



2023

**Separate financial statements**

**KION GROUP AG**

# Statement of financial position as at December 31, 2023

## Assets

€ thousand	Notes	31.12.2023	31.12.2022
<b>A. Non-current assets</b>	[3]		
I. Intangible assets		–	–
II. Property, plant and equipment		1,351	1,518
III. Financial assets		4,239,100	4,238,220
		<b>4,240,451</b>	<b>4,239,739</b>
<b>B. Current assets</b>			
I. Receivables and other assets	[4]		
1. Receivables from affiliated companies		3,768,057	3,827,181
2. Receivables from other long-term investees and investors		7,069	9,251
3. Other assets		18,174	37,446
		<b>3,793,300</b>	<b>3,873,878</b>
II. Cash on hand and credit balances with banks		87,450	48,111
<b>C. Deferred charges and prepaid expenses</b>	[5]	<b>2,900</b>	<b>3,546</b>
<b>Total assets</b>		<b>8,124,101</b>	<b>8,165,274</b>

**Equity and liabilities**

€ thousand	Notes	31.12.2023	31.12.2022
<b>A. Equity</b>	[6]		
I. Subscribed capital		131,199	131,199
Treasury shares		-74	-74
Issued capital		131,125	131,125
II. Capital reserves		3,861,051	3,861,051
III. Other revenue reserves		979,907	709,907
IV. Distributable profit		189,084	110,996
		<b>5,161,167</b>	<b>4,813,079</b>
<b>B. Provisions</b>			
1. Retirement benefit obligation and similar obligations	[7]	68,330	72,957
2. Tax provisions		33,968	311
3. Other provisions	[8]	52,551	25,720
		<b>154,849</b>	<b>98,988</b>
<b>C. Liabilities</b>	[9]		
1. Corporate bond thereof convertible €0 thousand (2022: €0 thousand)		500,000	500,000
2. Liabilities to banks		829,838	1,024,918
3. Trade payables		13,180	8,642
4. Liabilities to affiliated companies		1,442,951	1,411,622
5. Liabilities to other long-term investees and investors		121	121
6. Other liabilities thereof taxes €1,109 thousand (2022: €962 thousand) thereof relating to social security €0 thousand (2022: €0 thousand)		21,994	307,905
		<b>2,808,085</b>	<b>3,253,207</b>
<b>Total equity and liabilities</b>		<b>8,124,101</b>	<b>8,165,274</b>

# Income statement for the year ended December 31, 2023

## Income statement

€ thousand	Notes	2023	2022
1. Revenue	[10]	112,105	100,094
2. Other operating income	[11]	18,288	85,212
3. Cost of materials for purchased services	[12]	-213	-225
4. Personnel expenses	[13]	-74,003	-52,500
a) Wages and salaries		-63,258	-42,631
b) Social security contributions and expenses for pensions and other employee benefits thereof for pensions €-6,089 thousand (2022: €-5,698 thousand)		-10,745	-9,870
5. Depreciation, amortization and impairment		-297	-12,782
a) Depreciation, amortization and impairment of property, plant and equipment and non-current intangible assets		-297	-374
b) Depreciation, amortization and impairment of current assets		-	-12,408
6. Other operating expenses	[14]	-153,728	-236,876
<b>Operating loss</b>		<b>-97,847</b>	<b>-117,077</b>
7. Income from profit-transfer agreements	[15]	549,768	310,895
8. Expenses from the transfer of losses	[15]	-7,008	-5,012
9. Other interest and similar income thereof from affiliated companies €169,531 thousand (2022: €82,165 thousand)		176,296	84,083
10. Interest expense and similar charges thereof to affiliated companies €-74,261 thousand (2022: €-18,302 thousand)	[16]	-140,647	-52,462
11. Income taxes	[17]	-107,560	161
<b>12. Net profit</b>		<b>373,002</b>	<b>220,589</b>
<b>Appropriation of profit</b>			
Net profit		373,002	220,589
Profits brought forward		1,082	407
Allocation from other revenue reserves		-	-
Allocation to other revenue reserves		-185,000	-110,000
<b>Distributable profit</b>		<b>189,084</b>	<b>110,996</b>

# Notes to the financial statements of KION GROUP AG for the year ended December 31, 2023

## Basis of preparation

### [1] General information on the Company

KION GROUP AG, whose registered office is at Thea-Rasche-Strasse 8, 60549 Frankfurt am Main, is entered in the commercial register at the Frankfurt am Main local court under reference HRB 112163. KION GROUP AG has been a listed company on the regulated market of the Frankfurt Stock Exchange since June 28, 2013 and is part of the MDAX, MSCI World, MSCI Germany Small Cap, STOXX Europe 600, FTSE EuroMid, and other indices. It is also included in sustainability indices, namely the FTSE4Good Index Series, STOXX Europe Sustainability, and DAX 50 ESG.

The object of the Company is to hold, acquire, manage, and sell investments in entities with any form of legal structure, in particular such entities involved in developing, manufacturing, and selling forklifts, warehouse trucks (industrial trucks), mobile hydraulics, and software, automation, and robotics solutions for the logistics sector, including associated services, consultancy, and advisory services and similar activities, and to conduct operations of its own in the aforementioned areas, as well as to assume responsibility, in return for a consideration, for managerial holding company functions, other services, and the provision of lease finance for the investee entities.

By pursuing an appropriate financial management strategy, the KION Group – through KION GROUP AG – makes sufficient cash and cash equivalents available at all times to meet the Group companies' operational and strategic funding requirements. KION GROUP AG collects liquidity surpluses in a cash pool and, where possible, covers funding requirements with intercompany loans. KION GROUP AG is a publicly listed company and therefore ensures that its financial management takes into account the interests of shareholders and financing partners.

For the purpose of corporation tax, trade tax, and VAT, KION GROUP AG is the tax group parent company for almost all the subsidiaries in Germany.

The separate financial statements of KION GROUP AG are prepared in accordance with the prevailing accounting principles specified for limited companies by section 242 et seq. and section 264 et seq. of the German Commercial Code (HGB) and comply with the provisions of the German Stock Corporation Act (AktG), which apply specifically to entities structured as a public limited company. As a listed company, KION GROUP AG is a large corporation as defined in section 267 (3) and section 264d HGB.

The income statement has been prepared in accordance with the nature-of-expense method pursuant to section 275 (2) HGB.

To improve the clarity of presentation, some items are aggregated in the statement of financial position and income statement and are then separately reported in the notes.

All amounts are disclosed in thousands of euros (€ thousand) unless stated otherwise. Due to rounding effects, addition of the individual amounts shown may result in minor rounding differences to the totals.

The management report of KION GROUP AG and the group management report have been combined in accordance with section 315 (5) HGB in conjunction with section 298 (2) HGB and are published in the KION Group's 2023 annual report.

## [2] Accounting policies

### Intangible assets and property, plant, and equipment

Purchased intangible assets and property, plant, and equipment are carried at cost less straight-line amortization or depreciation over their estimated useful life and less any impairment losses.

Amortization and depreciation are recognized using the straight-line method. Low-value assets are amortized or depreciated as an aggregate item over a period of five years in accordance with tax rules.

The following useful lives are applied in determining the carrying amounts of intangible assets and items of property, plant, and equipment:

#### Useful life

	years
Software	3
Buildings	12
Operational facilities	4-12
Office furniture and equipment	3-13

Any impairment of assets expected to be permanent and in excess of the amortization or depreciation related to useful life is accounted for by the recognition of impairment losses. If the reasons for permanent impairment no longer prevail, impairment losses are reversed on the basis of the HGB reversal requirement, but such reversals do not result in an asset carrying amount greater than the carrying amount that would have been recognized after amortization or depreciation if there had been no impairment.

### Financial assets

Investments in affiliated companies, equity investments, and investment securities included within financial assets are carried at cost.

Impairment losses are recognized for assets that are permanently impaired. If an impairment loss has been recognized in prior years and the reasons for the impairment loss now no longer exist,

either as a whole or in part, the impairment loss is reversed, but such that the resulting asset carrying amount is no greater than the acquisition cost of the asset.

## Receivables and other assets

Receivables and other assets are carried at cost. Appropriate valuation allowances are recognized for any risks identified when measuring receivables and other assets. The amount of the valuation allowances is based on the probable default risk.

Receivables denominated in foreign currency are translated at the middle spot exchange rate on the reporting date as part of the subsequent measurement process:

- The recognition of receivables due in more than one year is in compliance with the HGB principles of prudent revenue recognition, imparity (whereby unrealized losses are recognized, but unrealized gains are not recognized), and the historical cost convention.
- The recognition of receivables due in or within one year does not take account of the HGB principles of prudent revenue recognition, imparity, and the historical cost convention.

## Deferred taxes

Deferred taxes are recognized for differences between the carrying amounts calculated in accordance with HGB and those calculated in accordance with tax law. As in 2022, the Company exercised the option provided for in section 274 (1) sentence 2 HGB not to utilize the surplus of deferred tax assets. Deferred tax assets arise, in particular, due to temporary differences resulting from differences in the measurement of the retirement benefit obligation and other provisions. Deferred tax liabilities arise as a result of the measurement of intangible assets and financial assets.

As the parent company of the tax group, KION GROUP AG has to recognize the deferred taxes of the controlled companies. An income tax rate of 30.7 percent was used to calculate the deferred taxes.

## Cash on hand and credit balances with banks

Cash and cash equivalents are carried at their nominal amounts. Amounts denominated in foreign currency are translated into euros at the middle spot exchange rate on the reporting date.

## Deferred charges and prepaid expenses

Deferred charges and prepaid expenses are recognized under assets for expenditure before the reporting date that relates to an expense that will be recognized in a subsequent period. The difference between the issue amount and the settlement amount (discount) of the corporate bond issued by KION GROUP AG is also recognized under deferred charges and prepaid expenses. It is amortized over the term of the bond.

## Equity

Subscribed capital is carried at its nominal amount.

## Retirement benefit obligation and similar obligations

The retirement benefit obligation and similar obligations is calculated in accordance with actuarial principles based on biometric probabilities (Heubeck 'Richttafeln 2018 G' mortality tables) using the projected unit credit method. Future estimated increases in salaries and pensions are factored into the calculation of the obligation.

The retirement benefit obligation covers the obligation to pay retirement pensions to employees of KION GROUP AG and members of its Executive Board. The actuarial measurement of the amount required to settle the retirement benefit obligation is based on a number of factors including an assumed annual adjustment of 3.05 percent (2022: 3.05 percent) in remuneration and 2.35 percent (2022: 2.35 percent) in pensions paid, or 1.0 percent where agreed (2022: 1.0 percent). The average market discount rate over the previous ten years for an assumed maturity of 15 years, as published by Deutsche Bundesbank, is used to measure the retirement benefit obligation. A discount rate of 1.83 percent was forecast on October 31, 2023 for December 31, 2023 and used as the basis for measurement (December 31, 2022: 1.78 percent).

In order to satisfy the retirement benefit obligation, appropriate resources are invested in special funds managed by the trustee KION Vorsorge Aktiv e.V. The Company is not permitted any access to these assets. The sole purpose of these assets is to provide security for the rights of individuals to receive pensions from KION GROUP AG. The assets are measured at fair value (market price); the value of the assets is offset against the underlying obligation. If this results in an excess obligation, the excess is recognized under the retirement benefit obligation. If the value of the securities (plan assets) exceeds the obligation, an excess of plan assets over pension liabilities is recognized on the assets side of the statement of financial position.

Expenses and income from discounting the retirement benefit obligation and changing the discount rate are offset against the expenses and income from the netted assets in net interest income/expense.

## Provisions for taxes and other provisions

Tax provisions are determined in accordance with the principles of prudent business practice.

Other provisions are measured such that identifiable risks arising from pending transactions and contingent liabilities are recognized in the financial statements. These provisions are recognized in the amount that would be required to settle future payment obligations, as dictated by prudent business practice. Future increases in prices and costs are factored into the calculation of the amounts if there is sufficient objective evidence that such increases will occur. Provisions with a maturity of more than one year are discounted with a maturity-matched average market discount rate for the past seven years.

Non-current provisions for obligations relating to long-service bonuses and partial retirement existed as at December 31, 2023. The provisions for partial retirement were calculated using a discount rate of 1.76 percent per annum (December 31, 2022: 1.44 percent).



