



“Spin-off plan

issued by

K+S Aktiengesellschaft with its registered office in Kassel, Germany, (hereinafter referred to as “K+”) as the transferring legal entity

Preamble

K+S is a company engaged in the extraction, processing, and distribution of potash and rock salts as well as other mineral resources and the resulting primary and secondary products.

The business of K+S is divided into various segments. One of these areas is the business unit at the Bad Salzdetfurth site. The object of this business unit at the Bad Salzdetfurth site is the production of animal hygiene products, including the necessary upstream and downstream processes, the use of the surface facilities created by mining, supplementary business activities, in particular for the further development of the industrial reuse of the site, as well as the administration and utilization of real estate (hereinafter referred to as the **“Bad Salzdetfurth business unit”**).

K+S (hereinafter also referred to as the **“transferring legal entity”**) intends to transfer the Bad Salzdetfurth business unit by way of spin-off to a newly established company in accordance with the provisions of the German Transformation Act (Umwandlungsgesetz – UmwG) (Sections 123 (3) No. 2, 131 (1) No. 1, 135 et seq. UmwG) to establish a new limited liability company with the name K+S Salzdetfurth GmbH (hereinafter also referred to as **“NewCo”**), with K+S continuing to exist as K+S, in exchange for the granting of shares in NewCo to K+S.

For this purpose, the Board of Executive Directors of K+S shall prepare the following spin-off plan in accordance with the UmwG:

1. Company name and registered office of the transferring legal entity; shareholding

K+S, which has its registered office in Kassel, is recorded in the commercial register of the Kassel District Court under HRB 2669. The share capital of K+S amounts to EUR 179,100,000.00 (in words: one hundred and seventy-nine million one hundred thousand euros).

2. Spin-off; formation of NewCo

2.1. K+S shall transfer the assets listed in Clause 5 below, in each case as a whole with all rights and obligations, to the new company to be formed, NewCo, by way of a spin-off by way of formation of a new company with the continuation of the transferring legal entity in exchange for the granting of shares in NewCo to K+S (spin-off by way of formation of a new company). The spin-off shall be effected in accordance with Sections 123 et seqq. UmwG.

2.2 For this purpose, K+S hereby establishes a limited liability company under the name K+S Salzdetfurth GmbH with its registered office in Bad Salzdetfurth and adopts the Articles of Association attached hereto as **Annex 2.2**.

2.3 Appointed as Managing Directors of K+S Salzdetfurth GmbH are:

Marcel Müller-Goldkuhle, born on July 27, 1979, residing in Kassel, and Mathias Hübner, born on July 3, 1978, residing in Magdeburg.



The Managing Directors represent the Company in accordance with the Articles of Association.

2.4 Appointed authorized signatories of K+S Salzdetfurth GmbH are:

Markus Ludwig, born on January 4, 1983, residing in Kassel, and Dominik Witte, born on September 22, 1981, residing in Bockenem.

3. Spin-off date, closing balance sheet, spin-off balance sheet and transfer date

3.1. The spin-off date within the meaning of Sections 135, 136, 126 (1) No. 6 UmwG shall be January 1, 2025, midnight (hereinafter referred to as the “**spin-off date**”). With effect from January 1, 2025, midnight, all acts of the transferring legal entity shall be deemed to have been performed for the account of NewCo to the extent that they relate to the assets transferred under this spin-off plan.

3.2. The spin-off is based on the balance sheet of K+S as of December 31, 2024, which has been audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft and has been given an unqualified audit opinion.

The assets available on the effective date of the spin-off and attributable to the Bad Salzdetfurth business unit that can be recognized in the balance sheet are disclosed in the spin-off balance sheet as of December 31, 2024 (hereinafter referred to as the “**spin-off balance sheet**”), which is derived from the closing balance sheet and attached as **Annex 3.2**. In the spin-off balance sheet, the Bad Salzdetfurth business unit has been accounted for in accordance with the generally accepted principles of proper accounting, taking into account the consistency of methods and the continuity of the balance sheet.

3.3. The date on which the spin-off is entered in the commercial register at the registered office of the transferring legal entity, i.e., the date on which the spin-off for new formation becomes legally effective, shall henceforth also be referred to as the “**effective transfer date**” for the purposes of these spin-off plans.

