

Press Release

Kassel (Germany), February 17, 2021

Examination of the German Audit Office for Accounting Maximum transparency

At the beginning of November last year, K+S announced to the public that the Board of Executive Directors had adjusted its long-term assumptions for the potash business. Essentially, this related to the long-term development of potash prices. Furthermore, an adjustment of the weighted average cost of capital (WACC) became mandatory. Overall, this resulted in a non-cash, one-off impairment loss of around €2 billion on assets in the Europe+ operating unit.

The impairment loss was recognized in the financial statements for the third quarter of 2020 and had a correspondingly negative impact on adjusted consolidated earnings after tax and ROCE, but did not result in a cash outflow.

At the occasion-related request of the German Federal Financial Supervisory Authority ("Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin"), the German Audit Office for Accounting ("Deutsche Prüfstelle für Rechnungslegungsaufsicht - DPR") has announced that it will examine the accuracy of the impairment losses recognized. For this purpose, DPR requests the Company's cooperation and the submission of documents.

K+S comprehensively complies with this request and has already provided the documents requested by DPR. The Company will provide further information upon request by DPR with maximum transparency.



The Board of Executive Directors is convinced that the impairment loss has been recognized appropriately and in compliance with all relevant accounting standards.

The Supervisory Board also does not anticipate any indications to the contrary at present. It has immediately established committees and processes to monitor the occasion-related examination.

About K+S

K+S considers itself a customer-focused, independent minerals company for the Agriculture, Industry, Consumers, and Communities segments. Our more than 14,000 employees enable farmers to provide nutrition for the world, solutions that keep industries going, improve daily life for consumers and provide safety in the winter. We continually meet the growing demand for mineral products from production sites in Europe, North and South America as well as a worldwide sales network. We strive for sustainability because we are deeply committed to our responsibilities to people, environment, communities and economy in the regions in which we operate. Learn more about K+S at www.kpluss.com.

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