



# The Mosaic Company

## Second QUARTER

## 2022 RESULTS

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August 1, 2022





# Forward Looking Statements & Non-GAAP Financial Measures



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, statements about proposed or pending future transactions or strategic plans and other statements about future financial and operating results. Such statements are based upon the current beliefs and expectations of The Mosaic Company's management and are subject to significant risks and uncertainties. These risks and uncertainties include, but are not limited to: the economic impact and operating impacts of the coronavirus (Covid-19) pandemic, political and economic instability and changes in government policies in Brazil and other countries in which we have operations; the predictability and volatility of, and customer expectations about, agriculture, fertilizer, raw material, energy and transportation markets that are subject to competitive and other pressures and economic and credit market conditions; the level of inventories in the distribution channels for crop nutrients; the effect of future product innovations or development of new technologies on demand for our products; changes in foreign currency and exchange rates; international trade risks and other risks associated with Mosaic's international operations and those of joint ventures in which Mosaic participates, including the performance of the Wa'ad Al Shamal Phosphate Company (also known as MWSPC), the future success of current plans for MWSPC and any future changes in those plans; difficulties with realization of the benefits of our long term natural gas based pricing ammonia supply agreement with CF Industries, Inc., including the risk that the cost savings initially anticipated from the agreement may not be fully realized over its term or that the price of natural gas or ammonia during the term are at levels at which the pricing is disadvantageous to Mosaic; customer defaults; the effects of Mosaic's decisions to exit business operations or locations; changes in government policy; changes in environmental and other governmental regulation, including expansion of the types and extent of water resources regulated under federal law, carbon taxes or other greenhouse gas regulation, implementation of numeric water quality standards for the discharge of nutrients into Florida waterways or efforts to reduce the flow of excess nutrients into the Mississippi River basin, the Gulf of Mexico or elsewhere; further developments in judicial or administrative proceedings, or complaints that Mosaic's operations are adversely impacting nearby farms, business operations or properties; difficulties or delays in receiving, increased costs of or challenges to necessary governmental permits or approvals or increased financial assurance requirements; resolution of global tax audit activity; the effectiveness of Mosaic's processes for managing its strategic priorities; adverse weather conditions affecting operations in Central Florida, the Mississippi River basin, the Gulf Coast of the United States, Canada or Brazil, and including potential hurricanes, excess heat, cold, snow, rainfall or drought; actual costs of various items differing from management's current estimates, including, among others, asset retirement, environmental remediation, reclamation or other environmental regulation, Canadian resources taxes and royalties, or the costs of the MWSPC; reduction of Mosaic's available cash and liquidity, and increased leverage, due to its use of cash and/or available debt capacity to fund financial assurance requirements and strategic investments; brine inflows at Mosaic's potash mines; other accidents and disruptions involving Mosaic's operations, including potential mine fires, floods, explosions, seismic events, sinkholes or releases of hazardous or volatile chemicals; and risks associated with cyber security, including reputational loss; as well as other risks and uncertainties reported from time to time in The Mosaic Company's reports filed with the Securities and Exchange Commission. Actual results may differ from those set forth in the forward-looking statements.

## Non-GAAP Financial Measures

This press release includes the presentation and discussion of non-GAAP diluted net earnings per share guidance, or adjusted EPS, and adjusted EBITDA, adjusted gross margin referred to as non-GAAP financial measures and free cash flow. Generally, a non-GAAP financial measure is a supplemental numerical measure of a company's performance, financial position or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with U.S. generally accepted accounting principles, or GAAP. Non-GAAP financial measures should not be considered as substitutes for, or superior to, measures of financial performance prepared in accordance with GAAP. In addition, because non-GAAP measures are not determined in accordance with GAAP, they are thus susceptible to varying interpretations and calculations and may not be comparable to other similarly titled measures of other companies. Adjusted metrics, including adjusted EPS and adjusted EBITDA are calculated by excluding the impact of notable items from the GAAP measure. Notable items impact on gross margin and EBITDA is pretax. Notable items impact on diluted net earnings per share is calculated as the notable item amount plus income tax effect, based on expected annual effective tax rate, divided by diluted weighted average shares. Free cash flow is defined as net cash provided by operating activities less capital expenditures, and adjusted for changes in working capital financing. Management believes that these adjusted measures provide securities analysts, investors, management and others with useful supplemental information regarding our performance by excluding certain items that may not be indicative of, or are unrelated to, our core operating results. Management utilizes these adjusted measures in analyzing and assessing Mosaic's overall performance and financial trends, for financial and operating decision-making, and to forecast and plan for future periods. These adjusted measures also assist our management in comparing our and our competitors' operating results. Reconciliations for current and historical periods beginning with the quarter ended September 30, 2020, for consolidated adjusted EPS and adjusted EBITDA, as well as segment adjusted EBITDA and adjusted gross margin per tonne are provided in the Selected Calendar Quarter Financial Information performance data for the related periods. This information is being furnished under Exhibit 99.2 of the Form 8-K and available on our website at [www.mosaicco.com](http://www.mosaicco.com) in the "Financial Information - Quarterly Earnings" section under the "Investors" tab.

