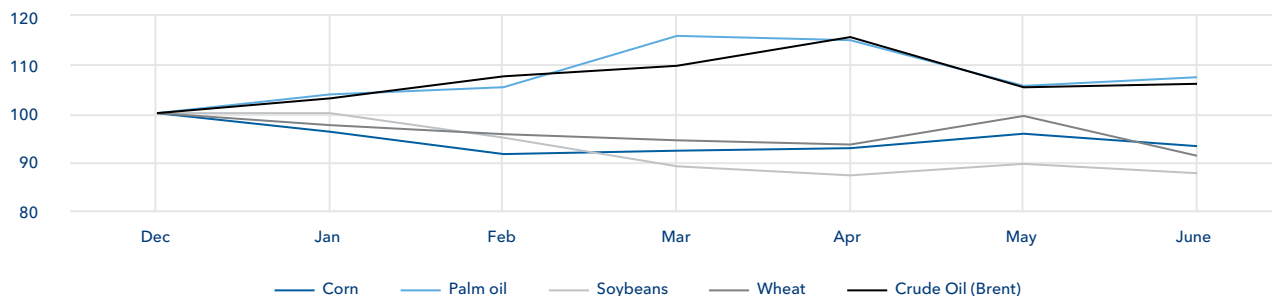
¹ 3-month par call available.

OVERVIEW OF THE COURSE OF BUSINESS

MACROECONOMIC ENVIRONMENT

CHANGES IN COMMODITY PRICES ON A MONTHLY BASIS IN 2024

in % (Index: December 31, 2023)



Source: World Bank

In the first half of the year, the prices of key agricultural commodities developed heterogeneously. While prices for soybeans, wheat, and corn dropped by 12%, 9% and 7% respectively, compared to the end of 2023, the price of palm oil rose by 7%.

The price of Brent crude oil recorded a moderate increase over the course of the first half of the year. At the end of June, the price was about USD 83 per barrel, about 6% above the level at the beginning of the year and 10% above the level as of June 30, 2023. The average value of THE Natural Gas Year Future, which mainly reflects western and southern Germany, normalized further from the still significantly higher value of around €51/MWh as of June 30, 2023 to below €30/MWh by the end of February, before rising again to just under €40/MWh at the end of the first half of 2024. The Henry Hub Natural Gas Future, which mainly reflects the price situation in North America, also recorded an increase over the course of the second quarter following a decline in the first quarter of 2024, and amounted to USD 2.6/mmBtu at the end of June 2024 compared to USD 2.8/mmBtu as of June 30, 2023.

IMPACT ON K+S

The changes in the macroeconomic environment mainly had the following impact on the course of business at K+S:

- + Following the clearly tangible wait-and-see attitude on the side of farmers in spring 2023, demand for potash fertilizers picked up again in the first half of 2024 and set import records in some regions, such as the important overseas market of Brazil. Despite the decline in the prices of key agricultural commodities, the yield prospects for farmers in the reporting period continued to provide an incentive to increase yield per hectare through the application of plant nutrients and to expand the total area under cultivation, also against the background of lower input costs and a certain catch-up demand in some regions.
 - + The energy costs of the K+S Group are influenced in particular by the cost of purchasing natural gas. Our long-term purchasing agreements, however, make us more independent of short-term market price developments. Overall, it was, therefore, possible to significantly reduce the energy costs of the K+S Group in the second quarter, compared with the same period last year due to price factors.
 - + The freight costs of the K+S Group are influenced to a significant extent by the prices for sea freight, rail freight, inland waterway shipping, as well as truckload transportation. As a result of an improved supply and demand situation for freight space, freight rates began to normalize or fall slightly. In the second quarter, the freight costs of the K+S Group were slightly above the prior-year level due to higher volumes; in the first half of the year, the negative volume effects were fully offset by lower prices for container and bulk freight in particular.
 - + Foreign currency hedging system: As a result of the hedging instruments used, the exchange rate in the first half of 2024, including hedging costs, averaged 1.03 EUR/USD. The average spot rate in the first six months was 1.08 EUR/USD (H1/2023: exchange rate 1.10 EUR/USD with an average spot rate of 1.09 EUR/USD).
- 👁 Further information on the foreign currency hedging system can be found in the 2023 Annual Report on page 62.

INDUSTRY-SPECIFIC ENVIRONMENT

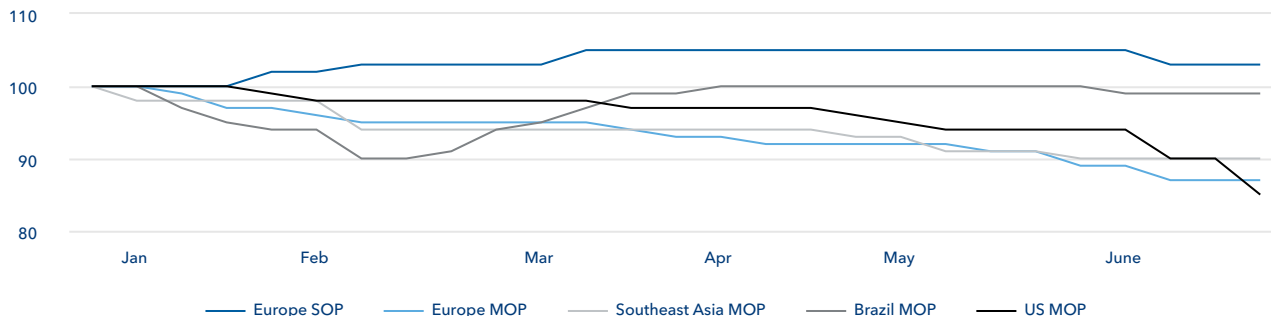
The main sales regions and competitive positions described in the 2023 Annual Report on page 36 remained largely unchanged for the individual customer segments.

AGRICULTURE CUSTOMER SEGMENT

In the first half of 2024, there was a further increase in potash volumes from Russia and Belarus outside of the European and North American markets for 2024 and, therefore, a return to the supply level last reached in 2021 by suppliers based there. This was accompanied by an increase in demand, however, especially following the restraint in 2022 and 2023. While Brazil once again recorded high levels of imports and a price increase during the March season, buyers in Asian markets outside of China and India continued to wait for price indications from the pending contracts in the first half of the year. We, therefore, still do not see an oversupply on the potash market for the year as a whole (2023: about 73 million tonnes; including about 5 million tonnes of potassium sulfate and potash specialties with lower mineral content). Demand in Europe also improved year on year. Prices in Europe, which were higher in an international comparison, recorded a seasonal decline in the second quarter. Prices for potassium sulfate (SOP) were stable to slightly positive throughout the first half of the year and were, therefore, able to further increase their premium over potassium chloride against the background of strong demand and short supply.

DEVELOPMENT OF POTASH PRICES ON A WEEKLY BASIS IN 2024

in % (Index: December 31, 2023)



Source: Argus Media

INDUSTRY+ CUSTOMER SEGMENT

Demand for de-icing salt recorded a tangible year-on-year increase in the first half of the year due to the weather conditions at the beginning of the year. Demand for consumer products remains stable and at a high level in all sectors. For industrial applications, there has been an increasing recovery in demand, while prices have fallen tangibly on average compared to the still very high level in the first half of 2023. This is mainly attributable to the price trend for industrial products containing potash, which in part reflects the price movement of the MOP market with a time lag. Demand for products for the chemical industry is now picking up tangibly again after having been lower in previous quarters due to low production capacity utilization in the European chemical industry. The fall in the MOP price is also affecting our products containing potash for chemical applications and is impacting the prices achievable. In the first half of the year, demand for products in the Industry+ customer segment rose moderately overall. This could not, however, fully offset the fall in prices, particularly for products containing potash.

RELATED PARTIES

For a comprehensive presentation of significant transactions with related parties, please refer to the corresponding disclosures in the Notes on page 32.

EARNINGS POSITION, FINANCIAL POSITION, AND NET ASSETS

EARNINGS POSITION

REVENUES

KEY FIGURES OF THE EARNINGS POSITION

in € million	Q2/2023	Q2/2024	%	H1/2023	H1/2024	%
Revenues	825.8	873.8	+5.8	2,017.8	1,861.8	-7.7
EBITDA	24.3	128.3	> +100	478.1	328.4	-31.3
Depreciation and amortization ¹	102.4	122.0	+19.1	210.3	247.3	+17.6
Group earnings after tax, adjusted ²	-54.9	6.5	-	177.5	58.1	-67.3

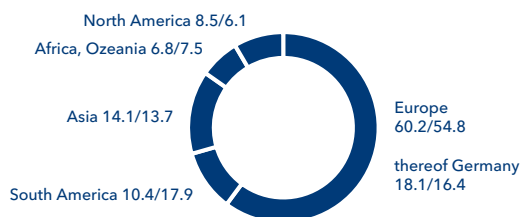
¹ Relates to depreciation and amortization of property, plant, and equipment and intangible assets and of investments accounted for using the equity method, adjusted for the amount of depreciation and amortization recognized directly in equity in connection with own work capitalized.

² Includes the gains/losses from operating 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 Q2/2024: 30.2% (Q2/2023: 30.2%).

In the quarter under review, revenues of the K+S Group reached €873.8 million, exceeding the figure of €825.8 million recorded in the prior-year quarter. Price declines in both customer segments were more than offset by improved sales volumes, particularly in the Agriculture customer segment. Following €2,017.8 million in the first half of 2023, the revenues of the K+S Group amounted to €1,861.8 million in the reporting period.