## Liabilities

Liabilities are carried at their settlement value. Liabilities denominated in foreign currency are translated at the middle spot exchange rate on the reporting date as part of the subsequent measurement process:

- The recognition of liabilities due in more than one year is in compliance with the HGB principles of prudent revenue recognition, imparity, and the historical cost convention.
- The recognition of liabilities due in or within one year does not take account of the HGB principles of prudent revenue recognition, imparity, and the historical cost convention.

## Derivative financial instruments and hedge accounting

Derivatives are generally not recognized in the statement of financial position, because they are pending transactions. Gains on hedging transactions that are not included in a hedging relationship are not realized until maturity. As at the reporting date, provisions for expected losses from onerous contracts are recognized for derivatives with negative fair values and are included in other provisions.

Where it is possible to recognize hedging relationships (hedge accounting), this option is utilized. This involves designating the underlying transactions, together with the derivatives entered into as their exchange-rate or interest-rate hedge, as micro-hedges and measuring them as at the reporting date. The net hedge presentation method is used for subsequent measurement. Under this method, any changes in the fair values of underlying and hedging transactions that fully offset each other are not recognized in either the statement of financial position or the income statement until the hedge has been terminated. If changes in fair values or cash flows do not offset each other because the hedge is ineffective, provisions for anticipated losses are recognized in respect of net losses.

## Notes to the statement of financial position

### [3] Non-current assets

The statement of changes in non-current assets, including details of depreciation and amortization, can be found in the annex to the notes to the financial statements (see the [statement of changes in non-current assets for 2023](#)).

### [4] Receivables and other assets

Receivables consist of financial receivables and trade receivables. The financial receivables largely comprise loans and cash pool receivables due from other KION Group companies.

KION GROUP AG uses the cash pool to make liquidity available to all companies that participate in the cash pool and to collect liquidity surpluses from these companies. It uses intercompany loans to cover funding requirements of KION Group companies that do not participate in the cash pool. As at the reporting date, receivables from affiliated companies with a residual maturity of more than one year amounted to €42,990 thousand (December 31, 2022: €424,549 thousand) and receivables from equity investments with a residual maturity of more than one year totaled €6,750 thousand (December 31, 2022: €9,250 thousand).

In addition to financial receivables, receivables from affiliated companies predominantly included trade receivables amounting to €28,436 thousand (December 31, 2022: €38,669 thousand).

As at December 31, 2022, other assets had included income tax receivables of €27,406 thousand. By contrast, tax provisions had been recognized as at December 31, 2023 due to the improved earnings situation of the tax group.

### [5] Deferred charges and prepaid expenses

Deferred charges and prepaid expenses amounted to €2,900 thousand (December 31, 2022: €3,546 thousand) and included the difference between the issue amount and the settlement amount of the corporate bond issued in 2020. The discount will be amortized over the term of the bond. The amount of amortization in 2023 was €593 thousand (2022: €593 thousand). The residual carrying amount of the discount was €1,028 thousand as at December 31, 2023.

Deferred charges and prepaid expenses also included payments of €1,872 thousand made in 2023 (December 31, 2022: €1,925 thousand) that constitute an expense for subsequent years.

## [6] Equity

As at December 31, 2023, the Company's share capital amounted to €131,199 thousand (December 31, 2022: €131,199 thousand), which was fully paid up. It was divided into 131,198,647 no-par-value shares (December 31, 2022: 131,198,647), so each no-par-value share had a value of €1.

With the consent of the Supervisory Board, the Executive Board of KION GROUP AG decided on November 18, 2020 to utilize the remaining authorized capital created by the 2017 Annual General Meeting and a portion of the authorized capital created by the 2020 Annual General Meeting. The share capital was increased against cash contributions by issuing 13,108,647 new no-par-value bearer shares. The capital increase was entered in the commercial register on December 7, 2020. Consequently, the Executive Board is currently authorized by the Annual General Meeting held on July 16, 2020 to increase the Company's share capital by up to €279 thousand by issuing up to 279,353 new no-par-value bearer shares for cash (2020 Authorized Capital).

On the basis of a resolution of the Annual General Meeting on July 16, 2020, the Executive Board was authorized, in the period up to and including July 15, 2025, to issue, on one or more occasions, bearer or registered convertible and/or warrant-linked bonds and/or profit-sharing rights and/or income bonds with conversion rights or warrants and/or mandatory conversion requirements or option obligations (or a combination of these instruments) for a total par value of up to €1,000,000 thousand with or without a limited term (referred to jointly as 'debt instruments'), and to grant conversion rights / warrants to – and/or to impose mandatory conversion requirements / option obligations on – the beneficial owners of debt instruments to acquire up to 11.81 million new no-par-value bearer shares of KION GROUP AG with a pro rata amount of the share capital of up to €11,810 thousand ('2020 Authorization'). The 2020 Conditional Capital of €11,810 thousand was created to service the debt instruments. The 2020 Authorization has not been used so far.

The total number of shares outstanding as at December 31, 2023 was 131,124,771 no-par-value shares (December 31, 2022: 131,124,771 no-par-value shares). KION GROUP AG held 73,876 treasury shares as at the reporting date (December 31, 2022: 73,876). Treasury shares accounted for 0.06 percent of the subscribed capital (December 31, 2022: 0.06 percent).

The capital reserves did not change over the course of the year.

The distribution of a dividend of €0.19 per share (2022: €1.50 per share) to the shareholders of KION GROUP AG resulted in an outflow of funds from the distributable profit of €24,914 thousand in 2023 (2022: €196,654 thousand).

An amount of €185,000 thousand was transferred to other revenue reserves from the net profit for 2023 (2022: €110,000 thousand). Furthermore, by resolution of the Annual General Meeting on May 17, 2023, €85,000 thousand was transferred to other revenue reserves.

The distributable profit of €189,084 thousand for 2023 included profit brought forward of €1,082 thousand (2022: €407 thousand).

## [7] Retirement benefit obligation and similar obligations

The retirement benefit obligation and similar obligations related to pension entitlements granted to employees and Executive Board members.

The fair value of the assets invested by KION Vorsorge Aktiv e.V. shown in the following table was derived from the market prices of the plan assets as at the reporting date.

### Pensions

€ thousand	31.12.2023	31.12.2022
Settlement value for retirement benefit obligation and similar obligations	100,448	96,078
Fair value of plan assets invested in special funds	32,118	23,120
<b>Net amount for retirement benefit obligation and similar obligations</b>	<b>68,330</b>	<b>72,957</b>
<b>Cost of plan assets invested in special funds</b>	<b>30,775</b>	<b>22,308</b>

The contributions made to the cover assets totaled €8,331 thousand in 2023 (2022: €2,973 thousand). An amount of €1,343 thousand (2022: €812 thousand) arising from the difference between the cost and fair value of the cover assets was subject to a lock-up, KION GROUP AG being prohibited from distributing this amount as a dividend or transferring it under a profit-and-loss transfer agreement.

The expenses arising from unwinding the discount amounted to €847 thousand (2022: €5,116 thousand), while the income arising from the cover assets came to €3,190 thousand (2022: losses of €1,567 thousand). Total interest income of €2,343 thousand was reported in the income statement (2022: interest expense of €6,683 thousand).

The difference arising from the measurement of the retirement benefit obligation pursuant to section 253 (6) HGB was €1,074 thousand (2022: €5,559 thousand) and cannot be distributed as a dividend.

In addition, a regular amount is added to the retirement benefit obligation and reported under personnel expenses. In 2023, this amount was €6,013 thousand (2022: €5,629 thousand).

## [8] Provisions for taxes and other provisions

The tax provisions of €33,968 thousand (December 31, 2022: €311 thousand) primarily related to income taxes for years in respect of which the tax assessment has not yet been finalized.

The breakdown of other provisions was as follows:

### Other provisions

€ thousand	31.12.2023	31.12.2022
Personnel	38,954	20,906
Outstanding invoices	4,336	2,203
Pending losses for derivatives	6,089	1,231
Other	3,172	1,379
<b>Total other provisions</b>	<b>52,551</b>	<b>25,720</b>

The rise in personnel provisions was predominantly attributable to the remeasurement of, and subsequent increase in, the provisions for the KION performance share plan (PSP) and short-term incentives as at the reporting date. Further information on the KION performance share plan (PSP) can be found in notes [23] and [24].

## [9] Liabilities

### Liabilities

€ thousand	31.12.2023	31.12.2022
<b>Corporate Bond</b>	<b>500,000</b>	<b>500,000</b>
due within one year	–	–
due in more than one year	500,000	500,000
<b>Liabilities to banks</b>	<b>829,838</b>	<b>1,024,918</b>
due within one year	99,838	225,418
due in more than one year	730,000	799,500
<b>Trade payables</b>	<b>13,180</b>	<b>8,642</b>
due within one year	13,180	8,642
due in more than one year	–	–
<b>Liabilities to affiliated companies</b>	<b>1,442,951</b>	<b>1,411,622</b>
due within one year	1,442,951	1,411,622
due in more than one year	–	–
<b>Liabilities to other long-term investees and investors</b>	<b>121</b>	<b>121</b>
due within one year	121	121
due in more than one year	–	–
<b>Other liabilities</b>	<b>21,994</b>	<b>307,905</b>
due within one year	21,618	307,451
due in more than one year	376	454
<b>Total liabilities</b>	<b>2,808,084</b>	<b>3,253,208</b>

Liabilities to banks essentially comprised promissory notes, drawdowns of credit lines, and bilateral bank loans.

As at December 31, 2023, the total nominal amount of the issued promissory notes was €699,500 thousand (December 31, 2022: €324,500 thousand). The increase was due to the issue of multiple tranches of promissory notes with a total nominal amount of €375,000 thousand in October 2023. Nearly all of the new tranches have a variable interest rate (Euribor + margin) and mature between now and 2030.

The following table shows the nominal amounts of the promissory notes issued by KION GROUP AG:

### Terms

€ thousand	Term	Maturity	Notional amount	
			31.12.2023	31.12.2022
Promissory note	7 years	April 2024	69,500	69,500
Promissory note	7 years	June 2025	179,500	179,500
Promissory note	7 years	April 2026	48,000	48,000
Promissory note	3 years	October 2026	25,000	–
Promissory note	10 years	April 2027	27,500	27,500
Promissory note	5 years	October 2028	308,500	–
Promissory note	7 years	October 2030	41,500	–

KION GROUP AG has entered into an interest-rate derivative in order to hedge the interest-rate risk resulting from a fixed-rate tranche of the promissory notes (see also note [2]).

KION GROUP AG has a syndicated revolving credit facility (RCF) with a total volume of €1,385,714 thousand (December 31, 2023: €1,385,714 thousand). In September 2023, the term of the RCF was extended by one year until October 2028. The facility has a variable interest rate; the contractually agreed interest terms are linked to KION GROUP AG's credit rating and to compliance with sustainability KPIs. The amount drawn down from the revolving credit facility was €20,728 thousand as at December 31, 2023 (December 31, 2022: €114,573 thousand).

As at December 31, 2023, there was also a variable-rate bilateral bank loan of €100,000 thousand that matures in 2026 (December 31, 2022: €575,000 thousand). Five bilateral bank loans with a total volume of €475,000 thousand were repaid in 2023, in some cases ahead of schedule.

The liabilities to banks and the promissory notes are not collateralized. KION GROUP AG is the borrower in respect of all the payment obligations resulting from the promissory notes.

In 2020, KION GROUP AG launched a corporate bond program (EMTN program) with a total volume of €3 billion. The first bond was placed on the capital markets under this program in 2020 and had a nominal amount of €500,000 thousand, a maturity date in 2025, and a coupon of 1.625 percent. The difference between the issue amount and the settlement amount (discount) will be amortized over the term of the bond (see also note [5]). The bond is not collateralized.

The commercial paper program was increased by €250,000 thousand to €750,000 thousand in April 2022. Of these funds, €20,000 thousand had been drawn down as at December 31, 2023 (December 31, 2022: €305,000 thousand). As the creditor structure is not known and paper was not placed on the capital markets, the program is recognized under other liabilities.

Liabilities to affiliated companies largely consisted of short-term loans from Group companies and liabilities in connection with cash pooling within the KION Group. All KION GROUP AG companies that participate in the cash pooling use the cash pool to make their liquidity available to each other.