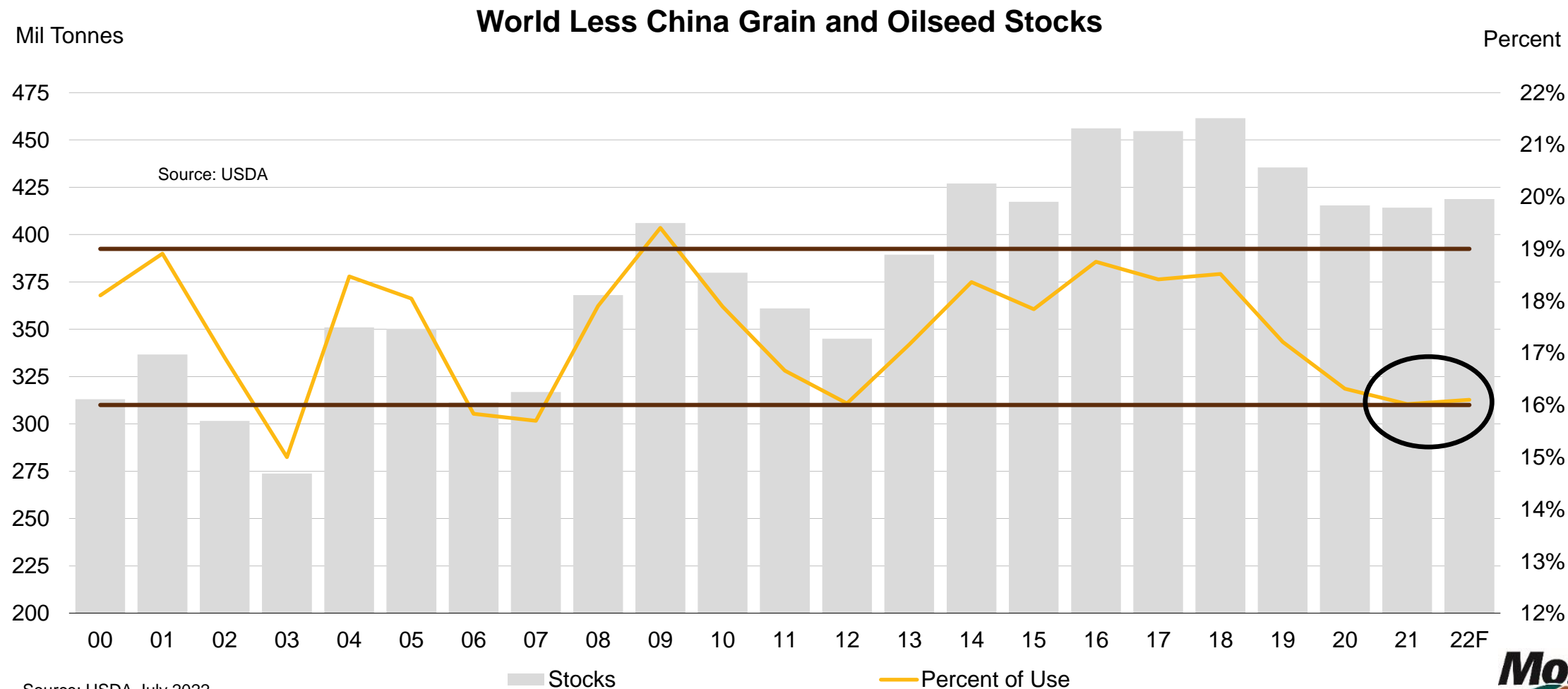
# Second Quarter 2022 Performance

CONSOLIDATED REVENUES			OPERATING EARNINGS			NET EARNINGS			ADJUSTED <sup>(1)</sup> EBITDA		
\$5,373M +92% Y/Y			\$1,674M +246% Y/Y			\$1,036M +137% Y/Y			\$2,028M +145% Y/Y		
PHOSPHATES			POTASH			MOSAIC FERTILIZANTES					
Net Revenues			Operating Earnings			Adjusted EBITDA <sup>(1)</sup>					
\$1,801M			\$578M			\$758M					
\$1,175M			\$283M			\$408M					
Generated \$1.6 billion in Operating Cash Flow, \$794 million in Free Cash Flow <sup>(1)</sup>											
Returned \$666 million through Share Repurchases and Dividends											