REVENUES BY REGIONS

in %



○ January to June 2024/2023

VARIANCE COMPARED TO PREVIOUS YEAR

in %	Q2/2024	H1/2024
Change in revenues	+5.8	-7.7
- volume-/structure-related	+11.6	+7.2
- price-/pricing-related	-9.5	-16.9
- currency-related	+0.4	-
- consolidation-related	+3.3	+2.0

DEVELOPMENT OF SELECTED COST TYPES

Cost of sales decreased to €808.8 million in the second quarter of 2024 (Q2/2023: €828.6 million). This was mainly attributable to savings in energy and material costs as well as third-party services, which more than offset higher personnel costs. Marketing and general administrative expenses amounted to €47.6 million, roughly on a par with the prior-year quarter (Q2/2023: €45.1 million). In the first half of 2024, cost of sales amounted to €1,672.9 million compared to €1,585.3 million in the prior-year period; the reduction in inventories in the first half of 2024 had a negative impact here, whereas the cost of sales level in the first half of 2023 benefited from an increase in inventories. Marketing and general administrative expenses remained at the previous year's level in the reporting period at €95.4 million (H1/2023: €93.7 million).

Personnel expenses and the cost of freight, materials, and energy are of particular importance for K+S. Personnel expenses rose to €247.7 million in the second quarter of 2024 (Q2/2023: €237.1 million). In the first half of the year, personnel expenses amounted to €497.6 million (H1/2023: €487.6 million). Freight costs in the second quarter were slightly above the prior-year level at €144.8 million (Q2/2023: €140.5 million) due to higher volumes; this was offset by lower prices, particularly for sea freight. Freight costs remained stable in the first half of 2024 at €297.2 million, compared to the first six months of 2023 (H1/2023: €297.6 million). The cost of raw materials, consumables, and supplies and for purchased goods (cost of materials) decreased slightly to €150.4 million in the second

quarter of 2024 (Q2/2023: €156.4 million). At €309.3 million, the cost of materials in the first half of the year was at the same level as in the prior-year period (H1/2023: €308.7 million). Energy costs decreased significantly in the second quarter to €82.8 million (Q2/2023: €105.9 million). In the first half of the year, energy costs also decreased significantly to €167.0 million, compared with €239.4 million in the prior-year period. This is mainly attributable to lower rates for our long-term purchasing contracts compared to the previous year.

RECONCILIATION OF OPERATING EARNINGS AND EBITDA

in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Earnings after operating hedges	-64.2	-11.7	326.1	16.0
Income (-)/expense (+) arising from changes in fair value of the of outstanding operating anticipatory hedges	2.6	1.6	-25.0	29.2
Elimination of prior-period changes in the fair value of operating anticipatory hedges	-16.5	16.4	-33.3	36.0
Earnings before operating hedges	-78.1	6.3	267.8	81.2
Depreciation and amortization (+)/impairment losses (+)/reversals of impairment losses (-) on non-current assets	105.3	122.8	211.7	249.1
Capitalized depreciation (-) ¹	-1.6	-0.4	-3.2	-0.7
Impairment losses (+)/reversals of impairment losses (-) on investments accounted for using the equity method	-1.3	-0.4	1.8	-1.2
EBITDA	24.3	128.3	478.1	328.4

¹ This relates to depreciation of assets used in the production of other items of property, plant, and equipment. Depreciation is capitalized as part of the cost of production and is not recognized in profit or loss.

DEVELOPMENT OF EARNINGS

K+S Group EBITDA for the quarter under review increased significantly to €128.3 million. In the prior-year quarter, it amounted to €24.3 million and was burdened by subsequent price adjustments relating to other periods, in particular for deliveries to China, in the mid double-digit million euro range. In addition to the effects described in the change in sales, price-related lower costs, particularly for energy, and exchange rate effects had a positive impact on EBITDA.

Earnings after operating hedges amounted to €-11.7 million in the reporting quarter (Q2/2023: €-64.2 million). After benefiting from an offsetting effect of a similar amount in the prior-year quarter, the second quarter of 2024 was negatively impacted by the derecognition of the positive fair values of hedging transactions at the end of the year.

In the first half of the year, EBITDA amounted to €328.4 million, compared with €478.1 million in the prior-year period. The first half of 2023 benefited from the significantly higher average price in the Agriculture customer segment in the first quarter of 2023. Earnings after operating hedges declined to a greater extent in the first half of 2024, in particular due to expenses from changes in fair value, and amounted to €16.0 million (H1/2023: €326.1 million).

The impairment test of the Potash and Magnesium Products and Salt cash-generating units (CGU) in accordance with IFRS is described in the Annual Report from pages 216 and 217 onwards. There was no need for adjustments in the quarter under review.

👁 For further information on the impairment test, please refer to the Notes from page 30 onwards.

FINANCIAL RESULT

The financial result for the reporting quarter amounted to €2.7 million (Q2/2023: €0.2 million). In the first half of 2024, the financial result improved from €-17.6 million to €1.9 million. This increase was mainly attributable to the lower impact of interest effects from the valuation of mining provisions.

👁 For further information on the financial result and interest on provisions, please refer to the Notes from page 27 onwards.

(ADJUSTED) GROUP EARNINGS AND (ADJUSTED) EARNINGS PER SHARE

Group earnings after tax and non-controlling interests amounted to €-6.1 million in the second quarter of 2024 (Q2/2023: €-45.3 million). This results in earnings per share of €-0.03 (Q2/2023: €-0.24). The calculation was based on an average number of 179.1 million shares outstanding in the second quarter of 2024. In the prior-year quarter, the average number of shares outstanding was 190.6 million due to the share buyback program still in progress at the time. In the first half of the year, Group earnings after tax and non-controlling interests amounted to €12.6 million (H1/2023: €218.2 million). This results in earnings per share of €0.07 (H1/2023: €1.14). In the first half of 2024, the average number of shares outstanding was 179.1 million (H1/2023: 191.0 million shares).

Group earnings after tax adjusted for changes in the fair value of derivatives amounted to €6.5 million in the second quarter of 2024, compared with €-54.9 million in the prior-year period. This results in earnings per share of €0.04 (Q2/2023: €-0.29). In contrast to the positive effects described for EBITDA, higher depreciation and amortization had a negative impact on adjusted Group earnings after tax. In the first six months, adjusted Group earnings after tax amounted to €58.1 million (H1/2023: €177.5 million). In the same period, adjusted earnings per share amounted to €0.32, compared with €0.93 in the prior-year period.

RETURN ON CAPITAL EMPLOYED (ROCE)

The return on capital employed as of June 30, 2024 (LTM) was 0.9%, compared with 15.2% in the prior-year period.

FINANCIAL POSITION

KEY FIGURES OF THE FINANCIAL POSITION

in € million	Q2/2023	Q2/2024	%	H1/2023	H1/2024	%
Capital expenditures ¹	121.3	116.4	-4.1	198.7	211.9	+6.7
Cash flow from operating activities	263.0	95.5	-63.7	483.6	321.4	-33.5
Cash flow from investing activities	14.7	58.5	> +100	73.6	111.8	+51.8
Free cash flow	277.7	154.0	-44.5	557.2	433.2	-22.3
Adjustment for acquisitions/disposals of securities and other financial investments	-117.3	-178.2	-51.9	-283.6	-346.4	-22.1
Adjusted free cash flow	160.4	-24.2	-	273.6	86.8	-68.3

¹ Relates to cash payments for investments in property, plant, and equipment and intangible assets, excluding leases in accordance with IFRS 16.

INCREASE IN CAPITAL EXPENDITURES COMPARED TO THE PREVIOUS YEAR

In the second quarter of 2024, the K+S Group invested a total of €116.4 million (Q2/2023: €121.3 million). In the first half of 2024, capital expenditures increased from €198.7 million to €211.9 million. The main investments in the first half of the year included maintenance investments, preparatory expenditure for underground work for the Werra 2060 transformation project, further planning services and orders for materials for the construction of a combined heat and power (CHP) plant at the Bethune site, as well as the costs for the ongoing development of the caverns there. Further investments were made in the construction of the production plant for the new low-emission emulsion explosive Granulex.

OPERATING AND FREE CASH FLOW BELOW PRIOR-YEAR LEVEL

Cash flow from operating activities decreased to €321.4 million in the first half of 2024, compared with €483.6 million in the prior-year period. This was mainly attributable to the decline in EBITDA. A lower release of working capital, which was boosted in the previous year by the sharp reduction in the still high level of receivables, could not be fully offset by lower tax payments.

Cash flow from investing activities adjusted for the acquisition/disposal of securities and other financial investments amounted to €-234.6 million in the first half of the year, compared with €-210.0 million in the prior-year period.

Adjusted free cash flow reached €86.8 million in the first half of the year, compared with €273.6 million in the prior year, due to the developments described regarding cash flow from operating activities and higher capital expenditures.

Cash flow from financing activities in the reporting period amounted to €+261.7 million, mainly due to the issue of a corporate bond in the amount of €500 million. The dividend payment of €125 million for the 2023 financial year as well as the repayment of financial liabilities had an offsetting effect. In the prior-year period, the repayment of a bond and the return of capital to our shareholders in the form of the dividend payment as well as the start of the share buyback resulted in a cash flow from financing activities of €-688.2 million.

- ☐ For information on the bond issue in 2024, please visit <https://www.kpluss.com/en-us/investor-relations/shares-bonds/bonds-rating>
- ☐ For an overview of the already conducted share buybacks in 2023, please refer to www.kpluss.com/sharebuyback.