## Notes to the income statement

### [10] Revenue

Of the total revenue, most (€111,850 thousand; 2022: €99,683 thousand) arose from the performance of services for affiliated companies. These services comprised support and advice for these companies, e.g. in relation to procurement, financing, tax, and legal matters.

Revenue was broken down by region as follows:

#### Revenue

€ thousand	2023	2022
Germany	79,616	69,416
Europe (excluding Germany)	24,128	23,934
China	5,889	4,631
Rest of world	2,473	2,113
<b>Total revenue</b>	<b>112,106</b>	<b>100,094</b>

### [11] Other operating income

Other operating income included the following items:

#### Other operating income

€ thousand	2023	2022
Foreign currency exchange rate gains	16,279	71,630
Income from the reversal of provisions	1,616	12,987
Sundry operating income	393	594
<b>Total other operating income</b>	<b>18,288</b>	<b>85,212</b>

The foreign currency exchange rate gains largely resulted from the measurement of bank accounts and the cash pool balances in foreign currencies.

Other operating income included an amount of €286 thousand relating to services from other accounting periods (2022: €520 thousand) as a result of passing on charges for services to Group companies.



## [12] Cost of materials for purchased services

The cost of materials for purchased services related to the revenue generated and comprised expenses that were linked directly to, and formed an integral and significant part of, the performance of the services. These were largely expenses for advisory services.

## [13] Personnel expenses

Personnel expenses amounted to €74,003 thousand, a year-on-year rise of €21,502 thousand. As a result of the increase in short-term and long-term incentive commitments, the expense for share-based remuneration and short-term incentives rose to €23,002 thousand (2022: €6,745 thousand).

The Company employed 314 people as at December 31, 2023 (December 31, 2022: 289). The breakdown of the average number of employees was as follows:

### Average number of employees

	2023	2022
Employees with individually agreed remuneration	166	173
Employees covered by collective pay agreements	135	113
<b>Total employees</b>	<b>301</b>	<b>286</b>

## [14] Other operating expenses

Other operating expenses included the following items:

### Other operating expenses

€ thousand	2023	2022
Expenses for other third-party services	66,559	55,542
Consultancy expenses	43,173	43,191
Foreign currency exchange rate losses	12,946	111,454
Ancillary personnel expenses	8,106	7,691
Insurance premiums	5,884	5,728
Rental fees	3,369	3,094
Expenses for travel and events	3,163	1,703
Audit costs	2,893	1,541
Supervisory Board remuneration	1,578	1,556
Sundry operating expenses	6,057	5,376
<b>Total other operating expenses</b>	<b>153,728</b>	<b>236,876</b>

Other operating expenses included an amount of €256 thousand relating to services from other accounting periods (2022: €263 thousand).

## [15] Income from profit-transfer agreements and expenses from the transfer of losses

The income from profit-transfer agreements was attributable to the transfer of Linde Material Handling GmbH's profit of €467,012 thousand (2022: €172,630 thousand), Dematic Holdings GmbH's profit of €82,752 thousand (2022: €138,266 thousand), and KION IoT Systems GmbH's profit of €4 thousand (2022: transfer of losses of €15 thousand).

In connection with the obligation to transfer losses, there were expenses of €5,962 thousand attributable to KION Information Management Services GmbH (2022: €4,204 thousand) and expenses of €1,046 thousand attributable to proplan Transport- und Lagersysteme GmbH (2022: €793 thousand).

## [16] Interest expense and similar charges

The breakdown of interest expense and similar charges was as follows:

### Interest expense and similar charges

€ thousand	2023	2022
Interest paid to affiliated companies	74,261	18,302
Interest expenses from external loan liabilities and current bank accounts	21,017	6,850
Interest expenses from promissory notes	16,913	4,575
Similar charges	16,765	6,350
Interest expense from the corporate bond	8,712	8,718
Unwinding of discount on provisions	875	6,691
Other interest expenses	2,103	976
<b>Total interest expense and similar charges</b>	<b>140,647</b>	<b>52,462</b>

The similar charges consisted primarily of interest of €12,031 thousand on commercial paper issued (2022: €2,836 thousand), commitment fees of €3,208 thousand for loan facilities (2022: €1,825 thousand), and transaction costs of €1,140 thousand for the issue of a promissory note in the reporting year.

## [17] Income taxes

KION GROUP AG recorded tax expenses of €107,560 thousand as a result of its role as the parent company of the tax group in 2023 (2022: tax income of €161 thousand). The primary reason for the increase in the current tax expense for the German tax group of KION GROUP AG in 2023 was the significant improvement in the profit before taxes of the entities in the German tax group.

Based on Directive (EU) 2022/2523 of December 14, 2022, German lawmakers adopted the Act to Ensure Global Minimum Taxation for Corporate Groups (Minimum Tax Act, MinStG). The new act applies to Germany-based KION GROUP AG from 2024 as it qualifies as a partially owned parent company. The KION Group carried out an impact analysis in order to ascertain whether the introduction of the global minimum tax rules will have an adverse impact on its tax situation. Based on this analysis, which was limited to data of KION Group companies, there would only have been an additional tax expense of €49 thousand for Slovenia if MinStG had been required to be applied in respect of the 2023 financial year. For the impact analysis to be carried out conclusively, it would need to include not only the KION Group companies but also Weichai Power Co., Ltd. and its other subsidiaries. It is therefore not currently possible to rule out that the inclusion of Weichai Power Co., Ltd. and its other subsidiaries would have had an effect on the tax expense, with financial implications for the KION Group, if the global minimum tax rules had been required to be applied for financial years ended December 31, 2023.

The KION Group will update its assessment regarding the future financial implications of the global minimum tax rules on an ongoing basis.

The KION Group has applied the temporary, mandatory exception to the obligation to recognize deferred taxes resulting from the introduction of global minimum tax.

## Other disclosures

### [18] Contingent liabilities

KION GROUP AG had contingent liabilities related to guarantees and indemnities for obligations of affiliated companies amounting to €5,184,085 thousand (December 31, 2022: €5,410,408 thousand). Of the total amount, most (€3,974,026 thousand; December 31, 2022: €3,321,780 thousand) resulted from leasing obligations of affiliated companies.

The guarantees and indemnities given to affiliated companies stood at €1,649,875 thousand and those to banks and insurance companies at €4,164,210 thousand. As the economic position of the affiliated companies in respect of which the contingent liabilities have been given is positive, the Executive Board believes the probability of settlement is low.

In addition, KION GROUP AG is jointly and severally liable for a revolving credit facility of €1,400,000 thousand agreed in 2023 to finance the lease business of the subsidiaries. Based on current assessments, a resulting outflow of funds from KION GROUP AG is considered unlikely in view of the subsidiaries' good credit ratings.

### [19] Other financial commitments

The other financial commitments mainly related to obligations under long-term leases, most of which were entered into in connection with administrative buildings, office space, and vehicles.

In 2022, an investment commitment had also been made for a limited partnership in a venture capital fund that invests in start-ups. As at the reporting date, the remaining investment volume amounted to €2,928 thousand for a total period of nine years and is included in the table below.

#### Other financial commitments

€ thousand	2023	2022
<b>Long-term commitments</b>	<b>42,272</b>	<b>42,654</b>
due within one year	4,296	4,094
due in one to five years	13,370	12,657
due in more than five years	24,606	25,903

### [20] Derivative financial instruments and hedge accounting

KION GROUP AG is exposed to currency risk and interest-rate risk as a result of its business activities. It predominantly uses derivatives to hedge these risks.

In accordance with Corporate Treasury guidelines, the KION Group hedges currency risk both locally at company level and centrally via KION GROUP AG using prescribed hedging ratios. The main hedging instruments employed are foreign-currency forwards, provided that there are no country-specific restrictions on their use. In addition, foreign-currency forwards are employed to hedge the currency risks arising in the course of internal financing. Interest-rate risk within the KION Group is managed centrally and hedged using interest-rate swaps.

The notional amount of the derivatives entered into with external counterparties was €2,087,971 thousand as at December 31, 2023 (December 31, 2022: €1,691,064 thousand). Offsetting derivatives with a notional amount of €810,267 thousand were entered into with Group companies (December 31, 2022: €720,004 thousand). In total, there were therefore derivative transactions with a notional amount of €2,898,238 thousand (December 31, 2022: €2,411,069 thousand). This included transactions totaling €1,982,759 thousand that formed part of hedges (December 31, 2022: €165,410 thousand). The table below shows the breakdown of derivatives:

### Derivatives and hedge accounting

€ thousand	Fair value		Notional amount	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
<b>Foreign-currency forwards</b>				
Positive fair values	20,133	28,587	1,655,948	1,282,617
Negative fair values	-26,939	-25,732	1,162,790	968,952
<b>Interest-rate swaps</b>				
Positive fair values	-	553	-	40,000
Negative fair values	-1,903	-5,105	79,500	119,500
	<b>-8,709</b>	<b>-1,697</b>	<b>2,898,238</b>	<b>2,411,069</b>

The fair values of derivative financial instruments are calculated using standard market-based valuation methods and the market data available at the measurement date. The fair values of currency derivatives are computed by using a risk-free interest rate to discount the difference between the contracted forward rate and the current forward rate over the derivatives' residual term. The fair values of interest-rate swaps are calculated by using standard market-based interest rates to discount the expected future cash flows over the residual term of the instruments.

The currency forwards and interest-rate swaps entered into by KION GROUP AG to hedge the Group companies' risks are usually transferred to the Group companies using corresponding internal transactions. The effects of the underlying and hedging transactions cancel each other out at maturity.

Currency forwards have also been entered into in order to hedge currency risk arising on intercompany loans. The maturities of the hedging transactions match those of the underlying transactions.

Cash flow risk and the risk of a change in fair value attaching to existing and planned transactions are hedged using derivatives, thereby forming hedges. The underlying transactions and hedges are

subject to similar risks, and their amounts and maturities are matched in order to ensure that the hedges remain highly effective. KION GROUP AG conducts retrospective and prospective assessments of effectiveness by comparing all the factors that affect the fair values of underlying transactions and their corresponding hedging transactions (critical-terms-match method).

KION GROUP AG has issued variable-rate and fixed-rate promissory notes as part of its financing (see also note [9]). The risk of a change in the fair value of the fixed-rate tranche of the promissory note that was issued in 2018 is hedged using an interest-rate swap, thereby creating a Euribor-based variable-rate obligation. The interest-rate swap reflects the maturity profile of the hedged tranche of the promissory note and will mature in 2025.

The following table shows the hedged risk, i.e. the accounting impact that would have arisen without hedging:

### Financial impact

€ thousand	Nature of risk	Hedging relationship	Amount of underlying transaction	Amount of hedged risk
<b>Hedging of currency risk using currency forwards</b>				
- Currency forwards transferred to Group companies	Currency risk	Micro-hedge	810,267	3,858
- Intercompany loans in foreign currency	Currency risk	Micro-hedge	231,069	7,331
<b>Hedging of interest-rate risk using interest-rate swaps</b>				
- Promissory notes	Interest-rate risk	Micro-hedge	79,500	1,903
- Interest-rate swaps transferred to Group companies	Interest-rate risk	Micro-hedge	–	–

The derivatives that are not included in hedging relationships related to the hedging of recognized foreign-currency positions and highly probable future transactions. Provisions for expected losses were recognized in an amount of €6,089 thousand for the negative fair values of the currency forwards entered into for this purpose (December 31, 2022: €1,231 thousand).