4. Special rights and privileges; no severance package

4.1. There are no special rights within the meaning of Sections 135, 136, 126 (1) No. 7 UmwG which would have to be granted to individual shareholders or the holders of special rights such as non-voting shares, preferred shares, shares with multiple voting rights, bonds and participation rights.

4.2. No special advantages within the meaning of Sections 135, 136, 126 (1) No. 8 UmwG shall be granted to members of the representative body or a supervisory body of the transferring legal entity, nor to an auditor or a spin-off auditor.

5. Transfer of assets to NewCo

5.1. K+S, as the transferring legal entity, shall transfer to NewCo the Bad Salzdetfurth business unit held by it with all assets and liabilities attributable to this business unit (irrespective of their inclusion in the balance sheet), in particular with the assets and contractual relationships expressly designated in this spin-off plan as a whole pursuant to Section 123 (3) No. 2 UmwG (spin-off for the purpose of formation of a new company).

5.2. K+S, as the transferring legal entity, shall transfer to NewCo all assets which are directly or indirectly attributable, legally, or economically, to the Bad Salzdetfurth business unit,



irrespective of whether they can be included in the balance sheet or not, irrespective of where they are located and including those assets to which the transferring legal entity is entitled. This includes, but is not limited to:

- 5.2.1. the facilities, machinery, and operational and business equipment listed in **Annex 5.2.1**;
- 5.2.2. the inventories listed in **Annex 5.2.2** (raw materials and supplies, work in progress and finished goods);
- 5.2.3. the properties and property-like rights (including hereditary building rights) designated in **Annex 5.2.3**;
- 5.2.4. the contracts listed in **Annex 5.2.4**, in particular rental, lease, leasing, and supply contracts, service contracts, concession contracts, tenders (including unexecuted contracts), procedural legal relationships and other legal relationships;
- 5.2.5. the receivables listed in **Annex 5.2.5**, including receivables from banks, insofar as these are based on cash and cash equivalents that can be assigned to the Bad Salzdetfurth business unit;
- 5.2.6. the customer and supplier base attributable to the Bad Salzdetfurth business unit, which is listed in **Annex 5.2.6**;
- 5.2.7. the other current assets listed in **Annex 5.2.7**;
- 5.2.8. the public law approvals, permits, and comparable legal positions and certifications listed in **Annex 5.2.8**;

The transferring legal entity shall notify the competent authorities or other bodies of the transfer of the public law permits and shall take all other measures necessary in connection with the transfer. To the extent that any permits need to be reissued, NewCo will apply for such permits after its incorporation in consultation with the transferring legal entity and, if necessary, with the assistance of the transferring legal entity.

To the extent that K+S is only a co-owner of transferred intangible assets (e.g., beneficial owner of industrial property rights of third parties), K+S shall transfer the corresponding co-ownership shares.

- 5.3. All present and future, known or unknown liabilities, obligations and other obligations that are legally or economically directly or indirectly attributable to the Bad Salzdetfurth business unit shall be transferred to NewCo, regardless of whether they can be recognized in the balance sheet or not. These include in particular, but are not limited to, the liabilities, obligations and encumbrances listed in **Annex 5.3**, including public law obligations.
- 5.4. All employment relationships attributable to the Bad Salzdetfurth business unit shall be transferred to NewCo in accordance with Section 613a (1) Sentence 1 of the German Civil Code (BGB) in conjunction with Section 35a (2) UmwG and Section 125 UmwG, insofar as the individual employees do not object to the transfer. The relevant employment relationships are listed in **Annex 5.4**.
- 5.5. All pension commitments of the transferring legal entity to pensioners and K+S employees who have left the Company and have a legal entitlement to a pension, which are attributable to the Bad Salzdetfurth business unit and which are financed by direct insurance, pension funds, or in any other way, shall be transferred to NewCo and NewCo shall assume these pension commitments.

With regard to pension commitments based on direct insurance policies, K+S, insofar as it is the policyholder of the corresponding direct insurance policies, will cause the direct



insurance policies to be transferred to NewCo without undue delay after the spin-off becomes effective, insofar as they relate to the pension commitments assumed. The same shall apply accordingly to the financing by external pension providers (pension scheme, pension fund, or relief fund) with respect to the admission as a sponsoring undertaking or fund member or other necessary transfer acts, including a transfer of the assets existing with the external pension providers with respect to the pension commitments, depending on the respective articles of association of the respective pension provider.