<sup>(1)</sup>See Non-GAAP Financial Measures for additional information

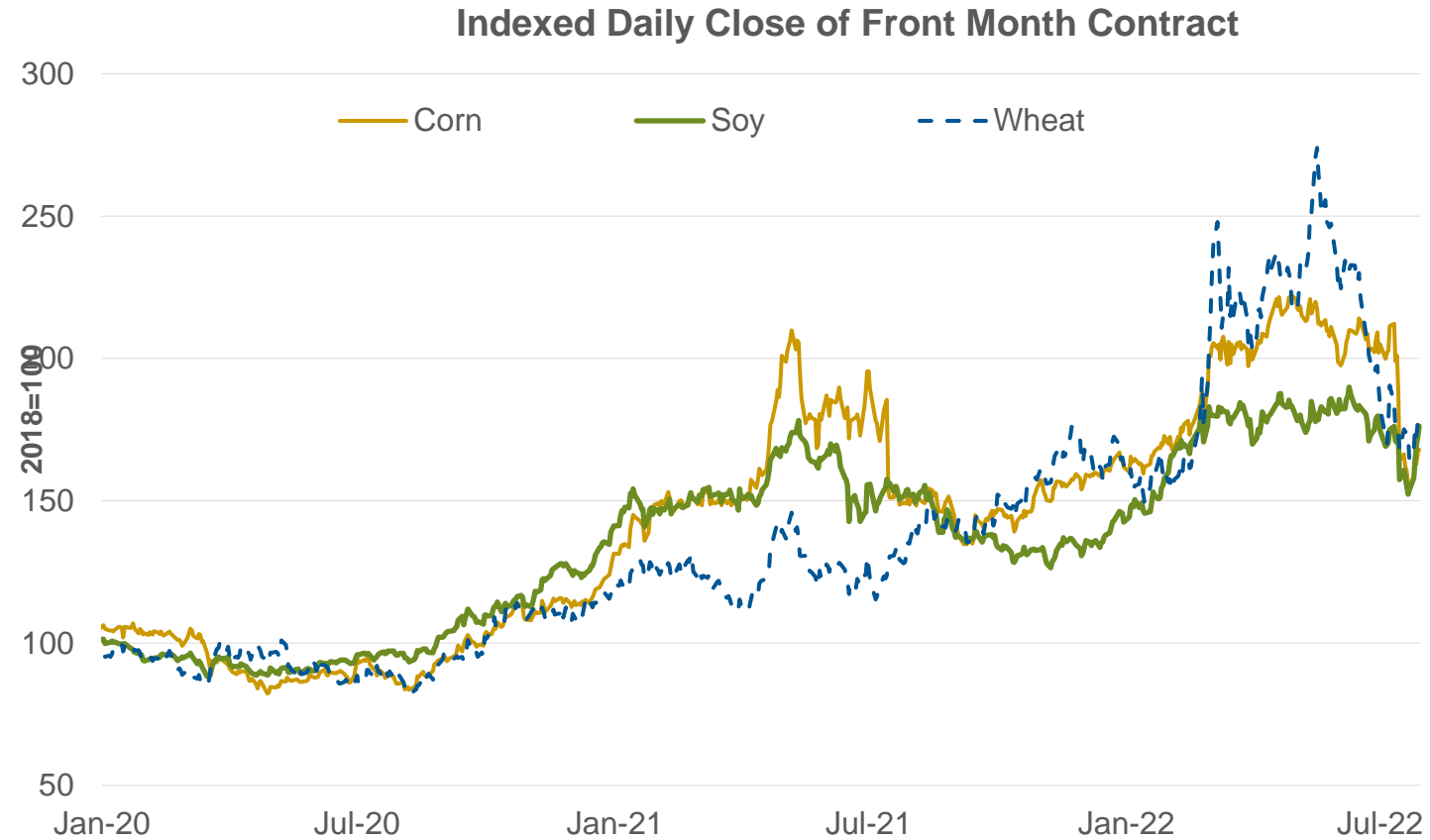
# Solid Agricultural Fundamentals

*Global stocks-to-use ratio illustrates ag's constructive backdrop – tight supply is likely to persist beyond the current season*