## [21] Members of the Executive Board and Supervisory Board

### Executive Board members

#### **Dr. Richard Robinson Smith**

Chief Executive Officer (since January 1, 2022) and Labor Relations Director (from April 2022 to April 2023)

- Member of the Board of Directors of Weichai Power Co., Ltd., Weifang, People's Republic of China (since June 2023)
- Member of the American Chamber of Commerce in Germany (Board Director since 2010)
- Member of the Board of Directors of FLSMIDTH & CO A/S, Copenhagen, Denmark (until March 2023)

#### **Marcus A. Wassenberg**

Chief Financial Officer (from January 2023 to July 2023)

#### **Valeria Jimena Gargiulo**

Chief People & Sustainability Officer and Labor Relations Director (since May 2023)

#### **Christian Harm**

Chief Financial Officer (since July 2023)

- Managing Director of Eisenwerk Weilbach GmbH, Frankfurt/Main, Germany (until January 2024)
- Member of the Advisory Board of Linde Hydraulics GmbH, Aschaffenburg, Germany (until September 2023)
- Member of the Board of Directors of KION France Services SAS, Élancourt, France (until October 2023)
- Member of the Board of Directors of Fenwick-Linde SAS, Élancourt, France (until October 2023)
- Member of the Board of Directors of STILL SAS, Serris, France (until October 2023)
- Member of the Advisory Board of JULI s.r.o., Moravany, Czech Republic (until December 2023)

#### **Hans Michael Larsson**

President KION SCS & ITS Americas (since January 2024)

#### **Hasan Dandashly**

President KION Supply Chain Solutions (from January 2021 to December 2023)

#### **Andreas Krinninger**

President KION ITS EMEA (since January 2021)

- Member of the Administrative Board of the unlisted company VON ARDENNE Holding SE & Co. KGaA, Dresden, Germany (since June 2023)
- Member of the Supervisory Board of Linde Hydraulics GmbH & Co. KG, Aschaffenburg, Germany
- Member of the Supervisory Board of the unlisted company Elektrobau Mulfingen GmbH, Mulfingen, Germany



- Member of the Advisory Board of ebm-papst Mulfingen GmbH & Co. KG, Mulfingen, Germany

#### **Dr. Henry Puhl**

Chief Technology Officer (from July 2021 to December 2023)

- Member of the Shareholders' Advisory Board of KION Battery Systems GmbH, Karlstein, Germany
- Member of the Advisory Board of JULI Motorenwerk s.r.o., Moravany, Czech Republic

#### **Ching Pong Quek**

President KION ITS Asia Pacific and (since January 2024) Chief Technology Officer

President KION ITS Asia Pacific & Americas (from January 2013 to December 2023)

- Member of the Board of Directors of Lansing Bagnall (Aust.) Pty. Ltd., Sydney, Australia
- Member of the Advisory Board of Fujian JULI Motor Co., Ltd., Putian, People's Republic of China
- Chairman of the APAC Advisory Board of Euro Asia Consulting Co., Ltd., Shanghai, People's Republic of China
- Member of the Board of Directors of Zhejiang EP Equipment Co., Ltd., Hangzhou, People's Republic of China
- Member of the Board of Directors of Shanghai Quicktron Intelligent Technology Co., Ltd., Shanghai, People's Republic of China
- Member of the Board of Directors of Anhui Hayuan X Drive Tech Co., Ltd., Feidong, Hefei, Anhui province, People's Republic of China

### **Supervisory Board members**

#### **Hans Peter Ring (since June 2013)**

Chairman of the Supervisory Board (since May 2023)

Freelance management consultant

- Member of the Supervisory Board of Airbus Defence and Space GmbH, Taufkirchen, Germany

#### **Dr. Michael Macht (from May 2018 to May 2023)**

Chairman of the Supervisory Board (from May 2018 to May 2023)

Freelance management consultant

- Member of the Supervisory Board of Mahle Behr GmbH & Co. KG, Stuttgart, Germany
- Member of the Board of Directors of McLaren Group Limited, Woking, United Kingdom
- Member of the Supervisory Board of Mahle GmbH, Stuttgart, Germany
- Member and Chairman of the Administrative Board of Rosenberger Hochfrequenztechnik GmbH & Co. KG, Tittmoning, Germany
- Member of the Board of Directors of Weichai Power Co., Ltd., Weifang, People's Republic of China

#### **Özcan Pancarci<sup>1</sup> (since June 2013)**

Deputy Chairman of the Supervisory Board (since January 2016)

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<sup>1</sup> Employee representative

Chairman of the Group Works Council of the German KION Group  
Chairman of the Works Council of Linde MH headquarters and Plant II at Linde Material Handling GmbH  
Deputy Chairman of the European Works Council of the KION Group

- Member and Deputy Chairman of the Supervisory Board of Linde Material Handling GmbH, Aschaffenburg, Germany

**Birgit A. Behrendt (since January 2015)**

Member of the Supervisory Board and freelance management consultant

- Member of the Board of Directors of Rolls-Royce Holdings plc, London, United Kingdom (since May 2023)
- Member of the Supervisory Board of Umicore SA, Brussels, Belgium
- Member of the Board of Directors of Infinium Holdings, Inc., Sacramento (California), USA
- Member of the Administrative Board of Stulz Verwaltungsgesellschaft mbH & Co. KG, Hamburg, Germany
- Member of the Supervisory Board of thyssenkrupp AG, Essen, Germany
- Member of the Supervisory Board of Ford Werke GmbH, Cologne, Germany (until December 2023)

**Jan Bergemann<sup>1</sup> (since May 2022)**

Senior Director Central Order Processing KION ITS EMEA at STILL Gesellschaft mit beschränkter Haftung (former title Senior Director Central Order Desk KION ITS EMEA)

**Dr. Alexander Dibelius (since March 2007)**

Managing Partner at CVC Capital Partners (Deutschland) GmbH

- Member and Chairman of the Board of Directors of Breitling S.A., Grenchen, Switzerland
- Member of the Board of Directors of CVC Capital Partners (Luxembourg) SARL, Luxembourg
- Member of the Board of Directors of CVC Capital Partners SICAV-FIS S.A., Luxembourg
- Member of the Board of Directors of Diebold Nixdorf Inc., North Canton, USA (until April 2023)
- Member of the Supervisory Board of DKV MOBILITY SERVICES HOLDING GmbH & Co. KG, Ratingen, Germany
- Member of the Supervisory Board of Douglas GmbH, Düsseldorf, Germany
- Member of the Supervisory Board of Kirk Beauty Investments S.A., Luxembourg
- Member of the Advisory Board of Messer Industries GmbH, Bad Soden, Germany (until November 2023)
- Member of the Advisory Board of Messer Industries USA Inc., Bridgewater, USA (until November 2023)
- Member of the Supervisory Board of Syntegon Technology GmbH, Waiblingen, Germany
- Member of the Shareholders' Committee of Tipico Group Ltd., St. Giljan, Malta

**Martin Fahrendorf<sup>1</sup> (since May 2018)**

Chairman of the Works Council of Dematic GmbH and Dematic Services GmbH

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<sup>1</sup> Employee representative

**Jiang Kui (since December 2012)**

Executive President of Shandong Heavy Industry Group Co., Ltd. (until December 2023)

- Member of the Board of Directors of Ballard Power Systems Inc., Burnaby, Canada (until December 2023)
- Member of the Board of Directors of Shantui Construction Machinery Co., Ltd. Jining, People's Republic of China (until December 2023)
- Member of the Board of Directors of China National Heavy Duty Truck Group Co., Ltd., Jinan, People's Republic of China (until November 2023)
- Member and Chairman of the Board of Directors of Weichai Ballard Hy-Energy Technologies Co., Ltd., Weifang, People's Republic of China (until April 2023)
- Member of the Board of Directors of Weichai Power Co., Ltd., Weifang, People's Republic of China (until June 2023)

**Dominique Lembke<sup>1</sup> (since May 2022)**

Head of Collective Bargaining at IG Metall District Office for the Coast

- Member of the Supervisory Board of STILL Gesellschaft mit beschränkter Haftung, Hamburg, Germany

**Thomas Mainka<sup>1</sup> (since May 2022)**

Full-time Chairman of the Works Council of the Hamburg/Bremen main branch at STILL Gesellschaft mit beschränkter Haftung

Member of the Group Works Council of the German KION Group

- Member of the Supervisory Board of STILL Gesellschaft mit beschränkter Haftung, Hamburg, Germany

**Jörg Milla<sup>1</sup> (since November 2015)**

Chairman of the Works Council of STILL Gesellschaft mit beschränkter Haftung

- Member and Deputy Chairman of the Supervisory Board of STILL Gesellschaft mit beschränkter Haftung, Hamburg, Germany

**Dr. Nicolas Peter (since May 2023)**

Chairman of the Board of Trustees of the BMW Foundation Herbert Quandt

- Member of the Board of Directors of the listed company FORVIA SE, Nanterre, France (since October 2023)
- Member of the German Corporate Governance Code Government Commission (since May 1, 2023)

**Dr. Christina Reuter (since May 2016)**

Head of Digitalization in Operations at Airbus Defence and Space GmbH

- Member of the Family Council of the unlisted company Lenze SE, Aerzen-Gross Berkel, Germany

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<sup>1</sup> Employee representative

**Alexandra Schädler<sup>1</sup> (since October 2013)**

Political Secretary on the National Executive of IG Metall, Industrial Relations Policy department, Industrial Relations Code and Co-Determination Policy division

- Member of the Supervisory Board of Linde Material Handling GmbH, Aschaffenburg, Germany
- Member of the Supervisory Board of Opel Automobile GmbH, Rüsselsheim, Germany (2018 to May 2023)

**Tan Xuguang (since May 2019)**

Chairman of the Board of Directors (since 2009) and President (since July 2023) of Shandong Heavy Industry Group Co., Ltd.

- Member of the Board of Directors of the State Key Laboratory of Internal Combustion Engine and Powertrain System, People's Republic of China
- Vice President of the Chinese Mechanical Engineering Society, People's Republic of China
- Vice President of the Chinese Society for Internal Combustion Engines, People's Republic of China
- Chief Industrial Engineering Expert at the China Machinery Enterprise Management Association, People's Republic of China
- Member of the Board of Directors of the State Key Laboratory of Engine Reliability, People's Republic of China
- Member of the Academic Committee of the Key Laboratory of Quality Infrastructure Efficacy Research of General Administration of Quality Supervision, Inspection and Quarantine of China, People's Republic of China
- Chairman and member of the Board of Directors of Ferretti S.p.A., Cattolica, Italy
- Deputy Chairman of the China Federation of Industrial Economics Committee, People's Republic of China
- Deputy Chairman of the China Machinery Industry Federation, People's Republic of China

**Claudia Wenzel<sup>1</sup> (since November 2016)**

Full-time member of the Works Council of Linde MH headquarters and Plant II at Linde Material Handling GmbH

**Xu Ping (since January 2015)**

Senior Partner and member of the Management Committee at law firm King & Wood Mallesons

## [22] Remuneration of the Executive Board and Supervisory Board

The total remuneration for the members of the Executive Board pursuant to section 285 no. 9a HGB came to €18,339 thousand in 2023 (2022: €12,439 thousand). It included the share-based payments with a fair value of €7,226 thousand that were granted in 2023 (2022: €5,613 thousand) and a total of 273,817 performance shares granted.

Provisions totaling €23,200 thousand were recognized for the defined benefit obligation in respect of former members of the Executive Board and their surviving dependants (December 31, 2022:

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<sup>1</sup> Employee representative

€25,071 thousand). The remuneration for former members of the Executive Board came to €8,361 thousand (2022: €3,642 thousand)<sup>2</sup>.

The total remuneration granted to the members of the Supervisory Board for the year under review amounted to €1,498 thousand (2022: €1,454 thousand).

Disclosures regarding the remuneration paid to the individual members of the Executive Board and the Supervisory Board are published on the website of KION GROUP AG.

## [23] KION performance share plan (PSP) for managers

The 2023 tranche of the long-term, variable remuneration component for the managers in the KION Group (LTI 2023) was granted with effect from January 1, 2023 and has a term of three years. For the 2023 tranche, 50 percent of the remuneration component (2021 and 2022 tranches: also 50 percent) measured over the long term is based on the total shareholder return (TSR) of KION GROUP AG shares compared with the performance of the MDAX index (market-oriented measure of performance) and 30 percent (2021 tranche: 50 percent; 2022 tranche: 30 percent) is based on return on capital employed (ROCE) (internal measure of performance). For the 2022 and 2023 tranches, 20 percent of the performance share plan is linked to the achievement of ESG targets. The remuneration component also depends on the performance of KION GROUP AG shares during the relevant period.

The performance period for the 2023 tranche ends on December 31, 2025 (2022 tranche: December 31, 2024). The 2021 tranche expired on December 31, 2023 and will be paid out in the first quarter of 2024.