- 5.6. K+S shall transfer all other assets and liabilities as well as other rights and obligations attributable to the Bad Salzdetfurth business unit (including those in connection with terminated former and current employment relationships or these employment relationships themselves), even if these are not expressly listed in the annexes to this Clause 5, in particular also all assets, new entitlements and/or liabilities and newly created employment relationships as well as such assets and liabilities which have replaced the assets and liabilities listed in the aforementioned annexes and which have been acquired until the entry of the spin-off in the commercial register at the registered office of K+S.

If, after the effective spin-off date, third parties assert claims against K+S with respect to liabilities which are the subject of the transfer pursuant to Clause 5.3, NewCo shall indemnify K+S against such claims (if necessary, retroactively) after the spin-off has become effective. If, after the effective spin-off date, third parties assert claims against NewCo for liabilities that are not the subject of the transfer pursuant to Clause 5.3, K+S shall indemnify NewCo against such claims pursuant to Section 133 UmwG (if applicable, with retroactive effect) by way of joint and several debt settlement after the spin-off has become effective.

- 5.7. Payments received by K+S after the spin-off has become effective for claims which are the subject of the transfer pursuant to Clause 5.2.6 shall be passed on to NewCo after the spin-off has become effective, if necessary set off against liabilities within the meaning of Clause 5.3 for which NewCo has an indemnification obligation within the meaning of the above Clause 5.6 and which have not yet been settled by NewCo.

6. Subrogation; additionally acquired items; individual transfer; obstacles to transfer

- 6.1. If the spin-off assets and liabilities referred to in Clause 5 do not exist or no longer exist among the assets of the transferring legal entity at the transfer effective date, they shall not be transferred to NewCo as part of the spin-off. To the extent that the transferring legal entity has sold or disposed of any of the assets to be spun off in the ordinary course of business, the proceeds of such sale shall be transferred to NewCo; if the transferring legal entity disposes of parts of the assets to be spun off in any other way, the replacement value obtained as a result of such disposal shall be transferred to NewCo. The other assets, rights, liabilities, uncertain liabilities, contingent liabilities, contractual relationships, other legal relationships, risks, and obligations acquired by the transferring legal entity up to the transfer date shall also be transferred to the extent that they can be legally or economically allocated to the Bad Salzdetfurth business unit.
- 6.2. If any of the assets and liabilities listed in Clause 5 of this spin-off plan are not transferred to NewCo, the transferring legal entity shall legally transfer the relevant asset and liability with economic effect as of the spin-off date without further consideration and, if the involvement of third parties is necessary for this purpose, shall endeavor to obtain such involvement.
- 6.3. If a right or legal relationship attributable to NewCo pursuant to Clause 5 of this spin-off plan expires because it cannot be transferred, or if the third-party contractual partner has a right



to dissociate itself from the right or legal relationship concerned or to adjust it for the future as a result of the transfer of a right or legal relationship, NewCo may not assert any rights resulting therefrom against K+S.

If individual assets, contracts, procedural legal relationships or other legal relationships which are economically attributable to the Bad Salzdetfurth business unit and are, therefore, part of the assets to be spun off do not pass into the legal ownership or possession of NewCo, the transferring legal entity shall put NewCo in the position it would have been in if NewCo had become the legal owner or possessor of such assets on the transfer effective date. For this purpose, the transferring legal entity shall, in particular, transfer to NewCo the unlimited, gratuitous, and perpetual right to use, remove and dispose of such assets, as well as all other rights to which it is entitled in respect of such assets, and, therefore, the beneficial ownership of such assets within the meaning of Section 39 of the German Fiscal Code.

