

Press Release

Kassel (Germany), December 1, 2021

German Federal Cartel Office grants clearance

REKS joint venture approved – higher EBITDA expected for 2021

- **Strong partnership in the waste management business**
- **Focus on attractive growth potentials**
- **Further milestone in the strategic realignment of K+S**
- **Long-term perspective for tailings piles coverage**
- **One-off gain on closing of the transaction: about €200 million**
- **2021 EBITDA of about €830 million after closing of the transaction expected (previously: about €630 million excluding REKS; 2020: €267 million)**

The German Federal Cartel Office has granted the final approval for the merger of the new REKS joint venture. With this joint venture, K+S and REMEX, a subsidiary of the REMONDIS Group, aim to open up the attractive and rapidly growing European market for the recovery and disposal of waste as well as the realization of sustainable waste management solutions.

“We are very pleased that the Federal Cartel Office has now given the approval enabling us to get started with our powerful joint venture shortly,” says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S AG.

Michael Stoll, Managing Director of REMEX GmbH, adds: “We are convinced that we have found exactly the right partner in K+S. The combination of long-term disposal capacities and integrated distribution will contribute to both the success of the joint venture and the satisfaction of our customers.”



The German Federal Cartel Office had not considered a further examination of the merger necessary after REMEX GmbH had divested its shares in MINEX GmbH and K+S had published commitments for the provision of disposal capacities and redundancies on its website.

Closing expected by the end of 2021

The closing of the transaction is expected before the end of this year.

“The joint venture is a further step in our strategic realignment,” says Dr. Burkhard Lohr, Chairman of the Board of Executive Directors of K+S Aktiengesellschaft. “REKS is a good example of the intelligent utilization of our unique infrastructure and REMEX is the ideal partner to jointly offer our customers the best waste management solutions. At the same time, sustainable effects for the circular economy are generated and natural resources are conserved through the optimal utilization of residual materials.”

Sustainable added value for both partners

The REKS joint venture combines the operations and unique infrastructure of state-of-the-art waste disposal facilities of K+S with the extensive and dense distribution network of REMEX. K+S also contributes its own waste disposal sales operations to the partnership. The underground waste disposal facilities of K+S are exclusively available to the joint venture. REMEX contributes its wholly owned subsidiary AUREC, which processes mineral waste for backfilling at the K+S site in Bernburg, as well as corresponding sales activities. This will provide the joint venture with even better market access for waste disposal and processing.

Managing Directors of the new REKS joint venture will be Dr. Martin Brown, formerly Head of Supply Chain Management at K+S and Managing Director of K+S Transport GmbH, and Torsten Zuber, authorized signatory of REMEX and Head of Sales Inorganic Hazardous Waste at REMEX GmbH. The joint venture will be headquartered in Ratingen, near Düsseldorf, with an additional administrative location in Kassel.



Long-term perspective for tailings piles coverage

The partnership provides K+S with the best possible access for the provision of the materials needed for covering large tailings piles at the German potash sites in the future. For the prevention of precipitation-induced tailings pile water and for the long-term solution of an essential issue of water protection, all tailings piles are to be covered in the long term in a suitable manner and by the application of new, environmentally friendly processes.

Positive impact on EBITDA outlook for 2021

As a result of the contribution of the K+S shares to REKS, which is consolidated at equity, K+S will generate a one-off gain of about €200 million in the current fourth quarter. At the same time, a total cash inflow of about €90 million before taxes will be generated.

As a result of the closing of the transaction, which is expected to take place this year, K+S therefore expects operating earnings EBITDA of the K+S Group for 2021 of about €830 million (previous outlook: approximately €630 million excluding REKS transaction; 2020: €267 million) and a slightly positive free cash flow (previous outlook: balanced free cash flow; 2020: €-109.9 million).

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.



About REMEX

REMEX GmbH, based in Düsseldorf, specializes in the disposal and recycling of minerals as well as soil treatment and remediation, backfilling and landfill operation. The company is one of the largest manufacturers of secondary aggregates in Europe. Internationally, the group operates more than 60 locations. REMEX has more than 800 employees and generates a turnover of around 550 million euros. The company belongs to the globally operating REMONDIS Group. Further information is available at www.remex.de.

Your contact persons

K+S:

Press:

Michael Wudonig
Phone: +49 561 9301-1262
michael.wudonig@k-plus-s.com

Investor Relations:

Julia Bock, CFA
Phone: +49 561 9301-1009
julia.bock@k-plus-s.com

REMEX:

Berthold Heuser
Phone: +49 211 17160-125
berthold.heuser@remex.de