NET ASSETS

NET FINANCIAL LIABILITIES AND NET DEBT

in € million	Jun. 30, 2023	Dec. 31, 2023	Jun. 30, 2024
Cash and cash equivalents	185.9	152.2	872.5
Non-current securities and other financial investments	18.9	7.0	7.0
Current securities and other financial investments	376.3	354.1	5.0
Financial liabilities	-314.4	-383.0	-788.7
Lease liabilities from finance lease contracts	-5.4	-5.3	-5.2
Net financial liabilities (-)/net asset position (+)	261.3	125.0	90.7
Lease liabilities excluding liabilities from finance lease contracts	-140.4	-142.5	-246.0
Provisions for pensions and similar obligations	-2.9	-8.1	-5.1
Non-current provisions for mining obligations	-1,028.8	-1,212.2	-1,191.9
- thereof payable within 10 years	-241.5	-239.6	-239.4
Net debt	-910.8	-1,237.7	-1,352.4
Net debt excluding non-current provisions for mining obligations that are due after more than 10 years	-123.5	-265.1	-399.8

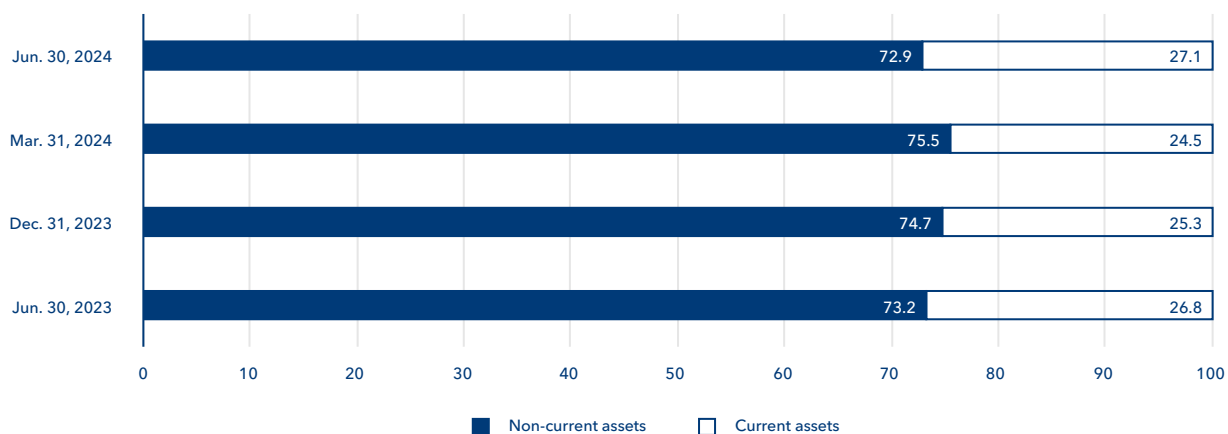
As of June 30, 2024, total assets of the K+S Group amounted to €9,746.2 million (December 31, 2023: €9,473.8 million). Property, plant, and equipment increased to €6,655.3 million (December 31, 2023: €6,588.8 million). Cash and cash equivalents, current and non-current securities, and other financial investments increased to €884.5 million (December 31, 2023: €513.3 million), mainly due to the issue of a bond, proceeds from maturing securities and the operating business, which significantly more than offset the dividend payment and repayment of financial liabilities. Net cash and cash equivalents amounted to €864.3 million as of June 30, 2024 (December 31, 2023: €144.5 million; June 30, 2023: €176.5 million). This relates to cash investments, mainly bank deposits, money market instruments, and comparable securities with maturities of up to three months.

Shareholders' equity decreased slightly to €6,386 million, compared with December 31, 2023 (€6,503 million), due to the dividend payment. The equity ratio was 65.5% as of the reporting date, compared with 68.6% as of December 31, 2023.

Since September 30, 2022, the K+S Group has been able to report a net asset position instead of net financial liabilities. As of June 30, 2024, the net asset position amounted to €+90.7 million (December 31, 2023: €+125.0 million; June 30, 2023: €+261.3 million). The increase in lease liabilities is mainly attributable to the extension of our rail transportation contract with DB Cargo by a further ten years.

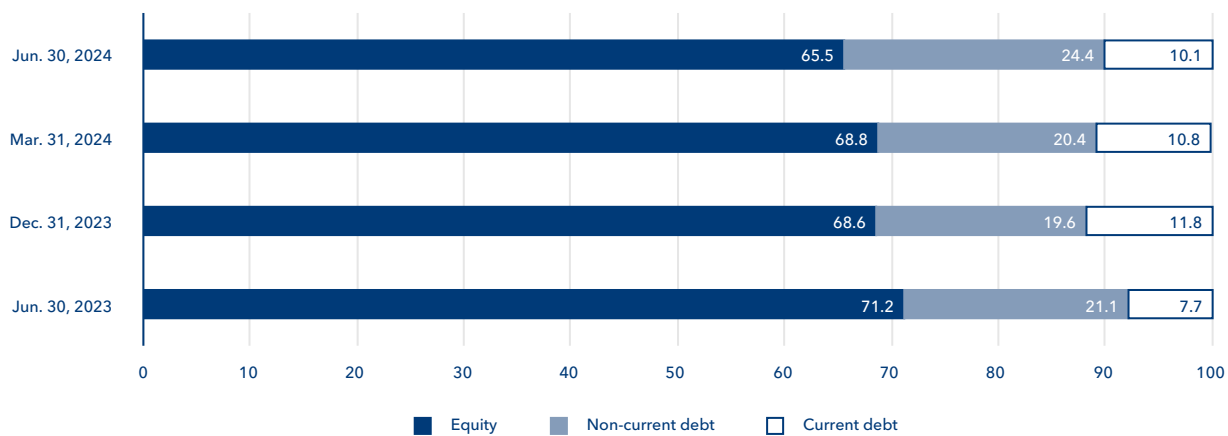
ASSETS

in %



EQUITY AND LIABILITIES

in %



CUSTOMER SEGMENTS (NO SEGMENTS ACCORDING TO IFRS 8)

AGRICULTURE CUSTOMER SEGMENT

KEY FIGURES AGRICULTURE CUSTOMER SEGMENT

in € million	Q2/2023	Q2/2024	%	H1/2023	H1/2024	%
Revenues	557.0	615.9	+10.6	1,418.3	1,295.8	-8.6
- thereof potassium chloride	348.0	314.4	-9.7	893.6	652.7	-27.0
- thereof fertilizer specialties	208.9	301.6	+44.3	524.7	643.2	+22.6
Sales volumes (in million tonnes eff.)	1.67	1.97	+17.9	3.40	3.99	+17.5
- thereof potassium chloride	1.11	1.10	-0.4	2.21	2.18	-1.2
- thereof fertilizer specialties	0.56	0.87	+53.7	1.19	1.81	+52.1
- thereof trade goods	0.04	0.13	> +100	0.05	0.18	> +100

👁 For a description of the market environment in the Agriculture customer segment, please refer to "Industry-specific environment" from page 7 onwards.

In the Agriculture customer segment, second-quarter revenues increased tangibly to €615.9 million (Q2/2023: €557.0 million). Lower average prices were offset by significantly higher sales volumes, particularly for fertilizer specialties. In the quarter under review, revenues in Europe amounted to €270.5 million (Q2/2023: €231.9 million) and overseas to €345.4 million (Q2/2023: €325.1 million). In total, €314.4 million of revenues were attributable to potassium chloride (Q2/2023: €348.0 million) and €301.6 million to fertilizer specialties (Q2/2023: €208.9 million). Revenues in the first half of 2024 reached €1,295.8 million (H1/2023: €1,418.3 million).

Sales volumes excluding trade goods amounted to 1.84 million tonnes in the second quarter, compared with 1.63 million tonnes in the prior-year quarter. Including trade goods, sales volumes increased to 1.97 million tonnes, compared with 1.67 million tonnes in the prior-year quarter. This was mainly attributable to fertilizer specialties and the European business, in addition to a consolidation-related effect (in particular trade goods for the African market). In the reporting quarter, 0.79 million tonnes were sold in Europe (Q2/2023: 0.59 million tonnes) and 1.18 million tonnes overseas (Q2/2023: 1.08 million tonnes). In total, potassium chloride accounted for 1.10 million tonnes of the sales volume (Q2/2023: 1.11 million tonnes) and fertilizer specialties for 0.87 million tonnes (Q2/2023: 0.56 million tonnes). In the first half of the year, sales volumes amounted to 3.99 million tonnes, compared with 3.40 million tonnes in the previous year. Here too, the increase was mainly due to fertilizer specialties and the European business.

VARIANCE COMPARED TO PREVIOUS YEAR

in %	Q2/2024	H1/2024
Change in revenues	+10.6	-8.6
- volume-/structure-related	+14.5	+7.8
- price-/pricing-related	-9.3	-19.2
- currency-related	+0.6	-
- consolidation-related	+4.8	+2.8

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

		Q1/2023	Q2/2023	H1/2023	Q3/2023	Q4/2023	2023	Q1/2024	Q2/2024	H1/2024
Revenues	€ million	861.4	557.0	1,418.3	620.7	682.2	2,721.3	679.9	615.9	1,295.8
Europe	€ million	340.1	231.9	572.0	300.1	330.8	1,202.9	344.7	270.5	615.2
Overseas ¹	USD million	559.3	353.9	913.2	349.0	377.8	1,640.0	364.0	371.9	735.9
Sales volumes	million t eff.	1.73	1.67	3.40	1.87	2.04	7.31	2.02	1.97	3.99
Europe	million t eff.	0.62	0.59	1.21	0.86	0.90	2.97	0.95	0.79	1.75
Overseas	million t eff.	1.11	1.08	2.19	1.01	1.14	4.34	1.07	1.18	2.24
Average price	€/tonne eff.	498.9	333.5	417.6	331.4	333.9	372.1	336.4	312.9	324.8
Europe	€/tonne eff.	548.3	390.5	471.1	349.2	367.0	404.8	361.3	341.1	352.1
Overseas ¹	USD/t eff.	505.6	328.9	416.5	344.3	330.8	377.7	341.0	316.4	328.2

¹ The exchange rate for the current quarter was 1.08 EUR/USD.