7. Granting of shares; no capital reduction

- 7.1. The share capital of NewCo amounts to €25,000.00 (in words: twenty-five thousand euros) and is divided into 25,000 shares with a nominal value of €1.00 each, numbered consecutively from 1 to 25,000.
- 7.2. As consideration for the transfer of the Bad Salzdetfurth business unit, K+S shall acquire all of the aforementioned shares with a nominal value of €1.00 each and numbered consecutively from 1 to 25,000. The shares granted in NewCo shall carry dividend rights from the spin-off date.
- 7.3. The capital contribution shall be made by way of transfer of the Bad Salzdetfurth business unit (contribution in kind). The transfer shall be made at book value under commercial law. No additional cash payment shall be made. Any excess of the sum of the book values of the Bad Salzdetfurth business unit transferred over the nominal value of the shares to be granted as consideration shall increase the capital reserve of NewCo pursuant to Section 272 (2) No. 1 HGB.
- 7.4. The spin-off shall be carried out from the open reserves of the transferring legal entity; the transferring legal entity shall use an amount of the profit carried forward as of the spin-off date which corresponds to the value of the Bad Salzdetfurth business unit to be transferred. The remaining assets of the transferring legal entity are sufficient to cover its stated share capital. A capital reduction is, therefore, not necessary.
- 7.5. It is assumed that the transfer of the business unit as a whole constitutes a non-taxable business disposal within the meaning of Section 1 (1a) of the German Value Added Tax Act (UStG), so that the transfer of the contribution object is not subject to value added tax. If, contrary to the unanimous opinion of the parties, the transfer as a whole does not constitute a non-taxable business disposal within the meaning of Section 1 (1a) UStG, but is subject to turnover tax, the value-added tax shall be levied on the issue of an invoice in accordance with the value-added tax regulations.

8. Consequences of the spin-off for employees and their representatives

- 8.1. The transferring legal entity has 972 employees (as of March 1, 2025). NewCo has no employees. As of the transfer date, the spin-off of the Bad Salzdetfurth business unit will result in a transfer of operations pursuant to Section 613a (1) sentence 1 BGB in conjunction with Sections 35a (2) and 125 UmwG. All employees of the transferring legal entity assigned



to the Bad Salzdetfurth business unit shall be transferred to NewCo on the transfer date in accordance with the above provisions unless they object to the transfer of their employment relationship in due time and form (hereinafter referred to as “**transferred employees**”). The employees assigned to the other business units of the transferring legal entity shall remain employed by the transferring legal entity and shall not be affected by the spin-off.

- 8.2. On the transfer date, NewCo shall assume all rights and obligations arising from the employment relationships with the transferred employees of the transferring legal entity, taking into account the length of service acquired with the transferring entity or its legal predecessors, and shall continue the employment relationships with the transferred employees (Section 613a (1) Sentence 1 BGB in conjunction with Sections 35a (2) and 125 UmwG). Any termination of the employment relationships due to the transfer of the business unit shall be ineffective (Section 613a (4) Sentence 1 BGB in conjunction with Sections 35a (2) and 125 UmwG). The right of termination for other reasons remains unaffected (Section 35a (2) UmwG in conjunction with Section 125 UmwG and Section 613a (4) sentence 2 BGB).
- 8.3. The employment relationships of the transferred employees which have already existed for six months on the effective date of the transfer will continue to be protected by the German Protection against Unfair Dismissal Act after the transfer of the business. Furthermore, any deterioration of the legal position of the transferred employees with regard to termination is excluded by law for a period of two years from the effective date of the spin-off (Section 132 (2) UmwG). Insofar as transferred employees enjoy special protection against dismissal, this shall also remain unaffected by the spin-off.
- 8.4. Any existing pension rights of employees of the transferring legal entity transferring to NewCo under the Company's pension scheme shall be preserved. Any liabilities arising from such vested rights of employees of the transferring legal entity transferred under the Company's pension scheme shall be transferred to the acquiring legal entity. With regard to pension commitments based on direct insurance policies, K+S shall, insofar as it is the policyholder of the corresponding direct insurance policies, cause the direct insurance policies to be transferred to NewCo without undue delay after the spin-off becomes effective. If the Company's pension scheme is operated by external pension providers (pension scheme, pension fund, or relief fund), the same shall apply with respect to the admission as a provider company or fund member or other necessary transfer acts, including a transfer of the assets existing with the external pension providers with respect to the pension obligations, depending on the respective articles of association of the respective pension provider. In addition, the transferring legal entity shall be jointly and severally liable for the pension commitments existing prior to the effective date of the spin-off for the transferred employees of the transferring legal entity in accordance with Section 133 (1), (3) Sentence 3 UmwG for a period of ten years from the day of the announcement of the entry of the spin-off in the commercial register of the transferring legal entity.
- 8.5. The transferring legal entity and NewCo shall be jointly and severally liable pursuant to Section 133 (1) UmwG for other liabilities of the transferring legal entity to transferred employees which arose prior to the transfer date. Insofar as the liabilities to transferred employees are transferred to NewCo in this spin-off plan, the transferring legal entity shall be liable for these liabilities pursuant to Section 133 (1) UmwG for a period of five years from the date of the announcement of the entry of the spin-off in the commercial register of the transferring legal entity. Pursuant to Section 133 (3) Sentence 2 UmwG, the liability of the legal entity to which the liabilities were not allocated is limited to the value of the net assets allocated to it on the transfer date.