# Elevated Agricultural Prices

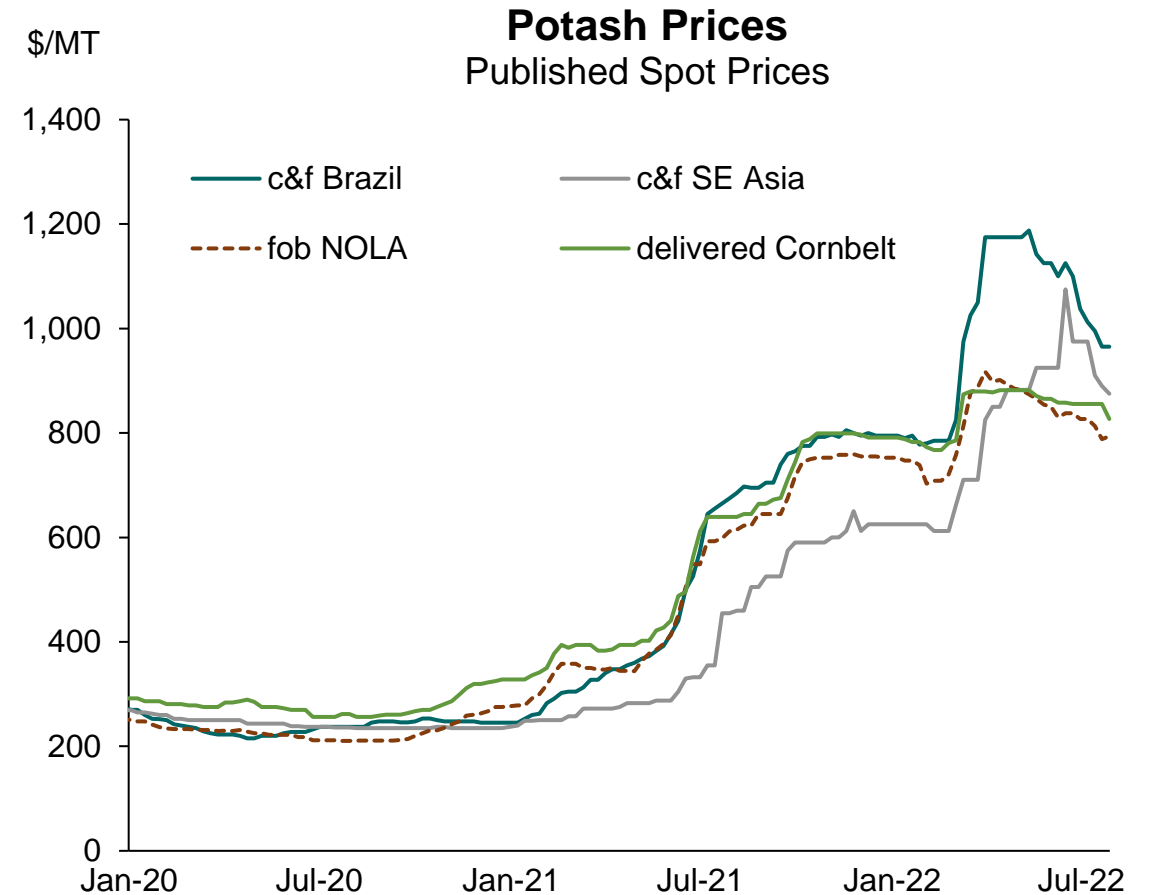
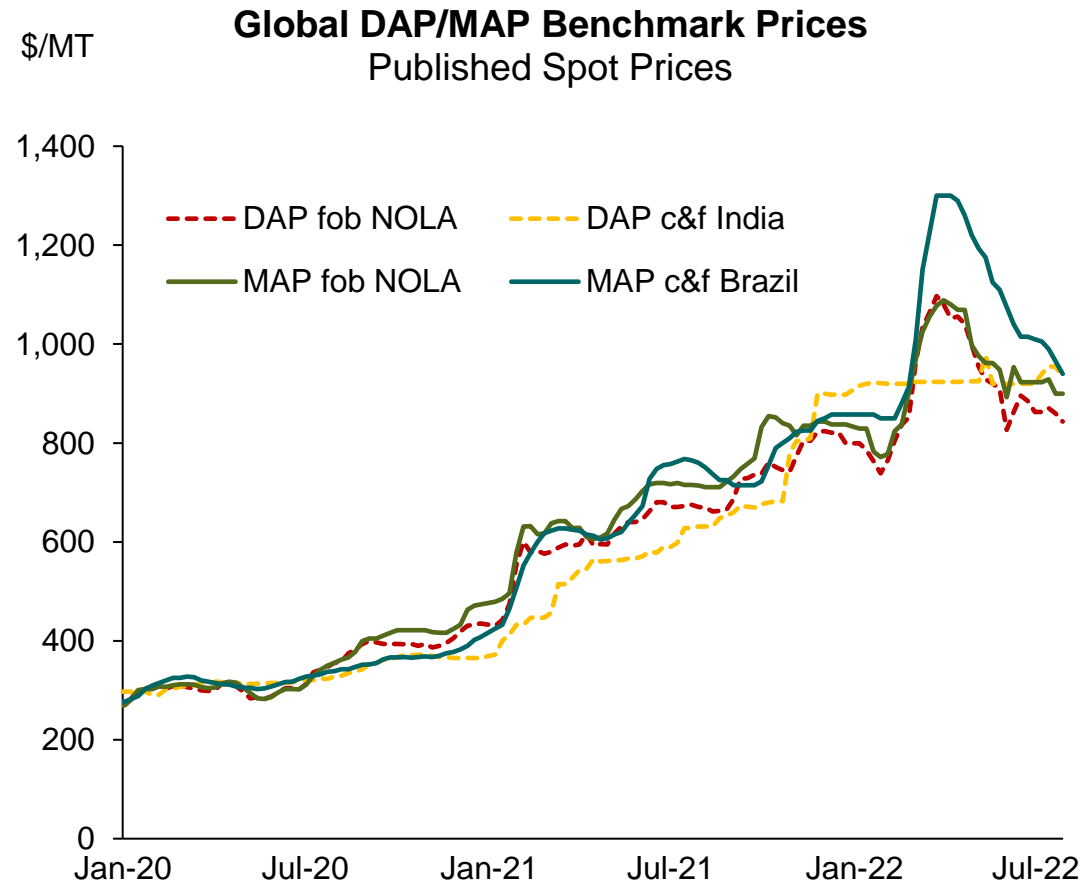
*Ag commodities remain at historically elevated levels*