INDUSTRY+ CUSTOMER SEGMENT
KEY FIGURES INDUSTRY+ CUSTOMER SEGMENT

in € million	Q2/2023	Q2/2024	%	H1/2023	H1/2024	%
Revenues	268.7	257.9	-4.0	599.4	566.0	-5.6
Sales volumes (in million tonnes)	1.39	1.47	+5.7	3.18	3.32	+4.3
- thereof de-icing salt	0.32	0.31	-4.4	0.91	1.02	+12.3

👁 For a description of the market environment in the Industry+ customer segment, please refer to "Industry-specific environment" from page 8 onwards.

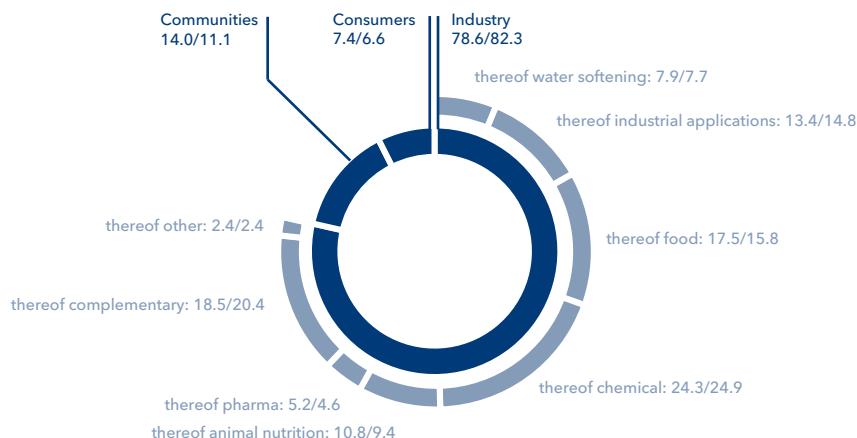
In the Industry+ customer segment, revenues of €257.9 million in the reporting quarter were only slightly below the record figure of the prior-year quarter (Q2/2023: €268.7 million) despite significantly lower average prices for products containing potash; moderately higher sales volumes overall partially offset this. Prices for salt products declined slightly, but remain at a high level in a long-term comparison. Overall, sales volumes reached 1.47 million tonnes in the second quarter, compared with 1.39 million tonnes in the prior-year quarter. The moderate increase in sales volumes is mainly attributable to the tangible recovery in demand for chemical and industrial products containing both potash and sodium chloride, following lower demand in the previous quarters, primarily due to low production capacity utilization in the European chemical industry. In the first half of the year, revenues developed in line with the effects described for the second quarter and declined moderately to €566.0 million (H1/2023: €599.4 million). In a historical comparison, however, revenues remain at a high level. In the first half of the year, sales volumes amounted to 3.32 million tonnes (H1/2023: 3.18 million tonnes).

VARIANCE COMPARED TO PREVIOUS YEAR

in %	Q2/2024	H1/2024
Change in revenues	-4.0	-5.6
- volume-/structure-related	+5.8	+6.0
- price-/pricing-related	-9.9	-11.6
- currency-related	+0.1	-
- consolidation-related	-	-

REVENUES BY PRODUCT GROUP

in %



○ January to June 2024/2023

EMPLOYEES

NUMBER OF EMPLOYEES ROUGHLY STABLE

As of June 30, 2024, the K+S Group had a total of 11,307 employees (full-time equivalents). Compared with June 30, 2023 (11,150 employees), the number has, therefore, remained roughly stable. The quarterly average number of employees was 11,350 (Q2/2023: 11,160), around 90% of whom were employed in Germany. The number of trainees in Germany as of June 30, 2024 was slightly below the level of the previous year at 447 (June 30, 2023: 457).

REPORT ON RISKS AND OPPORTUNITIES

For a detailed presentation of the risk and opportunity management system as well as potential risks and opportunities, please refer to the relevant sections of our 2023 Annual Report starting on page 136.

The risks to which the K+S Group is exposed, both individually and in interaction with other risks, are limited and, according to today's assessments, do not jeopardize the continued existence of the Company. Opportunities and risks as well as their positive and negative changes are not netted against each other.

REPORT ON EXPECTED DEVELOPMENTS

FUTURE MACROECONOMIC SITUATION

The following section on the future macroeconomic situation is based on forecasts by the International Monetary Fund (IMF).

The International Monetary Fund forecasts relatively stable growth in global gross domestic product of 3.2% in 2024 compared to the previous year (2023: 3.3%). This is attributable to inflation falling faster than expected and unemployment falling to record lows in most regions. Companies and households are regaining confidence. Following the sideways movement in Europe and Germany, recent data also indicates a slight recovery here, with the IMF now expecting a minimal improvement of 0.2% for Germany in 2024.

PERCENTAGE CHANGE IN GROSS DOMESTIC PRODUCT

in %; real	2020	2021	2022	2023	2024e
Germany	-3.8	+3.2	+1.8	-0.2	+0.2
Euro area	-6.1	+5.9	+3.4	+0.5	+0.9
World	-2.7	+6.5	+3.5	+3.3	+3.2

Source: IMF; e = expected

FUTURE INDUSTRY SITUATION

The medium- to long-term trends for the future industry situation described in the 2023 Annual Report starting from page 156 onwards largely remain valid.

AGRICULTURE CUSTOMER SEGMENT

Following market expectations of a new contract price for potassium chloride in India and China since the middle of the first quarter, reports of a contract between Uralkali and China at USD 273 per tonne were published on July 9, 2024. The contract price, which is fixed until the end of 2024, is, therefore, only slightly below the forecasts previously stated in publications. With the changing regional mix of Russian and Belarusian suppliers, increasing domestic production and supply from new suppliers in Laos, China's importance as a buyer of potash that is not supplied by producers from Russia and Belarus is also continuing to decline. The North American export organization Canpotex concluded a contract with India at a price of USD 283 per tonne on July 17. Due to the historically customary discount of Indian/Chinese contract prices compared to the Brazilian potassium chloride price at the time the contract was concluded, there were no significant effects on potassium chloride prices in the overseas markets relevant to us once they became known.

For 2024 as a whole, we expect a further increase in potash volumes from Russia and Belarus outside the European and North American markets in 2024 and, therefore, a return to the supply level last achieved in 2021 by suppliers based there. This should, however, also be accompanied by an increase in demand, especially after the restraint in 2022 and 2023. We, therefore, still do not expect an oversupply on the potash market for the year as a whole (2023: about 73 million tonnes; including about 5 million tonnes of potassium sulfate and potash specialties with lower mineral contents).

For the remainder of the year, we expect the prices of our products in the different regions to remain stable compared to current levels. The average price in the Agriculture customer segment for 2024 as a whole would, therefore, be roughly at the level of the second quarter (€313/t). If spot prices were to change in fall, this would hardly affect the average portfolio price realized for 2024 due to the usual time lag.

INDUSTRY+ CUSTOMER SEGMENT

In 2024, demand for products in the Industry+ customer segment should develop positively overall, with the significant recovery in demand for products containing potash continuing in the second half of the year. Overall demand for products for chemical applications is likely to remain restrained, at least in Europe, due to the economic situation. There should, however, continue to be a lower supply here, so that an overall increase in K+S sales volumes can be expected. Furthermore, given intact demand trends such as an aging population and access to medical care in developing and emerging countries, demand for pharmaceutical products should continue to allow for moderate growth rates. For consumer products, we anticipate a continuing trend towards higher-quality products and expect demand to increase slightly overall. While prices for products containing potash should largely stabilize, average prices for products containing sodium chloride should decline slightly year-on-year at a high level. For the second half of the year, we expect demand for de-icing salt to be on average for the past ten years.

EXPECTED EARNINGS PERFORMANCE

For 2024 as a whole, we now expect EBITDA to range between €530 million and €620 million (2023: €712.4 million). We are, therefore, confirming the mid-point of the previously forecast EBITDA range of €500 million to €650 million, narrowing it accordingly.

Our estimate for the full year 2024 as a whole is largely based on the following assumptions:

- + We now expect sales volumes of all products in the Agriculture customer segment (excluding trade goods) to range from 7.4 million tonnes at the lower end of the earnings range to 7.7 million tonnes at the upper end (previous forecast: 7.3 to 7.6 million tonnes; 2023: 7.20 million tonnes). A sales volume at the lower end of the range could arise if the weather or specific conditions in individual regions affect farmers' yields – including price trends for agricultural products and operating inputs – and, therefore, would trigger a wait-and-see attitude in demand.
- + Based on our assessment of the market environment in the Agriculture customer segment, we are now assuming an annual average price in the Agriculture customer segment that is at about the level of the second quarter of 2024 (€313/t; previous forecast: moderately to tangibly below the figure for the first quarter of 2024: €336/t).
- + Major cost items: For 2024 as a whole, price-related cost reductions of around €100 million compared to the cost level in 2023 are assumed, particularly for energy (previous forecast: cost reductions of around €100 million).
- + For the de-icing salt business, we expect sales volumes of about 2 million tonnes in the 2024 financial year (previous forecast: a good 2 million tonnes; 2023: 2.1 million tonnes; normal year: 2.0 to 2.3 million tonnes).
- + With regard to the EUR/USD currency relation, an unchanged average spot rate of 1.10 EUR/USD (2023: 1.08 EUR/USD) is assumed for the remainder of the year. Including currency hedging, this corresponds to an annual average exchange rate of 1.06 EUR/USD (2023: 1.09 EUR/USD).
- + Against the background of the existing uncertainties regarding the supply of natural gas to Europe, we refer to our disclosures in the "Report on risks and opportunities" in the 2023 Annual Report.