At the beginning of the performance period on January 1, 2023 (2022 tranche: January 1, 2022; 2021 tranche: January 1, 2021), the managers were allocated a total of 189,944 phantom shares for this tranche (2022 tranche: 51,397 phantom shares; 2021 tranche: 43,409 phantom shares). The allocation was based on a particular percentage of each manager's individual gross annual remuneration at the time of grant. At the end of the performance period, the number of the phantom shares is amended depending on the degree to which the relevant targets are achieved. The resulting final number of phantom shares multiplied by the smoothed price of KION GROUP AG shares at the end of the performance period determines the amount of cash actually paid. The KION Group has the right to adjust the amount payable at the end of the performance period in the event of exceptional occurrences or developments. The maximum amount payable is limited to 200.0 percent of the value of the shares allotted to an individual at the grant date.

The pro rata expense calculation based on the fair value of the phantom shares on each valuation date is carried out using Monte Carlo simulation.

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<sup>2</sup> Prior-year figure corrected

The measurement parameters used to value the phantom shares on the reporting date were as follows:

### Significant measurement parameters

	Tranche 2023	Tranche 2022
Expected volatility of KION shares	55.0%	45.0%
Expected volatility of the MDAX Index	20.0%	15.0%
Risk-free interest rate	2.43%	3.05%
Expected dividend	1.03 €	0.95 €
Value of a KION shares as at valuation date	39.42 €	39.42 €
Value of the MDAX index as at valuation date	27,353.02 points	27,353.02 points
Starting price of KION shares (60-days-average)	25.39 €	94.32 €
Starting value of the MDAX Index (60-days-average)	24,662.39 points	34,820.06 points

Taking account of the remaining term of two years (2023 tranche) and one year (2022 tranche), the historic volatility of KION shares was used to determine the volatility on which the valuation is based. As at December 31, 2023, the fair value of one phantom share was €21.52 for the 2022 tranche (December 31, 2022: €12.51) and €35.65 for the 2023 tranche.

On that date, the total fair value was €1,081 thousand for the 2022 tranche based on 50,223 phantom shares (December 31, 2022: €658 thousand) and €7,119 thousand for the 2023 tranche based on 199,694 phantom shares. The amount of €666 thousand that is expected to be paid out for the 2021 tranche (2022: €197 thousand for the 2020 tranche) was calculated on the basis of a preliminary total target achievement rate.

In March 2023, a payment from the 2020 tranche was made on the basis of the achievement of the long-term targets that were defined in 2020 at the start of the performance period.

The total carrying amount for liabilities in connection with share-based remuneration was €3,760 thousand as at December 31, 2023 (December 31, 2022: €701 thousand). Of this amount, €666 thousand related to the 2021 tranche (December 31, 2022: €285 thousand), €721 thousand to the 2022 tranche (December 31, 2022: €219 thousand), and €2,373 thousand to the 2023 tranche. In 2022, there had also been an amount of €197 thousand relating to the 2020 tranche. In 2023, an expense of €381 thousand in respect of the 2021 tranche (2022: income of €834 thousand), a pro rata expense for twelve months of €501 thousand for the 2022 tranche (2022: expense of €224 thousand), and an expense of €2,384 thousand for the 2023 tranche were recognized. Furthermore, income of €2,892 thousand for the 2020 tranche had been recognized in 2022.

## [24] KION performance share plan (PSP) for the Executive Board

The members of the Executive Board have been promised a multiple-year variable remuneration component in the form of a performance share plan with a three-year term in each case. The financial performance targets for the 2023 tranche are the relative total shareholder return (TSR) for

the shares of KION GROUP AG compared with the MDAX (market-oriented measure of financial performance), with a weighting of 40 percent (2021 and 2022 tranches: also 40 percent), and return on capital employed (ROCE) (internal measure of financial performance), with a weighting of 40 percent (2021 and 2022 tranches: also 40 percent). For all tranches, 20 percent of the performance share plan is linked to the achievement of ESG targets. The remuneration component also depends on the performance of KION GROUP AG shares during the relevant period.

The performance period for the 2023 tranche ends on December 31, 2025 (2022 tranche: December 31, 2024).

At the beginning of the performance period on January 1, 2023 (2022 tranche: January 1, 2022; 2021 tranche: January 1, 2021), the Executive Board members were allocated a total of 245,373 phantom shares for this tranche (2022 tranche: 56,333 phantom shares; 2021 tranche: 96,785 phantom shares) on the basis of the starting price of KION shares (60-day average). The shares were allocated on the basis of an allocation value in euros specified in each Executive Board member's service contract. At the end of the performance period, the number of the phantom shares is amended depending on the degree to which the relevant targets are achieved. The resulting final number of phantom shares multiplied by the smoothed price of KION GROUP AG shares at the end of the performance period determines the amount of cash actually paid. The Supervisory Board can also use a discretionary personal performance multiplier to adjust the final payment at the end of the performance period by  $\pm 30.0$  percent. The maximum amount payable is limited to 200.0 percent of the value of the shares allotted to an individual at the grant date.

The pro rata expense calculation based on the fair value of the phantom shares on each valuation date is carried out using Monte Carlo simulation. The measurement parameters shown in the following table were used to value the phantom shares on the reporting date:

#### Significant measurement parameters

	Tranche 2023	Tranche 2022
Expected volatility of KION shares	55.0%	45.0%
Expected volatility of the MDAX Index	20.0%	15.0%
Risk-free interest rate	2.43%	3.05%
Expected dividend	1.03 €	0.95 €
Value of a KION shares as at valuation date	39.42 €	39.42 €
Value of the MDAX index as at valuation date	27,353.02 points	27,353.02 points
Starting price of KION shares (60-days-average)	25.39 €	94.32 €
Starting value of the MDAX Index (60-days-average)	24,662.39 points	34,820.06 points

Taking account of the remaining term of two years (2023 tranche) and one year (2022 tranche), the historic volatility of KION shares was used to determine the volatility on which the valuation is based. As at December 31, 2023, the fair value of one phantom share was €24.06 for the 2022 tranche (December 31, 2022: €13.07) and €30.14 for the 2023 tranche. On that date, the total fair value was €1,355 thousand for the 2022 tranche based on 56,333 phantom shares (December 31, 2022: €736 thousand) and €7,659 thousand for the 2023 tranche based on 254,124 phantom shares.



The total carrying amount for liabilities in connection with share-based remuneration was €4,131 thousand as at December 31, 2023 (December 31, 2022: €1,334 thousand). Of this amount, €519 thousand related to the 2021 tranche (December 31, 2022: €847 thousand), €962 thousand to the 2022 tranche (December 31, 2022: €267 thousand), and €2,650 thousand to the 2023 tranche. In 2022, there had also been an amount of €220 thousand relating to the 2020 tranche. In 2023, income of €328 thousand in respect of the 2021 tranche (2022: income of €1,644 thousand), a pro rata expense for twelve months of €695 thousand for the 2022 tranche (2022: expense of €267 thousand), and an expense of €2,650 thousand for the 2023 tranche were recognized. Furthermore, income of €4,406 thousand for the 2020 tranche had been recognized in 2022.

## [25] Membership of a corporate group

KION GROUP AG, Frankfurt am Main, prepares consolidated financial statements that are published in the Company Register.

Shandong Heavy Industry Group Co., Ltd., Jinan, People's Republic of China, is the company that prepares the global consolidated financial statements for the largest number of affiliated companies. These consolidated financial statements are not publicly available.

Weichai Power Co., Ltd., Weifang, People's Republic of China, is the company that prepares the global consolidated financial statements for the smallest number of affiliated companies. These are available in English on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the company ([www.weichaipower.com](http://www.weichaipower.com)).

## [26] Total fees paid to the auditor

The total fees paid to the auditor engaged by the Company are not disclosed pursuant to section 285 no. 17 HGB because they are disclosed in the consolidated financial statements of KION GROUP AG, Frankfurt am Main.

## [27] Events after the reporting date

We are not aware of any reportable events after the end of the financial year.

## [28] Affiliated companies and equity investments

Pursuant to section 285 no. 11 HGB, shareholdings are disclosed in the list of shareholdings attached to these notes (see the [list of shareholdings as at December 31, 2023](#)).



## [29] Declaration of conformity regarding the German Corporate Governance Code (GCGC)

In December 2023, the Executive Board and Supervisory Board of KION GROUP AG submitted their declaration of conformity for 2023 relating to the recommendations of the German Corporate Governance Code government commission pursuant to section 161 AktG.

The declaration of conformity has been made permanently available to shareholders on the Company's website at [www.kiongroup.com/conformity/](http://www.kiongroup.com/conformity/).

## [30] Notifications of voting rights pursuant to section 33 (1) WpHG

Section 160 (1) no. 8 AktG requires disclosures to be made about the existence of equity investments of which the Company has been notified pursuant to section 33 (1) or (1a) of the German Securities Trading Act (WpHG).

The following table shows the notifiable equity investments of which the Company had been notified by February 27, 2024. The disclosures are taken from the notifications that the Company has received.

All notifications about equity investments published by the Company in the reporting year and up to February 27, 2024 are available on the website of KION GROUP AG at [www.kiongroup.com/en/Investor-Relations/Financial-News/](http://www.kiongroup.com/en/Investor-Relations/Financial-News/). Please note that the disclosures about the percentages and voting rights relating to equity investments may no longer be up to date.

### Notification of voting rights 2023/2024

	1	2
<b>Details of person subject to notification obligation</b>	Invesco Ltd.	T. Rowe Price Group, Inc.
<b>Reason for notification</b>	Acquisition/disposal of shares with voting rights	Acquisition/disposal of shares with voting rights
<b>Names of shareholders holding directly 3% or more voting rights (if different from person subject to notification obligation)</b>	—	—
<b>Date on which threshold was crossed or reached</b>	September 19, 2023	September 19, 2023
<b>Percentage of voting rights attached to shares at the time of previous notification</b>	3.15 %	n/a
<b>New percentage of voting rights attached to shares (excess/shortfall)</b>	0.11% (shortfall)	3.47% (excess)
<b>Total voting rights</b>	131,198,647	131,198,647
<b>of that, percentage directly held acc. to sec. 21 German Securities Trading Act old version / sec. 33 German Securities Trading Act new version (voting right percentage and voting rights)</b>	—	—
<b>of that, percentage to be attributed acc. to sec. 22 German Securities Trading Act old version / sec. 34 German Securities Trading Act new version (voting right percentage and voting rights)</b>	0.11% (139,485 voting rights)	3.47% (4,556,032 voting rights)
<b>Complete chain of subsidiaries, beginning with the ultimate controlling company (and specification of voting rights in %, where indicated)</b>	FN 1	FN 2

#### FN 1:

Invesco Ltd., Invesco Holding Company Limited, Invesco Holding Company (US), Inc., Oppenheimer Acquisition Corporation, OppenheimerFunds, Inc., Invesco Group Services, Inc., Invesco Capital Management LLC

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Invesco Ltd., Invesco Holding Company Limited, Invesco Holding Company (US), Inc., Oppenheimer Acquisition Corporation, OppenheimerFunds, Inc., Invesco Group Services, Inc., Invesco Advisers, Inc.

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Invesco Ltd., Invesco Holding Company Limited, Invesco Pacific Group Limited, Invesco Asset Management Pacific Limited, Invesco Hong Kong Limited

#### FN 2:

T. Rowe Price Group, Inc., T. Rowe Price Associates, Inc., T. Rowe Price International Ltd Invesco Ltd.

In addition to the aforementioned notifications, we received other notifications in previous years in accordance with section 21 (1) and (1a) WpHG old and section 133 (1) and (1a) WpHG new, in respect of which we did not receive new notifications up to the reporting date.

## Notification of voting rights 2022/2023

	1	2
<b>Details of person subject to notification obligation</b>	DWS Investment GmbH	BlackRock, Inc
<b>Reason for notification</b>	Other reason: Equity collateral received	Acquisition/disposal of shares with voting rights
<b>Names of shareholders holding directly 3% or more voting rights (if different from person subject to notification obligation)</b>	—	—
<b>Date on which threshold was crossed or reached</b>	April 13, 2022	November 30, 2022
<b>Percentage of voting rights attached to shares at the time of previous notification</b>	3.02%	3.14%
<b>New percentage of voting rights attached to shares (excess/shortfall)</b>	2.77% (shortfall)	1.96% (shortfall)
<b>Total voting rights</b>	131,198,647	131,198,647
<b>of that, percentage directly held acc. to sec. 21 German Securities Trading Act old version / sec. 33 German Securities Trading Act new version (voting right percentage and voting rights)</b>	—	—
<b>of that, percentage to be attributed acc. to sec. 22 German Securities Trading Act old version / sec. 34 German Securities Trading Act new version (voting right percentage and voting rights)</b>	2.77% (3,629,685 voting rights)	1.96% (2,569,696 voting rights)
<b>Complete chain of subsidiaries, beginning with the ultimate controlling company (and specification of voting rights in %, where indicated)</b>	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer.	FN 1

FN 1:

BlackRock, Inc., Trident Merger LLC, BlackRock Investment Management, LLC

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc.