Source: CME, MDEX, NYMEX; Data through July 29, 2022

# Nutrient Prices Elevated

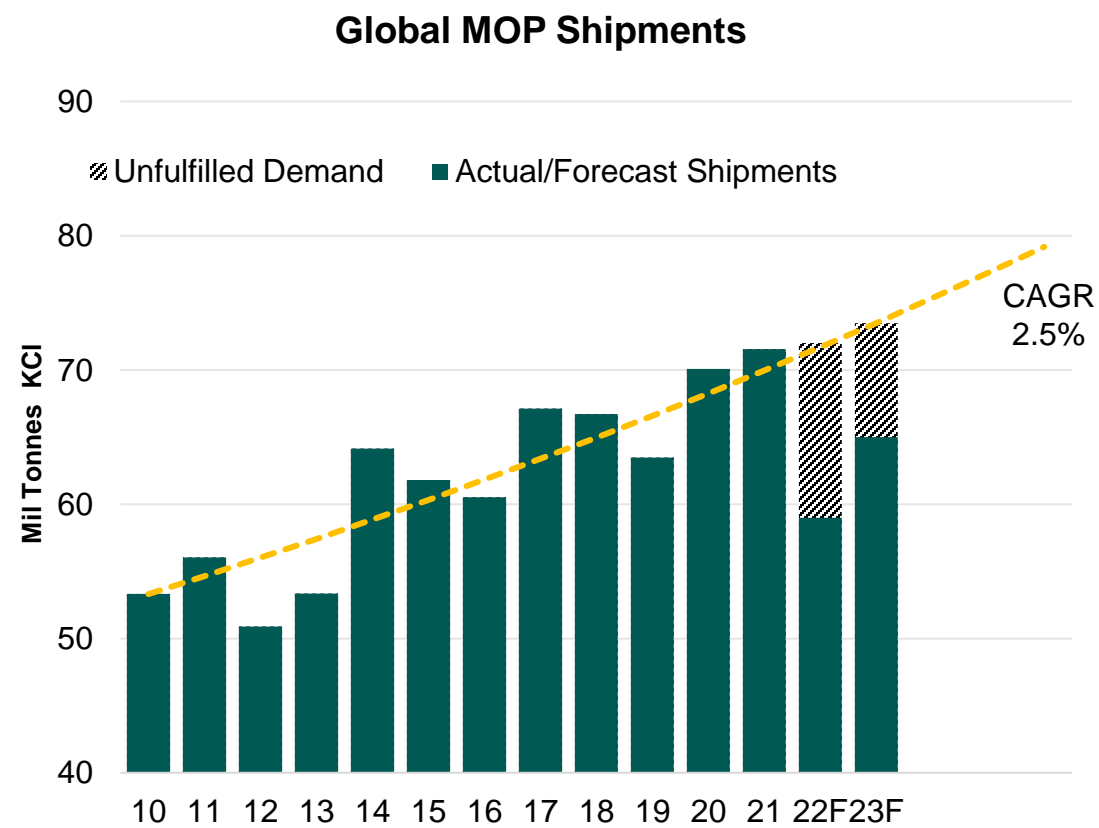
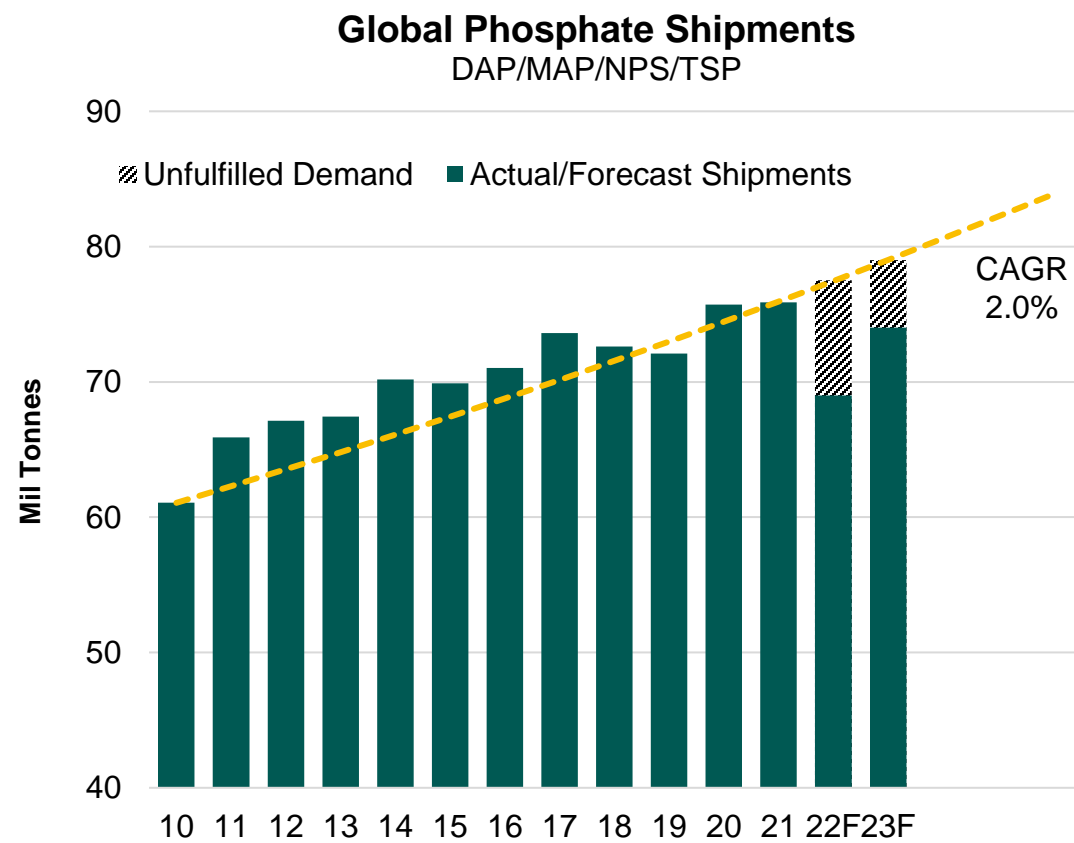
*Supply constraints place a floor under pricing at levels above recent history*



Sources: Argus, Fertecon, CRU, ICIS, Green Markets, Mosaic; Data through July 29, 2022

# Mounting Unfulfilled Demand in 2022 and 2023

*Reduced global supplies of both phosphate and potash will mean some demand goes unfulfilled, which will result in a “catch-up” demand tailwind over the medium term*



# Year-to-Date 2022 Free Cash Flow<sup>(1)</sup>

*Capital return to shareholders remains a key focus in 2022*

*\$ in millions*

Cash Flow from Operations	\$2,091
Capital Expenditures	\$(554)
Adjustments for Working Capital Financing	\$(277)
<b>Free Cash Flow<sup>(1)</sup></b>	<b>\$1,260</b>