We continue to expect adjusted Group earnings after tax, excluding impairment effects, to reach a figure in the double-digit million euro range based on the middle of the EBITDA range (2023: €161.9 million).

EXPECTED FINANCIAL POSITION AND PLANNED CAPITAL EXPENDITURES

As previously forecast, adjusted free cash flow should at least break even (2023: €+311.2 million) despite the elevated capital expenditure due to the Ramp-up Bethune project and preparatory expenses for the Werra 2060 transformation project. The K+S Group's capital expenditure volume in 2024 should be around €550 million (2023: €525.3 million), in particular due to these two projects. With the goal of at least break-even adjusted free cash flow firmly in mind, we will proceed in a prioritized manner and, where possible, adjust the investment volume accordingly.

Following shareholder participation in the Company's success, the net asset position at the end of the year should be roughly balanced as previously forecast (December 31, 2023: €125.0 million). Net debt should, therefore, mainly consist of non-current provisions, particularly for mining obligations, as well as lease liabilities and increase tangibly compared to December 31, 2023 (€1,237.7 million), as previously forecast. The key figures net financial liabilities/EBITDA and net debt/EBITDA will also increase accordingly.

Based on the middle of the EBITDA range in 2024, the return on capital employed (ROCE), excluding impairment effects, should still be in the low single-digit percentage range (2023: 3.2%).

CHANGES IN THE FORECAST FOR THE FULL YEAR 2024

K+S Group		2023 Actual	2024 Forecast in 2023 Annual Report	2024 Forecast Q1/2024	2024 Forecast Q2/2024
Financial performance indicators					
EBITDA ¹	€ million	712.4	500 to 650	500 to 650	530 to 620
Capital expenditures (CapEx) ²	€ million	525.3	about 550	about 550	about 550
Group earnings after tax, adjusted, excluding impairment effects ³	€ million	161.9	double-digit million euro amount in the midpoint of the EBITDA range	double-digit million euro amount in the midpoint of the EBITDA range	double-digit million euro amount in the midpoint of the EBITDA range
Adjusted free cash flow	€ million	311.2	at least break-even	at least break-even	at least break-even
Net financial liabilities (-)/ net asset position (+)	€ million	+125.0	roughly balanced	roughly balanced	roughly balanced
ROCE, excluding impairment effects	%	3.2	low single-digit percentage in the midpoint of the EBITDA range	low single-digit percentage in the midpoint of the EBITDA range	low single-digit percentage in the midpoint of the EBITDA range
EUR/USD exchange rate for remaining months	EUR/USD	1.08	1.11	1.10	1.10
Sales volumes Agriculture customer segment (excluding trade goods)	t million	7.3	7.3 to 7.6	7.3 to 7.6	7.4 to 7.7
Average price in Agriculture customer segment in the full year	€/t	372.1	moderately to tangibly below Q4/2023 (334)	moderately to tangibly below Q1/2024 (336)	at about the level of Q2/2024 (313)
Sales volumes de-icing salt	t million	2.1	a good 2	a good 2	about 2
Non-financial performance indicators⁴					
Lost Time Incident Rate (LTI rate)	x-times	7.6	further improvement	–	–
Reduction of saline process waters in Germany	m ³ million	2.6	below 3	–	–
Specific CO ₂ emissions	kg CO ₂ e/t	270.8	slightly below 271.6	–	–

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 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 operating 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%.

4 No review during the year.

FINANCIAL STATEMENTS

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INCOME STATEMENT¹

in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Revenues	825.8	873.8	2,017.8	1,861.8
Cost of goods sold	-828.6	-808.8	-1,585.3	-1,672.9
Gross profit	-2.8	65.0	432.5	188.9
Selling, general and administrative expenses	-45.1	-47.6	-93.7	-95.4
Other operating income	28.1	24.1	68.5	53.8
Other operating expenses	-53.7	-44.0	-115.5	-89.0
Share of profit or loss of equity-accounted investments	2.0	1.9	-1.5	3.3
- thereof reversals of impairment losses/impairment losses	1.3	0.4	-1.8	1.2
Income from equity investments, net	0.6	2.4	0.7	2.6
Gains/(losses) on operating anticipatory hedges	6.7	-13.5	35.1	-48.3
Earnings after operating hedges²	-64.2	-11.7	326.1	16.0
Interest income	7.1	6.9	11.0	14.9
Interest expense	-2.9	-4.1	-22.6	-6.7
Other financial result	-4.0	-0.1	-6.0	-6.3
Financial result	0.2	2.7	-17.6	1.9
Earnings before tax	-64.0	-9.0	308.5	17.9
Income tax expense	18.8	2.7	-90.4	-5.3
- thereof deferred taxes	23.3	16.5	3.6	25.9
Net income	-45.3	-6.3	218.2	12.6
Non-controlling interests	-	-0.2	-	-
Earnings after tax and non-controlling interests	-45.3	-6.1	218.2	12.6
Earnings per share in € (undiluted ± diluted)	-0.24	-0.03	1.14	0.07

1 Rounding differences may arise in figures.

2 Key indicators not defined in IFRS.

STATEMENT OF COMPREHENSIVE INCOME¹

in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Net income	-45.3	-6.3	218.2	12.6
Unrealized currency translation gains/losses	75.4	2.5	4.5	-3.7
Reclassification to profit or loss of realized currency translation gains/losses	-	-	-	-
Items of other comprehensive income that may be reclassified to profit or loss in subsequent periods	75.4	2.5	4.5	-3.7
Remeasurement gains /(losses) on net liabilities/assets under defined benefit plans	1.2	2.3	0.8	4.8
Gains/(losses) on equity instruments measured at fair value	-	-	-	-
Items of other comprehensive income not to be reclassified to profit or loss	1.2	2.3	0.8	4.8
Other comprehensive income after tax	76.6	4.8	5.3	1.1
Total comprehensive income for the period	31.3	-1.5	223.5	13.7
Non-controlling interests	-	-0.2	-	-
Total comprehensive income for the period, net of tax and non-controlling interests	31.3	-1.3	223.5	13.7

1 Rounding differences may arise in figures.

BALANCE SHEET – ASSETS¹

in € million	Jun. 30, 2023	Dec. 31, 2023	Jun. 30, 2024
Intangible assets	155.4	164.8	165.2
- thereof goodwill from acquisitions of companies	13.7	13.7	13.7
Property, plant, and equipment	6,376.8	6,588.8	6,655.3
Investment properties	4.5	1.9	1.9
Financial assets	42.9	79.3	52.0
Investments accounted for using the equity method	165.0	155.0	158.8
Other financial assets	14.0	14.9	3.7
Other non-financial assets	62.0	52.9	61.8
Securities and other financial assets	18.9	7.0	7.0
Deferred taxes	57.6	14.6	-
Non-current assets	6,897.1	7,079.3	7,105.8
Inventories	776.0	708.0	733.8
Trade receivables	797.7	759.8	716.4
Other financial assets	169.9	237.3	115.3
Other non-financial assets	163.9	128.1	147.4
Income tax refund claims	50.2	55.1	49.8
Securities and other financial assets	376.3	354.1	5.0
Cash and cash equivalents	185.9	152.2	872.5
Current assets	2,519.9	2,394.6	2,640.3
ASSETS	9,417.0	9,473.8	9,746.2

1 Rounding differences may arise in figures.

BALANCE SHEET – EQUITY AND LIABILITIES¹

in € million	Jun. 30, 2023	Dec. 31, 2023	Jun. 30, 2024
Issued capital	191.4	179.1	179.1
Capital reserve	646.0	658.3	658.3
Other reserves and net retained earnings	5,868.0	5,665.8	5,543.7
Total equity attributable to shareholders of K+S Aktiengesellschaft	6,705.4	6,503.1	6,381.1
Non-controlling interests	-	-	4.5
Equity	6,705.4	6,503.1	6,385.6
Financial liabilities	295.0	-	493.2
Other financial liabilities	103.7	105.1	197.2
Other non-financial liabilities	14.1	16.3	19.1
Provisions for pensions and similar obligations	2.9	8.1	5.1
Provisions for mining obligations	1,028.8	1,212.2	1,191.9
Other provisions	146.3	147.0	140.1
Deferred taxes	393.4	364.8	331.1
Non-current liabilities	1,984.2	1,853.4	2,377.8
Financial liabilities	19.4	383.0	295.5
Trade payables	256.1	335.1	278.3
Other financial liabilities	125.0	87.3	102.3
Other non-financial liabilities	71.7	79.2	69.3
Income tax liabilities	21.3	37.7	44.0
Provisions	233.9	194.9	193.3
Current liabilities	727.4	1,117.3	982.7
EQUITY AND LIABILITIES	9,417.0	9,473.8	9,746.2