- 8.6. Prior to the transfer of their employment relationship, the transferred employees will be informed in writing pursuant to Section 613a (5) BGB, in conjunction with Section 125 and Section 35a (2) UmwG, about the (planned) time and reason for the transfer of the employment relationship, the legal, economic, and social consequences of the transfer of the employment relationship and the measures envisaged with regard to the employees. The transferred employees have the right to object to the transfer of their employment relationship in writing within one month of receiving the information. If an employee exercises his right of objection, his employment relationship shall remain with the transferring legal entity. However, the transferring legal entity may terminate the employment relationship for operational reasons if the legal requirements are met and it is not possible to continue to employ the employee who has objected to the transfer.
- 8.7. A local works council (hereinafter referred to as the **“Bad Salzdetfurth Works Council”**) has been formed for the operations of the transferring legal entity in Bad Salzdetfurth and there is a representative body for disabled employees. In addition, a cross-company works council and an economic committee exist at the transferring legal entity on the basis of the structural collective bargaining agreement concluded with the Mining, Chemicals and Energy Trade Union (IG BCE) in accordance with Section 3 (1) No. 3 of the German Works Constitution Act (BetrVG) dated April 1, 2010. NewCo does not yet have any employees or operations and, therefore, there is no works council or central works council and no economic committee or other employee representation in the acquiring entity.
- 8.8. The Bad Salzdetfurth business unit affected by the spin-off comprises the entire operations of the transferring legal entity in Bad Salzdetfurth. These operations will be continued by NewCo under its own management as of the transfer date. The Bad Salzdetfurth Works Council will, therefore, remain in office after the transfer date. The collective bargaining agreements in force there on the transfer date will continue to apply unchanged and will continue to apply to the transferred employees at the Bad Salzdetfurth site after the transfer of operations, unless otherwise agreed with the works council. The cross-company works council formed at the transferring legal entity on the basis of the structural collective bargaining agreement pursuant to Section 3 (1) No. 3 BetrVG of April 1, 2010 / April 5, 2010 shall continue to exist at the level of the transferring legal entity; however, it would lose its responsibility for the Bad Salzdetfurth site transferred to NewCo as a result of the transfer of operations. For the employees transferred to NewCo at the Bad Salzdetfurth location, the content of the general works council agreements concluded with the central works council would continue to apply as (individual) works council agreements under collective law. Similarly, a new economic committee would have to be formed at NewCo if, as a general rule, more than 100 employees are permanently employed after the spin-off. For the purpose of ensuring continuity, the transferring legal entity intends to extend the relevant structural collective agreement with the IG BCE to NewCo with effect from the transfer date. In this case, the cross-company works council would remain responsible for the Bad Salzdetfurth plant transferred to NewCo and the central works agreements would continue to apply to the transferred employees at the Bad Salzdetfurth plant of NewCo in their previous legal form under collective law. In addition, the composition and responsibilities of the economic committee set up in the transferring legal entity would remain unchanged in this case.
- 8.9. The transferring legal entity has a Supervisory Board formed in accordance with the provisions of the German Co-Determination Act (MitbestG). The Supervisory Board consists of 16 members and has an equal number of shareholder representatives and employee representatives. The spin-off does not affect the composition and size of the existing Supervisory Board of the transferring legal entity. Neither the composition of the Supervisory Board nor the term of office of its members will change.