YTD 2022 Capital Return	\$1,094
<b><i>Capital Return as a % of Free Cash Flow<sup>(1)</sup></i></b>	<b><i>87%</i></b>

<sup>(1)</sup> Free Cash flow is a Non-GAAP Financial Measure



# 2022 Capital Allocation

## Free Cash Flow<sup>(1)</sup>

### Strengthen Balance Sheet

#### Reduce long-term debt by \$1 billion

- Expect to reach target in the second half of 2022 with the retirement of \$550 million.
- No further plans to reduce long-term debt beyond this point

### Invest in the Business

#### Total capex of \$1.3 billion

- K3 optimization
- Restart of second mill at Colonsay

### Return to Shareholders

#### All remaining free cash flow

*(after commitments)*

- New \$2 billion share repurchase authorization
- Regular dividend target of \$0.60 per share
- Will consider special dividends

<sup>(1)</sup> Free Cash flow is a Non-GAAP Financial Measure

# Outlook for 2022

Pricing & Sensitivities	FY 2021	Q2 2022	Sensitivity
Average DAP fob plant (\$/tonne) <sup>(1)</sup>	\$564	\$920	\$10 price = \$94 mm adjusted EBITDA
Average MOP fob mine (\$/tonne) <sup>(2)</sup>	\$285	\$678	\$10 price = \$53 mm adjusted EBITDA
BRL/USD <sup>(3)</sup>	5.39	4.92	Unhedged: \$0.10 = \$10 mm adjusted EBITDA

<sup>(1)</sup> Approximately 20% of DAP price sensitivity impact is expected to be in the Mosaic Fertilizantes segment.

<sup>(2)</sup> Approximately 5% of the MOP price sensitivity impact is expected to be in the Mosaic Fertilizantes segment.

<sup>(3)</sup> The company hedged about 50 percent of the annual sensitivity. Over longer periods of time, inflation is expected to offset a portion of currency benefits.

Other Assumptions (\$ in millions)	2022
Total Capital Expenditures	\$1,300
Depreciation, Depletion and Amortization	\$870 - \$890
SG&A Expenses <sup>(4)</sup>	\$420 - \$450
Net Interest Expense	\$140 - \$150
Non-notable Adjustments	\$100 - \$110
Effective Tax Rate (excluding discrete items)	~ Mid 20's%
Cash Tax Rate	~ Low 20's%

<sup>(4)</sup> Mark-to-market adjustments on equity-based incentive compensation may drive further changes to SG&A expectations

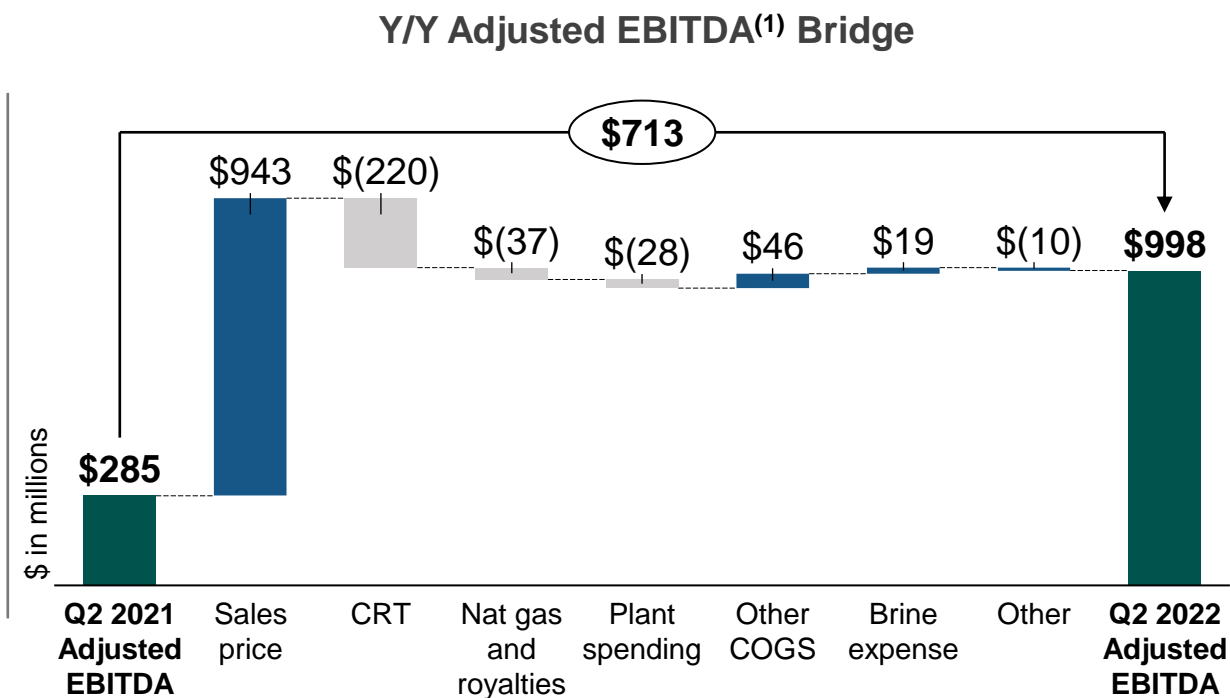
# Appendix



# Potash Q2 2022 Performance

	Q2 2022	Q2 2021	Variance
Sales Volumes (mt in millions)	2.304	2.326	(0.022)
MOP Selling Price (FOB Mine) (\$/mt)	\$ 678	\$ 243	\$ 435
MOP cash costs of production (excl Brine) (\$/mt)	\$ 78	\$ 62	\$ 16
Brine Management Cash Costs (\$ in millions)	\$ -	\$ 13	\$ (13)