1 Rounding differences may arise in figures.

STATEMENT OF CASH FLOWS ¹

in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Earnings after operating hedges (from continuing operations)	-64.2	-11.7	326.1	16.0
Income (-)/expenses (+) arising from changes in the fair value of outstanding operating anticipatory hedges	2.5	1.6	-25.0	29.2
Elimination of prior-period changes in the fair value of operating anticipatory hedges	-16.4	16.5	-33.3	36.0
Depreciation, amortization, impairment losses (+)/reversals of impairment losses (-) on intangible assets, PPE, financial assets, and investments accounted for using the equity method	102.3	121.9	210.2	247.2
Increase (+)/decrease (-) in non-current provisions	1.3	-4.8	7.7	-7.9
Interest received and similar income	6.4	12.0	10.0	20.0
Realized gains (+)/losses (-) on financial assets/liabilities	2.5	-0.2	-3.5	-3.2
Interest paid and similar expense ²	-4.0	-5.3	-16.5	-9.4
Income tax paid (-)/refunded (+) ³	-46.0	1.9	-112.4	-30.9
Other non-cash expenses (+)/income (-) and other expenses	0.3	-1.6	0.3	-2.7
Gain (-)/loss (+) on sale of assets and securities	-0.7	2.3	1.1	3.5
Increase (-)/decrease (+) in inventories	2.5	-33.0	-100.6	8.8
Increase (-)/decrease (+) in receivables and other operating assets	305.3	-29.9	260.0	43.3
Increase (+)/decrease (-) in current operating liabilities	30.4	40.6	-40.5	-41.8
Increase (+)/decrease (-) in current provisions	-59.2	-13.9	-3.2	16.8
Allocations to plan assets	-	-2.5	-	-6.7
Net cash flow from operating activities	263.0	93.9	480.4	318.2
- thereof from continuing operations	263.0	95.5	483.6	321.4
- thereof from discontinued operations	-	-1.6	-3.2	-3.2
Proceeds from sale of assets	1.8	1.8	2.5	2.3
Purchases of intangible assets	-1.1	-2.5	-1.9	-4.4
Purchases of property, plant, and equipment	-103.2	-119.0	-210.5	-232.0
Payments for financial assets/investments accounted for using the equity method and loans granted	-0.1	-	-0.1	-0.5
Proceeds from sale of securities and other financial assets	368.6	178.2	763.3	349.4
Purchases of securities and other financial asset	-251.3	-	-479.7	-3.0
Net cash used in investing activities	14.7	58.5	73.6	111.8
- thereof from continuing operations	14.7	58.5	73.6	111.8
Dividends paid	-191.4	-125.4	-191.4	-125.4
Purchase of treasury shares	-46.7	-	-46.7	-
Repayment (-) of borrowings	-20.2	-57.9	-450.1	-158.2
Proceeds (+) from borrowings	-	495.8	-	545.3
Net cash from/(used in) financing activities	-258.3	312.5	-688.2	261.7
- thereof from continuing operations	-258.3	312.5	-688.2	261.7
Cash change in cash and cash equivalents	19.4	464.9	-134.2	691.7
Exchange rate-related change in cash and cash equivalents	-2.1	1.1	-2.2	1.1
Consolidation-related changes in cash and cash equivalents	-	-	-	27.0
Net change in cash and cash equivalents	17.3	466.0	-136.4	719.8
Net cash and cash equivalents as of January 1			312.9	144.5
Net cash and cash equivalents as of June 30			176.5	864.3
- thereof cash and cash equivalents			185.9	872.5
- thereof cash received from affiliated companies			-9.4	-8.2

1 Rounding differences may arise in percentages and numbers.

2 Interest paid in the reporting period H1/2024 amounted to €8.7 million (H1/2023: €12.1 million).

3 In the reporting period H1/2024, the item comprises taxes of €43.0 million paid (H1/2023: €112.4 million) and tax refunds of €12.1 million received (H1/2023: €0.0 million).

STATEMENT OF CHANGES IN EQUITY¹

in € million	Issued capital	Capital reserve	Net retained profits/retained earnings	Currency translation differences	Remeasurement gains/ (losses) on defined benefit plans	Gains/ (losses) on equity instruments measured at fair value	Total equity attributable to shareholders of K+S AG	Non-controlling interests	Equity
As of Jan. 1, 2024	179.1	658.3	5,883.7	-220.5	-32.9	35.4	6,503.1	–	6,503.1
Net income	–	–	12.6	–	–	–	12.6	–	12.6
Other comprehensive income (after tax)	–	–	–	-3.7	4.8	–	1.1	–	1.1
Total comprehensive income for the period	–	–	12.6	-3.7	4.8	–	13.7	–	13.7
Dividend for the previous year	–	–	-125.4	–	–	–	-125.4	–	-125.4
Changes in the scope of consolidation and other changes in equity	–	–	1.7	–	–	-12.0	-10.3	4.5	-5.8
As of June 30, 2024	179.1	658.3	5,772.6	-224.2	-28.1	23.4	6,381.1	4.5	6,385.6
As of Jan. 1, 2023	191.4	646.0	6,062.4	-170.1	-22.5	12.8	6,720.0	–	6,720.0
Net income	–	–	218.2	–	–	–	218.2	–	218.2
Other comprehensive income (after tax)	–	–	–	4.5	0.8	–	5.3	–	5.3
Total comprehensive income for the period	–	–	218.2	4.5	0.8	–	223.5	–	223.5
Dividend for the previous year	–	–	-191.4	–	–	–	-191.4	–	-191.4
Buyback of own shares	–	–	-46.7	–	–	–	-46.7	–	-46.7
Changes in the scope of consolidation and other changes in equity	–	–	–	–	–	–	–	–	–
As of June 30, 2023	191.4	646.0	6,042.5	-165.6	-21.7	12.8	6,705.4	–	6,705.4

1 Rounding differences may arise in figures.

NOTES

EXPLANATORY DISCLOSURES

The interim report as of June 30, 2024 has been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. It is presented as condensed financial statements with selected explanatory notes in accordance with IAS 34. The accounting policies applied in the interim report are the same as those applied in the consolidated financial statements for the 2023 financial year. In the current reporting period, some amendments to standards became effective, but did not have any impact on the Group's accounting policies or the need for retrospective adjustments.

K+S has a single business segment. The Board of Executive Directors performs the economic analysis and assessment, takes the operating decisions, and allocates overall resources for this purpose. Therefore, there is no part of the Company that comprises an operating segment under IFRS 8.

Assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date. Expenses and income are translated at quarterly average exchange rates.

The interim financial statements and the interim management report have not been reviewed in accordance with Section 115 (5) of the German Securities Trading Act (WpHG).

CHANGES IN THE SCOPE OF CONSOLIDATION

The following Group companies have been included in the scope of consolidation since January 1, 2024:

- + Fertiva (Pty) Ltd.
- + K+S Brasileira Fertilizantes e Produtos Industriais Ltda.
- + K+S Vorsorgegesellschaft Zielitz GmbH & Co. KG
- + K+S Zielitz Vorsorge Verwaltungs GmbH

👁 For further information on the newly consolidated Group companies, please refer to "Changes to the legal Group structure" on page 5.

At the time of initial consolidation, Fertiva (Pty) Ltd. and K+S Brasileira Fertilizantes e Produtos Industriais Ltda. had the following assets and liabilities.

OPENING BALANCE K+S BRASILEIRA FERTILIZANTES E PRODUTOS INDUSTRIAIS LTDA. AND FERTIVA (PTY) LTD. (INCL. PPA)

in € million	Jan. 1, 2024
Intangible assets	19.0
Inventories	34.5
Trade receivables	25.3
Other current financial assets	1.5
- thereof affiliated companies	1.5
Cash and cash equivalents	27.0
Other assets	4.0
ASSETS	111.3
Equity	20.2
Deferred taxes	4.9
Trade payables	5.0
Other current financial liabilities	78.6
- thereof affiliated companies	76.9
Other liabilities	2.6
EQUITY AND LIABILITIES	111.3

The financial assets and liabilities to affiliated companies were offset against the offsetting items of the Group companies as part of the consolidation.

REVENUES

Revenues are broken down on the basis of market-oriented customer segments (Agriculture and Industry+). Industry+ is subdivided into the areas of Industry, Consumers, and Communities on the basis of customer interests. The largest segment, Industry, is also broken down into product groups.

REVENUES				
in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Agriculture	557.0	615.9	1,418.3	1,295.8
- thereof potassium chloride	348.0	314.4	893.6	652.7
- thereof fertilizer specialties	208.9	301.6	524.7	643.2
Industry+	268.7	257.9	599.4	566.0
- thereof Consumers	19.6	20.5	39.8	41.9
- thereof Communities	21.9	19.6	66.3	79.4
- thereof Industry	227.3	217.9	493.3	444.6
- thereof water softening	18.0	17.3	38.1	35.3
- thereof industrial applications	33.4	28.9	72.9	59.4
- thereof food processing industry	38.1	38.0	78.1	78.0
- thereof chemicals	50.4	51.0	122.9	107.9
- thereof animal nutrition	22.1	23.5	46.1	48.0
- thereof pharma	10.9	12.4	22.7	23.1
- thereof complementary activities	46.7	40.0	100.8	82.3
- thereof other	7.7	6.7	11.8	10.7
Total	825.8	873.8	2,017.8	1,861.8

👁 For further information on revenues, please refer to the Management Report starting on page 9.