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BlackRock, Inc., Trident Merger LLC, BlackRock Investment Management, LLC, Amethyst Intermediate LLC, Aperio Holdings LLC, Aperio Group, LLC

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Fund Advisors

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Institutional Trust Company, National Association

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Australia Holdco Pty. Ltd., BlackRock Investment Management (Australia) Limited,

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock (Singapore) Holdco Pte. Ltd., BlackRock HK Holdco Limited, BlackRock Asset Management North Asia Limited

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Canada Holdings LP, BlackRock Canada Holdings ULC, BlackRock Asset Management Canada Limited

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock Advisors (UK) Limited

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock International Limited, BlackRock Life Limited

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock Investment Management (UK) Limited

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Luxembourg Holdco S.a.r.l., BlackRock Investment Management Ireland Holdings Limited, BlackRock Asset Management Ireland Limited

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Luxembourg Holdco S.a.r.l., BlackRock UK Holdco Limited, BlackRock Asset Management Schweiz AG,

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock Investment Management (UK) Limited, BlackRock Fund Managers Limited

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock (Netherlands) B.V., BlackRock Asset Management Deutschland AG

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BlackRock, Inc., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock (Netherlands) B.V., BlackRock Asset Management Deutschland AG, iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen

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## Notification of voting rights 2015/2016

	1	2	3
<b>Party subject to notification requirement</b>	Weichai Power (Luxembourg) Holding S.à r.l., Luxembourg, Grand Duchy of Luxembourg	Weichai Power Hong Kong International Development Co., Ltd., Hong Kong, People's Republic of China	Weichai Power Co., Ltd., Weifang, Shandong Province, People's Republic of China
<b>Date on which threshold was crossed or reached</b>	February 16, 2015	February 16, 2015	February 16, 2015
<b>Notification threshold; whether shareholding was higher or lower</b>	50%; lower	50%; lower	50%; lower
<b>Share and number of voting rights</b>	47.23% (46,712,186 voting rights)	47.23% (46,712,186 voting rights)	47.23% (46,712,186 voting rights)
<b>Of which attributable pursuant to section 22 (1) sentence 1 no. 1 WpHG old</b>	–	33.30% (32,933,700 voting rights) via individual or all of the controlled entities in FN 1	33.30% (32,933,700 voting rights) via individual or all of the controlled entities in FN 1
<b>Of which attributable pursuant to section 22 (1) sentence 1 no. 6 WpHG old (if applic. in conjunction with sentence 2)</b>	–	–	–
<b>Of which attributable pursuant to section 22 (2) WpHG old</b>	13.93% (13,778,486 voting rights) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights) held by Superlift Holding S.à.r.l.

### FN 1:

Shandong Heavy Industry Group Co., Ltd., Jinan, Shandong Province, People's Republic of China;  
 Weichai Group Holdings Limited, Weifang, Shandong Province, People's Republic of China;  
 Weichai Power Co., Ltd., Weifang, Shandong Province, People's Republic of China;  
 Weichai Power Hong Kong International Development Co., Ltd., Hong Kong, People's Republic of China;  
 Weichai Power (Luxembourg) Holding S.à r.l., Luxembourg, Grand Duchy of Luxembourg

## Notification of voting rights 2015/2016

	4	5	6
<b>Party subject to notification requirement</b>	Weichai Group Holdings Limited, Weifang, Shandong Province, People's Republic of China	Shandong Heavy Industry Group Co., Ltd., Jinan, Shandong Province, People's Republic of China	People's Republic of China, acting through the State-owned Assets Supervision and Administration Commission (SASAC) of Shandong People's Government of the People's Republic of China, Jinan, Shandong Province, People's Republic of China
<b>Date on which threshold was crossed or reached</b>	February 16, 2015	February 16, 2015	February 16, 2015
<b>Notification threshold; whether shareholding was higher or lower</b>	50%; lower	50%; lower	50%; lower
<b>Share and number of voting rights</b>	47.23% (46,712,186 voting rights)	47.23% (46,712,186 voting rights)	47.23% (46,712,186 voting rights)
<b>Of which attributable pursuant to section 22 (1) sentence 1 no. 1 WpHG old</b>	33.30% (32,933,700 voting rights) via individual or all of the controlled entities in FN 1	33.30% (32,933,700 voting rights) via individual or all of the controlled entities in FN 1	33.30% (32,933,700 voting rights) via individual or all of the controlled entities in FN 1
<b>Of which attributable pursuant to section 22 (1) sentence 1 no. 6 WpHG old (if applic. in conjunction with sentence 2)</b>	–	–	–
<b>Of which attributable pursuant to section 22 (2) WpHG old</b>	13.93% (13,778,486 voting rights) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights) held by Superlift Holding S.à.r.l.

FN 1:

Shandong Heavy Industry Group Co., Ltd., Jinan, Shandong Province, People's Republic of China;  
Weichai Group Holdings Limited, Weifang, Shandong Province, People's Republic of China;  
Weichai Power Co., Ltd., Weifang, Shandong Province, People's Republic of China;  
Weichai Power Hong Kong International Development Co., Ltd., Hong Kong, People's Republic of China;  
Weichai Power (Luxembourg) Holding S.à.r.l., Luxembourg, Grand Duchy of Luxembourg

## [31] Proposal for the appropriation of profit

The Executive Board and the Supervisory Board will propose to the Annual General Meeting to be held on May 29, 2024 that an amount of €91,787 thousand be appropriated from the distributable profit of KION GROUP AG for the 2023 financial year of €189,084 thousand for the payment of a dividend of €0.70 per dividend-bearing share. It is also proposed that a further sum of €97,000 thousand be transferred to other revenue reserves and that €297 thousand be carried forward to the next accounting period.

Frankfurt am Main, February 27, 2024

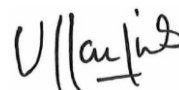
The Executive Board



Dr. Richard Robinson Smith



Christian Harm



Valeria Gargiulo



Andreas Krinninger



Michael Larsson



Ching Pong Quek

## Statement of changes in non-current assets for 2023 (annex to the notes to the financial statements)

## Summary of fixed assets 2023

€ thousand	Gross carrying amount				Balance as at 31.12.2023
	Balance as at 01.01.2023	Additions	Disposals	Reclassifications	
<b>Intangible assets</b>					
Concessions, trademarks and similar rights and values as well as licenses in such rights and values	2	0	0	0	2
<b>Total intangible assets</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>Property, plant and equipment</b>					
Land and buildings	1,330	0	0	0	1,330
Office furniture and equipment	3,007	144	25	0	3,126
Advances paid and assets under construction	0	0	0	0	0
<b>Total property, plant and equipment</b>	<b>4,337</b>	<b>144</b>	<b>25</b>	<b>0</b>	<b>4,456</b>
<b>Financial assets</b>					
Investments in affiliated companies	4,235,707	0	0	0	4,235,707
Equity Investments	2,513	0	0	0	2,513
Investment Securities	0	880	0	0	880
<b>Total financial assets</b>	<b>4,238,220</b>	<b>880</b>	<b>0</b>	<b>0</b>	<b>4,239,100</b>
<b>Total non-current assets</b>	<b>4,242,559</b>	<b>1,024</b>	<b>25</b>	<b>0</b>	<b>4,243,558</b>



## Summary of fixed assets 2023

€ thousand	Accumulated amortization				Carrying amount		
	Balance as at 01.01.2023	Additions	Disposals	Reclassifications	Balance as at 31.12.2023	Balance as at 31.12.2023	Balance as at 31.12.2022
<b>Intangible assets</b>							
Concessions, trademarks and similar rights and values as well as licenses in such rights and values	2	0	0	0	2	0	0
<b>Total intangible assets</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>Property, plant and equipment</b>							
Land and buildings	636	95	0	0	731	598	694
Office furniture and equipment	2,183	201	10	0	2,374	752	824
Advances paid and assets under construction	0	0	0	0	0	0	0
<b>Total property, plant and equipment</b>	<b>2,819</b>	<b>296</b>	<b>10</b>	<b>0</b>	<b>3,105</b>	<b>1,350</b>	<b>1,518</b>
<b>Financial assets</b>							
Investments in affiliated companies	0	0	0	0	0	4,235,707	4,235,707
Equity Investments	0	0	0	0	0	2,513	2,513
Investment Securities	0	0	0	0	0	880	0
<b>Total financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,239,100</b>	<b>4,238,220</b>
<b>Total non-current assets</b>	<b>2,821</b>	<b>296</b>	<b>10</b>	<b>0</b>	<b>3,107</b>	<b>4,240,450</b>	<b>4,239,738</b>

## List of shareholdings as at December 31, 2023 (annex to the notes to the financial statements)

The companies' equity and net profit (loss) are reported as at December 31, 2023 and for the 2023 financial year respectively in accordance with IFRS, unless otherwise indicated.

### Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, (€ thousand)	Net profit (loss) (€ thousand)	Note
<b>Domestic:</b>						
BlackForxx GmbH	Stuhr	Germany	100.0%	757	0	[4], [A]
Comnovo GmbH	Dortmund	Germany	100.0%	3,458	1,713	[1], [4]
Dematic GmbH	Heusenstamm	Germany	100.0%	87,811	3,827	
Dematic Holdings GmbH	Frankfurt am Main	Germany	100.0%	3,543,543	0	[4], [B]
Dematic Logistics GmbH	Heusenstamm	Germany	100.0%	8,394	-221	
Dematic Services GmbH	Heusenstamm	Germany	100.0%	52,935	0	[4], [C]
Eisengießerei Dinklage GmbH	Dinklage	Germany	100.0%	3,328	0	[4], [A]
Eisenwerk Weilbach Gesellschaft mit beschränkter Haftung	Frankfurt am Main	Germany	100.0%	288	0	[4], [D]
Fahrzeugbau GmbH Geisa	Geisa	Germany	100.0%	7,329	0	[4], [A]
Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG	Hamburg	Germany	100.0%	17,852	3,230	
JETSCHKE GmbH	Hamburg	Germany	100.0%	100	2	[1], [4]
KION Battery Systems GmbH	Karlstein am Main	Germany	50.0%	10,424	6,539	[7]
KION Financial Services GmbH	Frankfurt am Main	Germany	100.0%	1,558	0	[4], [D]
KION Information Management Services GmbH	Frankfurt am Main	Germany	100.0%	693	0	[4], [B]
KION IoT Systems GmbH	Frankfurt am Main	Germany	100.0%	25	0	[4], [B]
KION Warehouse Systems GmbH	Reutlingen	Germany	100.0%	22,670	0	[4], [A]
Linde Material Handling GmbH	Aschaffenburg	Germany	100.0%	461,786	0	[4], [B]
Linde Material Handling Rhein-Ruhr GmbH & Co. KG	Essen	Germany	100.0%	25,521	9,049	
Linde Material Handling Rhein-Ruhr Verwaltungs-GmbH	Essen	Germany	100.0%	57	1	[1], [4]
Linde Material Handling Rental Services GmbH	Aschaffenburg	Germany	100.0%	23	0	[4], [D]
LMH Immobilien GmbH & Co. KG	Aschaffenburg	Germany	99.6%	24,802	-895	
LMH Immobilien Holding GmbH & Co. KG	Aschaffenburg	Germany	94.0%	2,329	116	
LMH Immobilien Holding Verwaltungs-GmbH	Aschaffenburg	Germany	100.0%	33	-3	
LMH Immobilien Verwaltungs-GmbH	Aschaffenburg	Germany	100.0%	34	-1	