\$ in millions			
Gross Margin	\$ 928	\$ 217	\$ 711
Operating Earnings	\$ 915	\$ 49	\$ 866
Depreciation, Depletion and Amortization	\$ 81	\$ 70	\$ 11
Notables in Operating Earnings	\$ -	\$ (177)	\$ 177
Adjusted EBITDA <sup>(1)</sup>	\$ 998	\$ 285	\$ 713
FX rate (CAD/USD)	1.28	1.23	0.05



<sup>(1)</sup>See Non-GAAP Financial Measures for additional information



# Phosphate Q2 2022 Performance

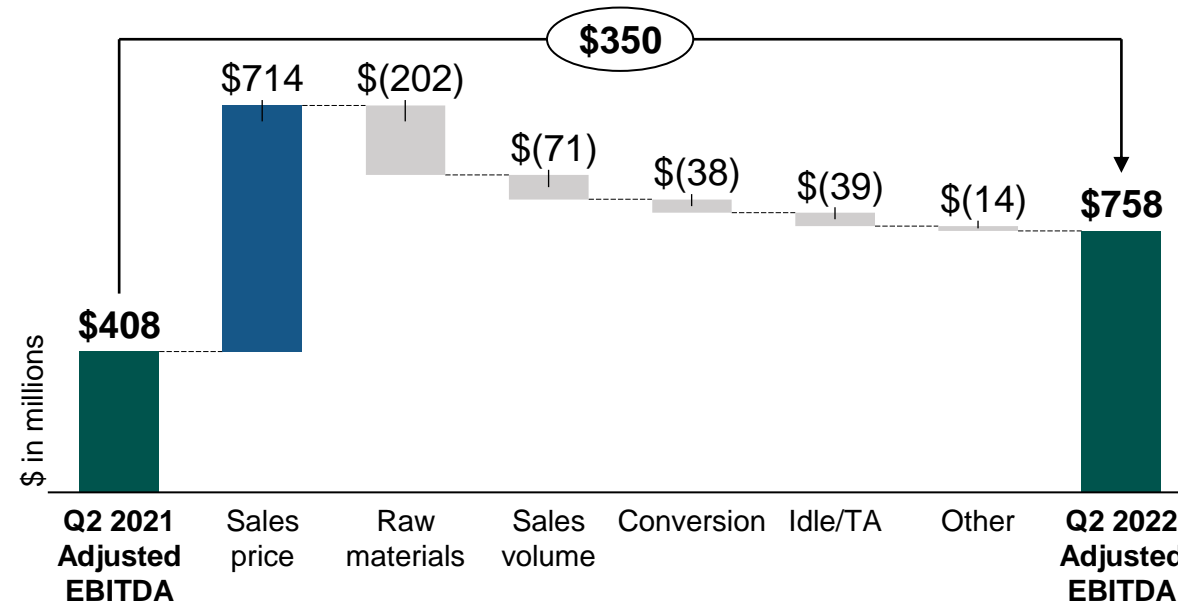
## Phosphate Quarterly

	Q2 2022	Q2 2021	Variance
Sales Volumes (mt in millions)	1.675	1.982	(0.307)
DAP Selling Price (FOB Plant) (\$/mt)	\$ 920	\$ 544	\$ 376
Production volume (mt in millions)	1.636	1.827	(0.191)
FL Cash Rock Cost of production (\$/mt)	\$ 46	\$ 37	\$ 9
Cash Conversion Cost of production (\$/mt)	\$ 86	\$ 68	\$ 18

## \$ in millions

Gross Margin	\$ 642	\$ 309	\$ 333
Operating Earnings	\$ 578	\$ 283	\$ 295
Depreciation, Depletion and Amortization	\$ 133	106	\$ 27
Notables in Operating Earnings	\$ (44)	\$ (14)	\$ (30)
Adjusted EBITDA <sup>(1)</sup>	\$ 758	\$ 408	\$ 350