OTHER OPERATING INCOME/EXPENSES

Other operating income and expenses include the following key items:

OTHER OPERATING INCOME/EXPENSES				
in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Exchange rate gains/losses	-3.3	-2.2	-5.9	-0.3
Change in provisions	-7.8	0.8	-18.0	1.2
Other	-14.4	-18.5	-23.0	-36.1
Other operating income/expenses	-25.5	-19.9	-46.9	-35.2

FINANCIAL RESULT

The financial result includes the following key items:

FINANCIAL RESULT				
in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Interest component of provisions for mining obligations	–	-0.3	–	0.3
Interest component of provisions for long-service awards/ working-lifetime accounts	–	1.1	–	2.7
Other interest and similar income	7.1	6.1	11.0	11.9
Interest income	7.1	6.9	11.0	14.9
Interest expense on bonds/promissory note loans	-2.5	-3.1	-5.0	-6.3
Interest component of provisions for mining obligations	-2.7	-2.8	-18.1	-4.6
Interest component of provisions for long-service awards/ working-lifetime accounts	–	0.1	-1.7	–
Interest expense on pension provisions	–	–	–	-0.1
Capitalization of borrowing costs	5.0	5.5	9.2	11.5
Interest expense from leasing	-1.5	-2.4	-3.4	-4.8
Other interest and similar expenses	-1.2	-1.4	-3.6	-2.4
Interest expense	-2.9	-4.1	-22.6	-6.7
Net interest	4.2	2.8	-11.6	8.2
Gains or losses from derivatives	-1.2	1.3	-5.0	-4.1
Gains or losses from foreign currency exposures	-0.6	0.3	1.5	-0.5
Other financial income	0.8	-0.2	0.8	0.4
Other financial expense	-3.0	-1.5	-3.3	-2.1
Other financial result	-4.0	-0.1	-6.0	-6.3
Financial result	0.2	2.7	-17.6	1.9

👁 For further information on the financial result, please refer to the Management Report on page 10.

The interest expense from the valuation of mining provisions is attributable to the accumulation of interest on the beginning-of-year balance of mining provisions and higher discount rates.

INCOME TAX EXPENSE

Income tax includes the following key items:

INCOME TAX EXPENSE				
in € million	Q2/2023	Q2/2024	H1/2023	H1/2024
Corporate income tax	-0.4	7.2	46.3	14.4
Trade income tax	-0.2	6.4	41.0	12.4
Foreign income tax	5.2	0.2	6.7	4.4
Deferred taxes	-23.3	-16.5	-3.6	-25.9
Income tax expense	-18.8	-2.7	90.4	5.3

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

The actuarial valuation of provisions for pensions and similar obligations is based on the projected unit credit method in accordance with IAS 19. The average discount rate at the reporting date was 3.84% (December 31, 2023: 3.56%; June 30, 2023: 4.04%).

PROVISIONS FOR MINING OBLIGATIONS

As in the previous year, a price increase of 2.0% (December 31, 2023: 2.0%; June 30, 2023: 2.0%) was assumed for the provisions for mining obligations.

The market interest rates used for discounting for remaining terms of up to 50 years have increased significantly compared to the last reporting date. The perpetual interest rate used for remaining terms of 50 years or more was 3.7% as of the reporting date (December 31, 2023: 3.7%; June 30, 2023: 3.8%). If the interest rate curve had remained unchanged compared with December 31, 2023 and all other parameters had remained constant, the mining provisions would have been €43.2 million higher. Of this amount, €30.3 million would have resulted in an increase in property, plant, and equipment and €12.9 million would have been recognized in profit or loss.

FINANCIAL INSTRUMENTS

CARRYING AMOUNTS AND FAIR VALUES OF FINANCIAL INSTRUMENTS

in € million	Measurement category in accordance with IFRS 9	Dec. 31, 2023		Jun. 30, 2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Shares in affiliated companies and other equity investments	Fair value through other comprehensive income	73.5	73.5	46.2	46.2
Equity investments	Fair value through profit or loss	5.6	5.6	5.6	5.6
Loans	Amortized cost	0.2	0.2	0.2	0.2
Financial assets		79.3	79.3	52.0	52.0
Trade receivables	Amortized cost	345.1	345.1	426.2	426.2
Trade receivables	Fair value through other comprehensive income (with recycling)	414.7	414.7	290.2	290.2
Derivatives with positive fair values	Fair value through profit or loss	75.0	75.0	7.7	7.7
Other non-derivative financial assets	Amortized cost	177.2	177.2	111.4	111.4
Other financial assets		252.2	252.2	119.0	119.0
Securities and other financial assets	Amortized cost	52.5	52.5	5.0	5.0
Securities and other financial assets	Fair value through other comprehensive income	–	–	7.0	7.0
Securities and other financial assets	Fair value through profit or loss	308.6	308.6	–	–
Cash and cash equivalents	Amortized cost	152.2	152.2	872.5	872.5
Assets		1,604.5	1,604.5	1,772.0	1,772.0
Financial liabilities	Amortized cost	383.0	382.0	788.7	787.5
Trade payables	Amortized cost	335.1	335.1	278.3	278.3
Derivatives with negative fair values	Fair value through profit or loss	1.6	1.6	14.1	14.1
Other non-derivative financial liabilities	Amortized cost	43.1	43.1	34.3	34.3
Lease liabilities	Separate category (IFRS 7)	147.7	147.7	251.2	251.2
Other financial liabilities		192.3	192.3	299.5	299.5
Equity and liabilities		910.5	909.5	1,366.5	1,365.3

The fair values of the financial instruments are always based on the market information available at the balance sheet date and are allocated to one of the three fair value hierarchy levels in accordance with IFRS 13. Level 1 financial instruments are measured on the basis of quoted prices in active markets for identical assets and liabilities. Level 2 financial instruments are measured on the basis of inputs that can be derived from observable market data, or on the basis of market prices for similar instruments. Level 3 financial instruments are calculated on the basis of inputs that cannot be derived from observable market data.

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

		Jun. 30, 2024			
in € million	Measurement category in accordance with IFRS 9	Level 1	Level 2	Level 3	Total
Assets		–	14.7	342.0	356.7
Shares in affiliated companies and other equity investments	Fair value through other comprehensive income	–	–	46.2	46.2
Equity investments	Fair value through profit or loss	–	–	5.6	5.6
Trade receivables	Fair value through other comprehensive income (with recycling)	–	–	290.2	290.2
Derivative financial instruments	Fair value through profit or loss	–	7.7	–	7.7
Securities and other financial assets	Fair value through other comprehensive income	–	7.0	–	7.0
Securities and other financial assets	Fair value through profit or loss	–	–	–	–
Equity and liabilities		–	14.1	–	14.1
Derivative financial instruments	Fair value through profit or loss	–	14.1	–	14.1

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

		Dec. 31, 2023			
in € million	Measurement category in accordance with IFRS 9	Level 1	Level 2	Level 3	Total
Assets		–	383.7	493.8	877.5
Shares in affiliated companies and other equity investments	Fair value through other comprehensive income	–	–	73.5	73.5
Equity investments	Fair value through profit or loss	–	–	5.6	5.6
Trade receivables	Fair value through other comprehensive income (with recycling)	–	–	414.7	414.7
Derivative financial instruments	Fair value through profit or loss	–	75.0	–	75.0
Securities and other financial assets	Fair value through other comprehensive income	–	–	–	–
Securities and other financial assets	Fair value through profit or loss	–	308.6	–	308.6
Equity and liabilities		–	1.6	–	1.6
Derivative financial instruments	Fair value through profit or loss	–	1.6	–	1.6

RECONCILIATION OF SHARES IN UNCONSOLIDATED AFFILIATED COMPANIES AND OTHER EQUITY INVESTMENTS (LEVEL 3)

in € million	2023	2024
As of Jan. 1	42.9	79.1
Changes in the basis of consolidation	–	-14.1
Additions	–	–
Disposals	–	-1.2
Measurement gains/losses (other comprehensive income)	–	-12.0
As of Jun. 30	42.9	51.8

Shares in affiliated companies and other equity investments are not consolidated due to immateriality. The fair value was calculated as the present value of the current three-year results planning (mid-term planning) and a subsequent perpetual annuity. The Company's cost of capital rate was used for discounting. Changes in future results, the growth rate of the perpetual annuity, or the cost of capital will have a corresponding effect on the present value calculation. Shares in affiliated companies are generally held for the long term and not for trading. For this reason, when permitted, the OCI option was exercised, which allows changes in fair value to be recognized in other comprehensive income without reclassifying them to the income statement on disposal.

Trade receivables that could potentially be sold through existing factoring agreements are to be categorized as "fair value through other comprehensive income (with recycling)". The carrying amount is assumed to be equivalent to the fair value due to the short payment terms. The items recognized in this category at the start of the year are usually paid or sold throughout the course of the first half of the year.

IMPAIRMENT TEST

An impairment test must be performed for all assets within the scope of IAS 36 if there are indications of potential impairment at the reporting date. The after-tax discount rate to be applied for the impairment test increased from 8.1% to 8.8% as of June 30, 2024 compared to December 31, 2023. Furthermore, the market prices of the Potash and Magnesium Products cash-generating unit have decreased in the short to medium term compared with the previous assumptions. Against this background, an assessment regarding the necessity for impairment losses for the Potash and Magnesium Products and Salt cash-generating units (CGU) was carried out.

Both the short- to medium-term decline in potash prices as well as the negative impact of the interest rate effect can be partly offset by improved potash prices in the long term compared with the previous assumptions. With regard to further business developments, we have no indications of a significant deterioration compared with the previous assumptions.

The carrying amount of the Potash and Magnesium Products CGU is essentially unchanged compared with December 31, 2023. On this basis, the recoverable amount of the Potash and Magnesium Products CGU was determined in accordance with the methods used as of December 31, 2023. Please refer to the 2023 Annual Report, Note (12) – Intangible assets, property, plant, and equipment, and impairment tests.

Accordingly, there was no need to recognize an impairment loss for the Potash and Magnesium Products CGU; the recoverable amount is approximately at the level of December 31, 2023 (€1,363 million).