- 8.10. There will be no need to establish a co-determined Supervisory Board in NewCo after the transfer date as the total number of transferring employees will not exceed the threshold of the German One-Third Participation Act.
- 8.11. As a newly established company, NewCo is not a member of any employers' association and is not bound by any collective bargaining agreement at the time of the transfer. The transferring legal entity is a member of the German Association of the Potash and Salt Industry (VKS) and is collectively bound by the collective agreements for the potash and salt mining industry concluded by the VKS with the IG BCE). For those employees whose employment relationships are not transferred to NewCo, the spin-off will not lead to any changes in this respect; the aforementioned collective agreements for the potash and salt mining industry will continue to apply under collective law. For the transferred employees who are members of the relevant trade union, the collective bargaining norms applicable at the transferring legal entity will be applied to the employment relationships between the transferred employees and NewCo in accordance with Section 613a (1) Sentences 2 to 4 BGB in conjunction with Sections 125 (1) and Section 35a (2) UmwG, the collective bargaining agreements applicable at the transferring legal entity will be transformed into the employment relationships between the transferring employees and NewCo, but will retain their collective bargaining character and will continue to apply statically in the same form as immediately prior to the transfer of (part of) the business. They may not be modified to the detriment of the transferred employees within one year of the transfer of the business unit (or part of it). Insofar as the employment relationships of the transferred employees are not subject to standard collective bargaining at the time of the transfer to NewCo, but are subject to collective bargaining on the basis of contractual reference clauses, the reference clauses contained in the employment contracts will be transferred to NewCo as an integral part of the employment contracts pursuant to Section 613a (1) Sentence 1 BGB in conjunction with Sections (1) and Section 35a (2) UmwG, but – unlike in the case of standard collective bargaining agreements – are not subject to the one-year ban on changes pursuant to Section 613a (1) Sentence 2 BGB. It is intended that NewCo will become a member of the VKS as of the transfer date. In this context, it is also intended that NewCo will be admitted as of the transfer date to the company-related collective agreement “Zukunftskonzept 2026” dated December 16, 2021 between IG BCE and VKS. In this case, the spin-off would not result in any changes for the transferred employees in terms of collective bargaining law. The existing collective bargaining agreements would then continue to apply directly under collective bargaining law and not pursuant to Section 613a (1) Sentence BGB in conjunction with Sections 125 (1) and Section 35a (2) UmwG.
- 8.12. No further actions are planned that could affect employees and their representatives.

9. Details on the transfer of ownership, handover of business documents

- 9.1. The transferring legal entity shall grant NewCo possession of the transferred tangible assets as of the transfer date. If it is not possible to grant possession, the transferring legal entity shall hold the relevant assets solely for NewCo. If individual items are in the possession of third parties, the transfer of possession shall be replaced by the transferring legal entity assigning to NewCo the right to demand their return. If further measures or declarations are necessary to obtain possession, the transferring legal entity shall take such measures or make such declarations.
- 9.2. On the transfer date, the transferring legal entity shall transfer all other business records attributable to the Bad Salzdetfurth business unit.



10. Indemnity

If and to the extent that the transferring legal entity or NewCo is held liable by creditors on the basis of the provisions of Section 133 UmwG or other statutory or contractual provisions for liabilities and obligations as well as for contingent liabilities which are transferred to the other legal entity pursuant to the provisions of this spin-off plan, the other respective legal entity shall indemnify the legal entity against which a claim is asserted upon first request for such liabilities and obligations as well as for such liability to the extent that the claims of the creditors are enforceable or undisputed.

11. Severability clause

Should individual provisions of this spin-off plan be or become invalid, ineffective or unenforceable in whole or in part, the validity and enforceability of the remaining provisions of this spin-off plan shall not be affected. The same shall apply if and to the extent that a loophole is discovered in this spin-off plan. The void, invalid, or unenforceable provision or the gap shall be replaced by an appropriate provision which, to the extent legally possible, most closely reflects or corresponds to what the transferring legal entity intended economically or would have intended in accordance with the purpose of this spin-off plan if it had considered this point.

12. Costs, copies

The costs of this document and its execution shall be borne by K+S.”

For the annexes, please refer to the original (German) version.