## Y/Y Adjusted EBITDA<sup>(1)</sup> Bridge



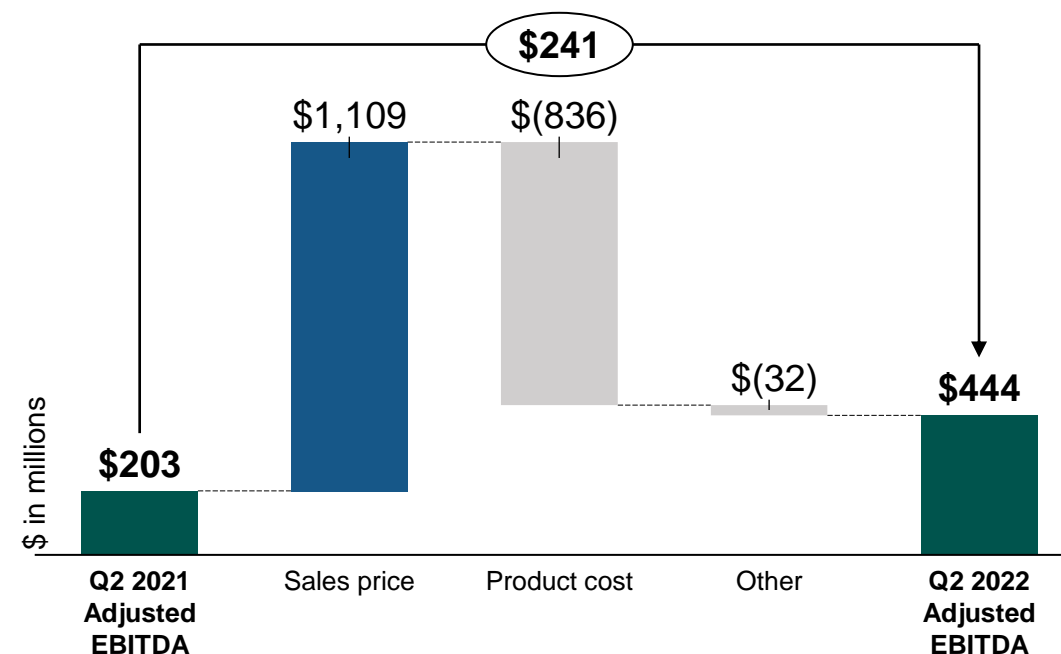
<sup>(1)</sup>See Non-GAAP Financial Measures for additional information

# Mosaic Fertilizantes Q2 2022 Performance

	Q2 2022	Q2 2021	Variance
Sales Volumes (mt in millions)	2.320	2.341	(0.021)
Average Finished Product Selling Price (\$/mt)	\$ 974	\$ 442	\$ 532
MAP Price (delivered price to third party) (\$/mt)	\$ 1,021	\$ 589	\$ 432
Cash Rock Cost production (R\$/mt)	\$ 500	\$ 409	\$ 91
Phosphate Cash Conversion Cost (R\$/mt)	\$ 506	\$ 359	\$ 147

\$ in millions			
Gross Margin	\$ 450	\$ 184	\$ 266
Operating Earnings	\$ 420	\$ 170	\$ 250
Depreciation, Depletion and Amortization	\$ 27	\$ 24	\$ 3
Notables in Operating Earnings	\$ 7	\$ (6)	\$ 13
Adjusted EBITDA <sup>(1)</sup>	\$ 444	\$ 203	\$ 241
FX rate (BRL/USD)	4.92	5.30	(0.38)

Y/Y Adjusted EBITDA<sup>(1)</sup> Bridge



<sup>(1)</sup>See Non-GAAP Financial Measures for additional information

# Reconciliation of non GAAP measures

Consolidated Earnings ( <i>in millions</i> )	Q2 2022	Q2 2021
Consolidated net earnings attributable to Mosaic	\$1,036	\$437
Less: Consolidated interest expense, net	(34)	(37)
Plus: Consolidated depreciation, depletion and amortization	245	204
Plus: Accretion expense	20	19
Plus: Share-based compensation expense	(1)	4
Plus: Consolidated provision for income taxes	369	116
Less: Equity in net earnings (loss) of nonconsolidated companies, net of dividends	36	(4)
Plus: Notable items	361	8
Adjusted EBITDA	\$2,028	\$829
Diluted earnings per share	\$2.85	\$1.14
Notable items impact on earnings per share	(0.79)	(0.03)
Adjusted diluted earnings per share	\$3.64	\$1.17

# Reconciliation of non GAAP measures

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Consolidated Operating Earnings ( <i>in millions</i> )	Q2 2022	Q2 2021
Operating Earnings	\$1,674	\$484
Notable items impact	99	139
Adjusted Operating Earnings	\$1,773	\$623



# Reconciliation of non GAAP measures

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Potash Earnings ( <i>in millions</i> )	Q2 2022	Q2 2021
Operating earnings	\$915	\$49
Plus: Depreciation, depletion and amortization	81	70
Plus: Accretion expense	2	4
Plus: Foreign exchange gain (loss)	(23)	28
Plus: Other income (expense)	-	-
Plus: Notable items	23	134
Adjusted EBITDA	\$998	\$285

# Reconciliation of non GAAP measures

Phosphate Earnings ( <i>in millions</i> )	Q2 2022	Q2 2021
Operating earnings	\$578	\$283
Plus: Depreciation, depletion and amortization	133	106
Plus: Accretion expense	14	10
Plus: Foreign exchange gain (loss)	-	8
Plus: Other income (expense)	(24)	2
Less: Earnings (loss) from consolidated noncontrolling interests	9	2
Plus: Notable items	66	1
Adjusted EBITDA	\$758	\$408

# Reconciliation of non GAAP measures

Mosaic Fertilizantes Earnings ( <i>in millions</i> )	Q2 2022	Q2 2021
Operating earnings	\$420	\$170
Plus: Depreciation, depletion and amortization	27	24
Plus: Accretion expense	4	4
Plus: Foreign exchange gain (loss)	(83)	34
Plus: Other income (expense)	(1)	(2)
Less: Earnings (loss) from consolidated noncontrolling interests	(1)	(1)
Plus: Notable items	76	(28)
Adjusted EBITDA	\$444	\$203

# Reconciliation of non GAAP measures

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Free Cash Flow ( <i>in millions</i> )	Q2 2022
Cash flow from operations	\$1,585
Capital expenditures	(263)
Adjustments for working capital financing	(528)
Free cash flow	\$794