Sensitivity calculations were carried out to take account of estimation uncertainties. In each case, this was done by changing one assumption in the calculation, while leaving the other assumptions unchanged from the original calculation.

- A 5% decrease (increase) in the planned MOP price over the long-term planning period (from 2027 onwards) would result in a €0.9 billion decrease (€0.9 billion increase) in the recoverable amount of the Potash and Magnesium Products CGU.
- An increase (decrease) in the discount rate by 0.5 percentage points would result in a €1.0 billion decrease (€0.9 billion increase) in the recoverable amount.

- A decrease (increase) in the growth rate by 0.5 percentage points over the entire planning period would lead to a €1.1 billion lower (€1.3 billion higher) recoverable amount.
- A decrease (increase) in the operating life of the German potash plants by 5 years would result in a €0.1 billion lower (€0.1 billion higher) recoverable amount.
- A 5 cent increase (decrease) in the USD/EUR exchange rate would result in a €1.0 billion decrease (€1.0 billion increase) in the recoverable amount (excluding any offsetting effects from currency hedging).

Corresponding to the change in the recoverable amount, taking into account the above sensitivities, no impairment loss would result for any of the factors mentioned.

As with the Potash and Magnesium Products CGU, the recoverable amount of the Salt CGU is calculated in accordance with the methods used as of December 31, 2023.

The impairment test carried out on the basis of the value in use confirms the recoverability of the goodwill allocated to the Salt CGU; the recoverable amount has decreased compared to December 31, 2023 (€170 million).

Sensitivity calculations were carried out to take account of estimation uncertainties. In each case, the change in an assumption was taken into account, with the other assumptions remaining unchanged compared with the original calculation.

- An increase (decrease) in the discount rate by 0.5 percentage points would lead to a €27 million lower (€29 million higher) recoverable amount.
- A decrease (increase) in the growth or inflation rate by 0.5 percentage points over the entire planning period would result in a €19 million lower (€20 million higher) recoverable amount.
- A decrease of 0.5 percentage points in the sustainable EBITDA margin from 2026 onwards would result in a €22 million lower (€22 million higher) recoverable amount.

Corresponding to the change in the recoverable amount, taking into account the above sensitivities, no impairment loss would result for any of the factors mentioned.

SIGNIFICANT CHANGES IN SELECTED BALANCE SHEET ITEMS IN THE FIRST HALF OF 2024

Non-current assets increased by €26.5 million. The increase is mainly attributable to an increase in property, plant, and equipment of €66.5 million. This was offset by a decrease in financial assets of €27.3 million, which is almost exclusively attributable to the first-time consolidation of Fertiva (Pty) Ltd. and K+S Brasileira Fertilizantes e Produtos Industriais Ltda. Current assets increased by €245.9 million, with the change resulting mainly from an increase in cash and cash equivalents of €720.3 million. The cash inflow from the bond issued on June 19, 2024 with a total volume of €500 million was partly offset by the dividend payment of €125.4 million. There was also a reallocation of short-term investments, which reduced the securities and other financial assets item by €349.1 million. Other financial assets decreased by €122.0 million. Among other things, this includes the decrease in receivables from affiliated companies resulting from the first-time consolidation.

Non-current and current financial liabilities increased by €405.7 million, mainly due to the bond issue. In contrast, trade payables decreased by €56.8 million. The €20.3 million decrease in mining provisions was mainly attributable to an increase in discount interest rates for remaining terms of up to 50 years.

The fixed-interest bond was issued on June 19, 2024 with a nominal amount of €500 million and a coupon of 4.250%. The issue price was 99.147%. The term is 5 years.

SIGNIFICANT CHANGES IN EQUITY IN THE FIRST HALF OF 2024

Equity is affected by transactions both recognized and not recognized in profit or loss, as well as by capital transactions with shareholders. Compared with the 2023 annual financial statements, net retained earnings and other reserves decreased by €110.0 million. The decrease is primarily attributable to the dividend payment of €125.4 million and the changes in equity recognized directly in equity resulting from the currency translation of subsidiaries in functional foreign currencies (mainly CAD). Differences from currency translation are recognized in a separate currency translation reserve, which decreased by €3.7 million as of June 30, 2024. This was offset by the positive result for the first six months of the 2024 financial year in the amount of €12.6 million.

SEASONAL INFLUENCES

Almost all of the Group's core activities are subject to seasonal influences and lead to fluctuations in revenues and earnings over the course of the year. In the Agriculture customer segment, sales volumes over the course of the year are primarily influenced by available production. Maintenance activities generally take place in the third quarter. Revenues development is, however, mainly influenced by price trends, which are determined by the global supply and demand situation and are not necessarily subject to seasonality. In the Industry+ customer segment, the de-icing salt business in particular is heavily dependent on the respective winter weather conditions during the first and fourth quarter.

CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contingent tax liabilities of up to €173.4 million (December 31, 2023: €174.0 million) are expected from corporate transactions and cross-border issues, the occurrence of which is not considered entirely unlikely. The other contingent liabilities have not changed significantly compared to the 2023 annual financial statements.

Obligations from uncompleted investments amounted to €328.3 million in the reporting period (December 31, 2023: €311.0 million) and result almost exclusively from uncompleted investments in property, plant, and equipment.

RELATED PARTIES

Within the K+S Group, supplies and services are settled on an arm's length basis. In addition to the consolidated companies, the K+S Group has relationships with other related companies, including non-consolidated companies, joint ventures, and companies over which the K+S Group can exercise a significant influence (affiliated companies). These relationships have no significant influence on the consolidated financial statements of the K+S Group.

For the K+S Group, the group of related parties mainly comprises the Board of Executive Directors and the Supervisory Board of K+S Aktiengesellschaft. There were no significant transactions with related parties.

RESPONSIBILITY STATEMENT FROM THE LEGAL REPRESENTATIVES OF K+S AKTIENGESELLSCHAFT

We hereby declare that, to the best of our knowledge, and in accordance with the applicable reporting standards for interim financial reporting, the interim consolidated financial statements provide a true and fair view of net assets, financial, and earnings position of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Kassel (Germany), August 8, 2024

K+S Aktiengesellschaft

The Board of Executive Directors

KEY FIGURES

		Q1/2023	Q2/2023	H1/2023	Q1/2024	Q2/2024	H1/2024
K+S Group							
Revenues	€ million	1,192.0	825.8	2,017.8	988.0	873.8	1,861.8
EBITDA ²	€ million	453.8	24.3	478.1	200.1	128.3	328.4
Depreciation and amortization ³	€ million	107.9	102.4	210.3	125.3	122.0	247.3
Agriculture customer segment ⁴							
Revenues	€ million	861.4	557.0	1,418.3	679.9	615.9	1,295.8
Sales volumes	t million	1.73	1.67	3.40	2.02	1.97	3.99
- thereof trade goods	t million	0.01	0.04	0.05	0.04	0.13	0.18
Industry+ customer segment ⁴							
Revenues	€ million	330.6	268.7	599.4	308.1	257.9	566.0
Sales volumes	t million	1.79	1.39	3.18	1.85	1.47	3.32
- thereof de-icing salt	t million	0.59	0.32	0.91	0.72	0.31	1.02
Capital expenditures (CapEx) ⁵	€ million	77.5	121.3	198.7	95.6	116.4	211.9
Cash flow from operating activities	€ million	220.5	263.0	483.6	225.9	95.5	321.4
Cash flow from investing activities	€ million	59.0	14.7	73.6	53.3	58.5	111.8
Adjusted free cash flow	€ million	113.2	160.4	273.6	111.0	-24.2	86.8
Working Capital	€ million	1,505.2	1,235.7	1,235.7	1,078.0	1,133.4	1,133.4
Net financial liabilities (-)/net asset position (+)	€ million	347.0	261.3	261.3	251.8	90.7	90.7
Net financial liabilities/EBITDA (LTM) ⁶	x-times	-	-	-	-	-	-
Group earnings after tax, adjusted ⁷	€ million	232.4	-54.9	177.5	51.5	6.5	58.1
Earnings per share, adjusted ⁷	€	1.21	-0.29	0.93	0.29	0.04	0.32
Earnings after operating hedges	€ million	390.3	-64.2	326.1	27.7	-11.7	16.0
Financial result	€ million	-17.8	0.2	-17.6	-0.9	2.7	1.9
Earnings before income taxes	€ million	372.6	-64.0	308.5	26.9	-9.0	17.9
Income tax expense	€ million	109.1	-18.8	90.4	8.0	-2.7	5.3
Group earnings after tax and non-controlling interests	€ million	263.4	-45.3	218.2	18.6	-6.1	12.6

1 Rounding differences may arise in figures.

2 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.

3 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.

4 No segments in accordance with IFRS 8.

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

6 LTM = last twelve months.

7 The adjusted key figures include the gains/losses from operating 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 Q2/2024: 30.2% (Q2/2023: 30.2%).

FINANCIAL CALENDAR

DATES

	2024/2025
Quarterly Report as of September 30, 2024	November 14, 2024
2024 Annual Report	March 13, 2025
Quarterly Report as of March 31, 2025	May 13, 2025
Annual General Meeting	May 14, 2025
Dividend Payment	May 19, 2025
Half-Year Financial Report as of June 30, 2025	August 12, 2025

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FORWARD-LOOKING STATEMENTS

This Half-Year Financial Report contains statements and forecasts relating to the future development of the K+S Group and its companies. The forecasts represent assessments based on all the information available to us at the present time. Should the assumptions on which the forecasts are based prove to be incorrect or risks – such as those mentioned in the “Report on risks and opportunities” 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 Half-Year Financial Report beyond the disclosure requirements stipulated by law.