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, (€ thousand)	Net profit (loss) (€ thousand)	Note
LR Intralogistik GmbH	Wörth a. d. Isar	Germany	100.0%	1,649	0	[4], [A]
OM Deutschland GmbH	Neuhausen a. d. Fildern	Germany	100.0%	-2,931	-36	[1], [4], [6]
proplan Transport- und Lagersysteme GmbH	Aschaffenburg	Germany	100.0%	573	0	[4], [B]
Schrader Industriefahrzeuge Verwaltung GmbH	Essen	Germany	100.0%	111	1	[1], [4]
STILL Financial Services GmbH	Hamburg	Germany	100.0%	1,533	0	[4], [E]
STILL Gesellschaft mit beschränkter Haftung	Hamburg	Germany	100.0%	206,250	0	[4], [D]
Urban-Transporte Gesellschaft mit beschränkter Haftung	Unterschleißheim	Germany	100.0%	3,181	0	[4], [D]
Willenbrock Fördertechnik GmbH (formerly: Willenbrock Fördertechnik Holding GmbH)	Bremen	Germany	74.0%	32,564	10,655	
<b>Foreign:</b>						
Actil Warehouse Trucks AB	Linköping	Sweden	100.0%	5,101	179	
AUSTRO OM PIMESPO Fördertechnik GmbH	Linz	Austria	100.0%	12,957	1,599	
Baoli EMEA S.p.A.	Lainate	Italy	100.0%	10,186	2,555	
BARTHELEMY MANUTENTION SAS	Vitrolles	France	100.0%	5,040	3,638	
Bastide Manutention SAS	Bruguières	France	100.0%	7,124	2,973	
Bretagne Manutention SAS	Pacé	France	100.0%	11,116	9,297	
Castle Lift Trucks Ltd.	Basingstoke	United Kingdom	100.0%	797	0	[1], [4], [6]
Creighton Materials Handling Ltd.	Basingstoke	United Kingdom	100.0%	512	0	[1], [4], [6]
D.B.S. Brand Factors Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
DAI Software Technology (Shanghai) Co. Ltd.	Shanghai	People's Republic of China	100.0%	-	-	[5]
Dematic (Malaysia) Sdn. Bhd.	Petaling Jaya	Malaysia	100.0%	2,577	54	
Dematic Corp.	Grand Rapids	United States	100.0%	44,448	120,917	
Dematic Group Ltd.	Banbury	United Kingdom	100.0%	32,010	10,910	
Dematic Group S.à r.l.	Luxembourg	Luxembourg	100.0%	3,880,659	68,540	
Dematic Holdings Pty. Ltd.	Belrose	Australia	100.0%	16,322	4,619	
Dematic Holdings UK Ltd.	Banbury	United Kingdom	100.0%	582,557	-253,443	
Dematic International Trading Ltd.	Shanghai	People's Republic of China	100.0%	17,396	-981	
Dematic Korea Ltd.	Seoul	South Korea	100.0%	-2,268	-1,529	
Dematic Logistic Systems S.A.U.	Coslada	Spain	100.0%	22,018	-12,346	
Dematic Logistics de Mexico S. de R.L. de C.V.	Monterrey	Mexico	100.0%	-3,424	-797	
Dematic Logistics Services, LLC	Riyadh	Saudi Arabia	100.0%	-	-	[9]

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, (€ thousand)	Net profit (loss) (€ thousand)	Note
Dematic Logistics Systems Ltd.	Suzhou	People's Republic of China	100.0%	13,053	1,483	
Dematic Ltd.	Banbury	United Kingdom	100.0%	21,542	-26,125	
Dematic Ltd.	Mississauga	Canada	100.0%	-7,047	-6,652	
Dematic NV	Antwerpen	Belgium	100.0%	69,662	-22,368	
Dematic Poland Sp. z o.o.	Poznań	Poland	100.0%	184	47	
Dematic Pte. Ltd.	Singapore	Singapore	100.0%	15,956	3,284	
Dematic Pty. Ltd.	Belrose	Australia	100.0%	46,619	-3,361	
Dematic S.r.l.	Cernusco sul Naviglio	Italy	100.0%	-4,542	-51,422	
Dematic SAS	Bussy-Saint-Georges	France	100.0%	4,498	556	
Dematic Sistemas e Equipamentos de Movimentação de Materiais Ltda.	Indaiatuba / São Paulo	Brazil	100.0%	-4,051	-2,065	
Dematic Suisse Sagl	Lugano	Switzerland	100.0%	-76	-3	
Dematic Trading de Mexico S. de R.L. de C.V.	Monterrey	Mexico	100.0%	-39,754	-12,733	
Digital Applications GmbH	Basel	Switzerland	100.0%	778	39	
Digital Applications International Ltd.	Stockport	United Kingdom	100.0%	33,399	2,985	
DMTC Technology Services, S. de R.L. de C.V.	Monterrey	Mexico	100.0%	-4,907	-970	
Emhilia Material Handling S.p.A.	Modena	Italy	100.0%	6,608	392	
FENWICK FINANCIAL SERVICES SAS	Elancourt	France	100.0%	12,061	24	
FENWICK-LINDE OPERATIONS SAS	Cenon-sur-Vienne	France	100.0%	30,232	17,204	
FENWICK-LINDE SAS	Elancourt	France	100.0%	244,996	50,296	
Fork Truck Rentals Ltd.	Basingstoke	United Kingdom	100.0%	226	0	[1], [4], [6]
Fork Truck Training Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
IBER-MICAR S.L.U.	Gavà	Spain	100.0%	7,011	824	[1], [4]
KION (Jinan) Forklift Co., Ltd.	Jinan	People's Republic of China	95.0%	74,684	8,565	
KION ASIA (HONG KONG) Ltd.	Kwai Chung - Hong Kong	People's Republic of China	100.0%	43,850	-3	
KION Baoli (Jiangsu) Forklift Co., Ltd.	Jingjiang	People's Republic of China	100.0%	45,362	-2,844	
KION Business Services Polska Sp. z o.o.	Kraków	Poland	100.0%	5,014	677	
KION FINANCIAL SERVICES Ltd.	Basingstoke	United Kingdom	100.0%	28,675	-1,803	
KION Financial Services Polska Sp. z o.o.	Warsaw	Poland	100.0%	-747	-716	
KION France SERVICES SAS	Elancourt	France	100.0%	451,133	53,136	
KION Financial Services Sweden AB	Örebro	Sweden	100.0%	6,428	7,775	

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, (€ thousand)	Net profit (loss) (€ thousand)	Note
KION India Pvt. Ltd.	Pune	India	100.0%	21,666	1,470	
KION Intralogistic Solutions Benelux NV. (formerly: STILL NV)	Wijnegem	Belgium	100.0%	8,669	2,742	
KION North America Corp.	Summerville	United States	100.0%	-55,459	-26,168	
KION Polska Sp. z o.o.	Kolbaskowo	Poland	100.0%	69,286	-2,113	
KION Regional Distribution Center EEU, s.r.o.	Český Krumlov	Czech Republic	100.0%	13,659	7,953	
KION Regional Distribution Center Nordics AB	Jonköping	Sweden	100.0%	2,664	977	
KION Rental Services S.A.U.	Barcelona	Spain	100.0%	15,001	-2,010	
KION Rental Services S.p.A.	Milan	Italy	100.0%	70,391	8,134	
KION South America Fabricação de Equipamentos para Armazenagem Ltda.	Indaiatuba / São Paulo	Brazil	100.0%	59,128	11,466	
KION South Asia Pte. Ltd.	Singapore	Singapore	100.0%	4,484	1,069	
KION Supply Chain Solutions Czech, s.r.o.	Kostelec (Stříbro)	Czech Republic	100.0%	8,869	367	
Lancashire (Fork Truck) Services Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Lansing Bagnall (Aust.) Pty. Ltd.	Huntingwood	Australia	100.0%	1,584	-2	[3], [4], [6]
Lansing Linde Ltd.	Basingstoke	United Kingdom	100.0%	113	0	[1], [4], [6]
Lansing Linde Triflik Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde (China) Forklift Truck Corporation Ltd.	Xiamen	People's Republic of China	100.0%	249,154	41,656	
Linde Castle Ltd.	Basingstoke	United Kingdom	100.0%	11	0	[1], [4], [6]
Linde Creighton Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde Heavy Truck Division Ltd.	Basingstoke	United Kingdom	100.0%	7,269	-164	[4]
Linde Holdings Ltd.	Basingstoke	United Kingdom	100.0%	183,070	16,469	
Linde Jewsbury's Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde Magyarország Anyagmozgatási Kft.	Dunaharaszti	Hungary	100.0%	2,717	1,696	
Linde Material Handling (Ireland) Ltd.	Ballymount (Dublin)	Ireland	100.0%	-6,867	379	
Linde Material Handling (Malaysia) Sdn. Bhd.	Petaling Jaya	Malaysia	100.0%	-4,507	-451	[1], [4]
Linde Material Handling (Pty) Ltd.	Linbro Park	South Africa	100.0%	3,567	527	
Linde Material Handling (Thailand) Co., Ltd.	Pathum Thani	Thailand	100.0%	5,207	-239	
Linde Material Handling (UK) Ltd.	Basingstoke	United Kingdom	100.0%	170,764	67,204	
Linde Material Handling AB	Örebro	Sweden	100.0%	34,918	13,808	
Linde Material Handling Asia Pacific Pte. Ltd.	Singapore	Singapore	100.0%	27,781	-26,233	
Linde Material Handling Austria GmbH	Linz	Austria	100.0%	17,091	6,514	

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, (€ thousand)	Net profit (loss) (€ thousand)	Note
Linde Material Handling Česká republika s.r.o.	Prague	Czech Republic	100.0%	16,674	5,709	
Linde Material Handling East Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde Material Handling Hong Kong Ltd.	Kwai Chung - Hong Kong	People's Republic of China	100.0%	2,676	953	
Linde Material Handling Ibérica, S.A.U.	Pallejá	Spain	100.0%	63,772	3,838	
Linde Material Handling Italia S.p.A.	Lainate	Italy	100.0%	26,874	3,863	
Linde Material Handling Polska Sp. z o.o.	Warsaw	Poland	100.0%	39,307	4,208	
Linde Material Handling Pty. Ltd.	Huntingwood	Australia	100.0%	44,105	4,375	
Linde Material Handling Schweiz AG	Dietlikon	Switzerland	100.0%	11,377	3,986	
Linde Material Handling Scotland Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde Material Handling Slovenská republika s.r.o.	Trenčín	Slovakia	100.0%	5,064	942	
Linde Material Handling South East Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde MH UK Ltd.	Basingstoke	United Kingdom	100.0%	121,072	22,661	
Linde Pohony s.r.o.	Český Krumlov	Czech Republic	100.0%	81,453	13,052	
Linde Severnside Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde Sterling Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Linde Viličar d.o.o.	Celje	Slovenia	100.0%	3,810	703	
LOIRE OCEAN MANUTENTION SAS	Saint-Herblain	France	100.0%	9,108	5,536	
McLEMAN FORK LIFT SERVICES LTD.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]
Nordtruck AB	Örnsköldsvik	Sweden	100.0%	7,071	1,096	
OOO "Dematic"	Moscow	Russian Federation	100.0%	475	1,338	
OOO "Linde Material Handling Rus"	Moscow	Russian Federation	100.0%	13,648	3,631	
OOO "STILL Forklifttrucks"	Moscow	Russian Federation	100.0%	7,346	-10	
QUALIFT S.p.A.	Verona	Italy	100.0%	2,692	558	[1], [4]
Regentruck Ltd.	Basingstoke	United Kingdom	100.0%	1	0	[1], [4], [6]
Société Angoumoisine de Manutention (SAMA) SAS	Champniers	France	100.0%	14,705	1,242	
SCI Champ Lagarde	Elancourt	France	100.0%	106	0	[1], [4]
SM Rental SAS	Tremblay-en-France	France	100.0%	1,414	834	
Stephensons Enterprise Fork Trucks Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[1], [4], [6]

