

## Press Release

Kassel (Germany), November 25, 2021

### FREP proceedings

### **Final examination findings do not sustain material preliminary findings and do not result in adjustments to valuations**

**The German Financial Reporting Enforcement Panel (FREP - “DPR”) today issued its final examination findings for K+S in connection with the examination of the consolidated financial statements as of December 31, 2019, and the abbreviated financial statements as of June 30, 2020. These do not sustain significant preliminary findings and do not result in adjustments to valuations.**

According to K+S, the final findings do not result in any adjustment requirements for the valuations of the Potash and Magnesium Products cash-generating unit (“CGU Potash”) in the financial statements as of December 31, 2019, and the subsequent financial statements of 2020. The preliminary findings regarding the consolidated financial statements as of December 31, 2019, that the value in use of the CGU Potash had not been reliably determined and was significantly overstated, and therefore that recoverability had not been demonstrated, are no longer included in the final DPR findings. The preliminary DPR finding regarding the abbreviated consolidated financial statements as of June 30, 2020, that the recoverability of the net assets of the CGU Potash had not been demonstrated, are also no longer included in the final findings.

“We consider this to be confirmation that a valuation adjustment was not required as of December 31, 2019. This was also made clear to the DPR in our extensive written and verbal statements,” says Thorsten Boeckers, Chief Financial Officer of K+S Aktiengesellschaft.



The DPR's findings on the financial statements as of December 31, 2019 are now limited to the fact that material assumptions, changes in assumptions, discretionary decisions, and estimation uncertainties in connection with the impairment test of the CGU Potash had not been adequately reported.

With respect to the abbreviated consolidated financial statements as of June 30, 2020, the DPR is limited to stating that no impairment test had been performed despite indications of impairment and that significant events and their effects on the financial position had not been presented with sufficient clarity in the interim management report.

"We are now reviewing the DPR's justifications and will then notify it in a timely manner whether we agree with the findings. If we agree, the proceedings at the DPR would be terminated," Boeckers concludes.

## About K+S

We make an important contribution to society: We enable farmers securing the world's food supply. Our products keep numerous industries running. We enrich consumers' daily lives and ensure safety in winter. With around 11,000 employees, production sites on two continents, and a global distribution network, we are a reliable partner for our customers. At the same time, we are realigning ourselves: We are focusing even more strongly than before on fertilizers and specialties. We are becoming leaner, more cost-efficient, more digital, and more performance-oriented. On a solid financial basis, we are tapping into new markets and business models. We are committed to our responsibility towards society and the environment in all regions in which we operate. Learn more about K+S at [www.kpluss.com](http://www.kpluss.com).



### **Forward-looking statements**

This press release contains facts and forecasts that relate to the future development of the K+S Group and its companies. The forecasts represent estimates that we have made on the basis of all the information available to us at the present time. Should the assumptions underlying these forecasts prove not to be correct or risks - such as those described in the risk report contained in the current Annual Report - materialize, actual developments and results may deviate from current expectations. The Company assumes no obligation to update the statements contained in this press release other than as required by law.

### **Your contact persons**

**Press:**

Michael Wudonig

Phone: +49 561 9301-1262

[michael.wudonig@k-plus-s.com](mailto:michael.wudonig@k-plus-s.com)

**Investor Relations:**

Julia Bock, CFA

Phone: +49 561 9301-1009

[julia.bock@k-plus-s.com](mailto:julia.bock@k-plus-s.com)