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, (€ thousand)	Net profit (loss) (€ thousand)	Note
Sterling Mechanical Handling Ltd.	Basingstoke	United Kingdom	100.0%	1,168	0	[1], [4], [6]
STILL AG	Otelfingen	Switzerland	100.0%	11,887	2,558	
STILL ARSER İş Makineleri Servis ve Ticaret A.Ş.	Izmir	Turkey	51.0%	-6,928	4,336	
STILL ČR spol. s.r.o.	Prague	Czech Republic	100.0%	7,807	965	
STILL DANMARK A/S	Kolding	Denmark	100.0%	18,391	1,503	
STILL Gesellschaft m.b.H.	Wiener Neudorf	Austria	100.0%	6,993	1,826	
STILL Intern Transport B.V.	Hendrik-Ido-Ambacht	Netherlands	100.0%	31,929	11,123	
STILL Kft.	Tatabánya	Hungary	100.0%	4,311	1,166	
STILL Location Services SAS	Serris (Marne-la-Vallée)	France	100.0%	11,045	-890	
STILL MATERIAL HANDLING ROMANIA SRL	Ilfov	Romania	100.0%	7,757	1,266	
STILL Materials Handling Ltd.	Exeter	United Kingdom	100.0%	-16,540	2,775	
STILL Norge AS	Trondheim	Norway	100.0%	1,287	-3,432	
STILL POLSKA Sp. z o.o.	Gądkki	Poland	100.0%	47,738	9,730	
STILL S.p.A.	Lainate	Italy	100.0%	127,224	21,072	
STILL SAS	Serris (Marne-la-Vallée)	France	100.0%	31,833	5,492	
STILL SR, spol. s.r.o.	Nitra	Slovakia	100.0%	3,292	764	
STILL Sverige AB	Malmö	Sweden	100.0%	5,215	827	
STILL, S.A.U.	L'Hospitalet de Llobregat	Spain	100.0%	27,756	4,018	
Superlift UK Ltd.	Basingstoke	United Kingdom	100.0%	53,046	505	
Truckcenter Gösta Larsson AB	Örebro	Sweden	100.0%	3,296	15	
URBAN LOGISTICA S.R.L.	Lainate	Italy	100.0%	2,816	737	
Urban Logistics (UK) Ltd.	Basingstoke	United Kingdom	100.0%	1,787	58	[1], [4]
URBAN LOGISTIQUE SAS	Elancourt	France	100.0%	3,113	925	
Urban Transporte spol. s.r.o.	Moravany	Czech Republic	100.0%	4,618	1,660	
Urban Logistyka Polska Sp. z o.o.	Kolbaskowo	Poland	100.0%	86	99	[1], [4]
WHO Real Estate UAB	Vilnius	Lithuania	74.0%	-29	0	[1], [4]

## Equity Investments

Name	Registered office	Country	Shareholding	Equity, (€ thousand)	Net profit (loss) (€ thousand)	Note
<b>Domestic:</b>						
Carl Beuthhauser Kommunal- und Fördertechnik GmbH & Co. KG	Hagelstadt	Germany	25.0%	26,091	3,302	[1], [4]
ifesca GmbH	Ilmenau	Germany	22.9%	2,473	-3,279	[1], [4]
Linde Leasing GmbH	Wiesbaden	Germany	45.0%	65,534	4,593	[1], [4]
Linde Hydraulics GmbH & Co. KG	Aschaffenburg	Germany	10.0%	80,067	-24,006	[1], [4]
Linde Hydraulics Verwaltungs GmbH	Aschaffenburg	Germany	10.0%	39	1	[1], [4]
MV Fördertechnik GmbH	Blankenhain	Germany	25.0%	3,911	628	[1], [4]
Pelzer Fördertechnik GmbH	Kerpen	Germany	25.0%	39,012	2,548	[1], [4]
Schwerter Profile GmbH	Schwerte	Germany	50.0%	7,713	1,011	[1], [4]
Supralift Beteiligungs- und Kommunikationsgesellschaft mbH	Frankfurt am Main	Germany	50.0%	19	0	[4]
Supralift GmbH & Co. KG	Frankfurt am Main	Germany	50.0%	554	-62	[4]
<b>Foreign:</b>						
Anhui Haiyuan X Drive Tech Co., Ltd.	Hefei	People's Republic of China	20.0%	1,245	100	[4]
Carretilas Elevadoras Sudeste S.A.	Murcia	Spain	38.5%	8,120	823	[1], [4]
Chadwick Materials Handling Ltd.	Corsham	United Kingdom	48.0%	1,194	25	[1], [4]
DEMATIC ELECTROMECHANICAL SYSTEMS MIDDLE EAST L.L.C.	Dubai	United Arab Emirates	49.0%	147	0	[4]
JULI Motorenwerk s.r.o.	Moravany	Czech Republic	50.0%	36,453	5,588	[1], [4]
Labrosse Equipement SAS	Saint-Péray	France	34.0%	13,979	4,496	[2], [4]
Linde High Lift Chile S.A.	Santiago de Chile	Chile	45.0%	33,241	4,790	[1], [4]
Normandie Manutention SAS	Saint-Etienne-du-Rouvray	France	34.0%	36,020	7,314	[1], [4]
Shaanxi KION Intelligent Warehousing Equipment Co., Ltd.	Xi'an	People's Republic of China	20.0%	1,882	309	[4]
Shanghai Quicktron Intelligent Technology Co., Ltd.	Shanghai	People's Republic of China	7.1%	43,698	23,841	[4]
ZA Logistics Equipment (Deqing) Co., Ltd.	Deqing (Huzhou)	People's Republic of China	60.0%	-	-	[8], [9]
Zhejiang EP Equipment Co., Ltd.	Anji (Huzhou)	People's Republic of China	4.7%	277,258	87,023	[1], [4]



- [1] Financial figures as at 31 December 2022
  - [2] Financial figures as at 30 June 2023
  - [3] Most recently submitted annual financial statements
  - [4] Financial data in accordance with local financial reporting standards
  - [5] Preliminary consolidation in Digital Applications International Ltd.
  - [6] Dormant company
  - [7] Control without majority of voting rights
  - [8] No control despite majority of voting rights
  - [9] Acquisition / Foundation in 2023
  - [A] Profit and loss transfer agreement with STILL Gesellschaft mit beschränkter Haftung
  - [B] Profit and loss transfer agreement with KION GROUP AG
  - [C] Profit and loss transfer agreement with Dematic GmbH
  - [D] Profit and loss transfer agreement with Linde Material Handling GmbH
  - [E] Profit and loss transfer agreement with KION Financial Services GmbH
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# Independent auditor's report

To KION GROUP AG, Frankfurt am Main

## Report on the Audit of the Annual Financial Statements and of the Combined Management Report

### Opinions

We have audited the annual financial statements of KION GROUP AG, Frankfurt am Main, which comprise the statement of financial position as at 31 December 2023 and the income statement for the financial year from 1 January to 31 December 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of the Company and the Group (combined management report) of KION GROUP AG for the financial year from 1 January to 31 December 2023.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. In accordance with German legal requirements, we have not audited the cross-references and the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023, and of its financial performance for the financial year from 1 January to 31 December 2023, in compliance with German legally required accounting principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report. The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. Our audit opinion does not extend to the cross-references and the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

## **Basis for the Opinions**

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

## **Key Audit Matters in the Audit of the Annual Financial Statements**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

## **Impairment testing of investments in affiliated companies**

Disclosures on investments in affiliated companies are found in the notes to the financial statements under note 2.

## **THE FINANCIAL STATEMENT RISK**

In the annual financial statements of KION GROUP AG as at 31 December 2023, financial assets include investments in affiliated companies in the amount of EUR 4,235.7 million (PY: EUR 4,235.7 million). They represent 52% (PY: 52%) of total assets and, thus, a significant share of the Company's assets.

Investments in affiliated companies are recognised at cost or, if they are expected to be permanently impaired, at their lower fair value. The Company calculates the fair value of the investments in affiliated companies using the discounted cash flow method.

The cash flows used for the discounted cash flow method are based on individual projections for each investment for the next three years which are extrapolated based on assumptions of long-term growth rates. The respective capitalisation rate is derived from the return on a risk-appropriate alternative investment. If the fair value is lower than the carrying amount, qualitative and quantitative criteria are used to examine whether the impairment is expected to be permanent.

The calculation of the fair value using the discounted cash flow method is complex and, with regard to the assumptions that are made, dependent to a great extent on the Company's estimates and assessments. This applies in particular to estimates of future cash flows and long-term growth rates, the determination of capitalisation rates and the assessment of whether impairment is permanent.

As in the prior year, the Company did not recognise any impairment losses on investments in affiliated companies in financial year 2023. There is a risk for the financial statements that impairment of investments in affiliated companies may not be recognised in the financial statements.

## OUR AUDIT APPROACH

First, we used the information obtained during our audit to assess which investments in affiliated companies indicated a need for impairment. With the involvement of our valuation experts, we then assessed the appropriateness of significant assumptions and the valuation method used by the Company. To this end, we discussed the expected cash flows and the assumed long-term growth rates with those responsible for planning. We also reconciled this with the budget prepared by management and approved by the Supervisory Board for financial year 2024 as well as with the medium-term plan prepared by management for 2025 and 2026. Furthermore, we evaluated the consistency of assumptions with external market assessments.

We also evaluated the accuracy of the previous forecasts of the Company by comparing the budgets of previous financial years with actual results and by analysing deviations.

We compared the assumptions and data underlying the capitalisation rate, especially the risk-free interest rate, the market risk premium and the beta factor, with our own assumptions and publicly available data. In order to take account of forecast uncertainty, we also investigated the impact of potential changes to the capitalisation rate and the expected cash flows on the fair value (sensitivity analysis), by calculating alternative scenarios and comparing these with the Company's measurements. To ensure the computational accuracy of the valuation method used, we verified the Company's calculations on the basis of selected risk-based elements.

## OUR OBSERVATIONS

The approach used for impairment testing investments in affiliated companies is appropriate and in line with the accounting policies. The Company's assumptions and data are appropriate.

## Other Information

Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the Group's separate non-financial report, which is referred to in the combined management report,
- the combined corporate governance statement for the Company and the Group referred to in the combined management report, and
- information extraneous to combined management reports and marked as unaudited.
- Our opinions on the annual financial statements and on the combined management report do not cover the other information and, consequently, we do not express an opinion or any other form of assurance conclusion thereon.
- In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information
- is materially inconsistent with the annual financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

## **Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Combined Management Report**

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, management is responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

## **Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file, which has the SHA-256 value 5ddf13a906b8575efc04292ec531746599ba8bb55b462740a84e2c00ff666e38 made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with the German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined management reports into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the electronic file made available identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying combined management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the annual financial statements and the combined management report, contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised)]. Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022).

The Company's management is responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB.

In addition, the Company's management is responsible for such internal control that they considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.



The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and the audited combined management report.

### **Further information pursuant to Article 10 of the EU Audit Regulation**

We were elected as auditor at the Annual General Meeting on 17 May 2023. We were engaged by the Supervisory Board on 11 December 2023. We have been the auditor of KION GROUP AG without interruption since financial year 2023.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the Company or its controlled entities the following services that are not disclosed in the annual financial statements or in the combined management report of the audited company:

In addition to the financial statement audit, we have provided to the Company or its controlled entities the following services that are not disclosed in the annual financial statements or in the combined management report:

- Review of quarterly reporting as at 31 March 2023 and 30 September 2023
- Review of the half-year financial reporting as at 30 June 2023
- Audit of reporting package of Weichai Power Ltd.
- Formal examination of the remuneration report in accordance with Section 162 (3) of the German Stock Corporation Act [AktG]
- Project-based audits in conjunction with migration to S/4 HANA
- Assurance work on sustainability reports (ISAE 3000)
- Issuance of comfort letters
- Assessment of EU taxonomy
- Access to databases



### Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the examined ESEF documents. The annual financial statements and the combined management report converted into ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

### German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Dr Stephanie Dietz.

Frankfurt am Main, 28. February 2024

KPMG AG  
Wirtschaftsprüfungsgesellschaft

[*signature*] Dr. Dietz  
Wirtschaftsprüferin  
[German Public Auditor]

[*signature*] gez. Dr. Röhricht  
Wirtschaftsprüferin  
[German Public Auditor]

# Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the separate financial statements give a true and fair view of the financial performance and financial position of the Company, and the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Frankfurt am Main, February 27, 2024

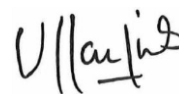
The Executive Board



Dr. Richard Robinson Smith



Christian Harm



Valeria Gargiulo



Andreas Krininger



Michael Larsson



Ching Pong Quek

We keep

the world moving.

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