

KION



Leasing Business Deep Dive

Update FY 2025

February 2026
Frankfurt

Disclaimer

This document has been prepared by KION GROUP AG (the “Company”, and together with its consolidated subsidiaries, the “KION Group”) solely for informational purposes. This disclaimer shall apply in all respects to the entire presentation (including all slides of this document), the oral presentation of the slides by representatives of the Company (or any person on behalf of the Company), any question-and-answer session that follows the oral presentation, hard copies of the slides as well as any additional materials distributed at, or in connection with this presentation (collectively, the “Presentation”). By attending the meeting (or conference call or video conference) at which the Presentation is made, or by reading the written materials included in the Presentation, you (i) acknowledge and agree to all of the following restrictions and undertakings, and (ii) acknowledge and confirm that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of the Presentation.

The Presentation is private and confidential and may not be reproduced, redistributed or disclosed in any way in whole or in part to any other person without the prior written consent of the Company.

None of the Company, its affiliates or any of their respective directors, officers, employees, agents or any other person shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of the Presentation or its contents or otherwise arising in connection with the Presentation. The information and opinions contained in this Presentation do not purport to be comprehensive, are provided as at the date of the document and are subject to change without notice. The Company is not under any obligation to update or keep current the information contained in the Presentation.

The Presentation does not constitute or form part of, and should not be construed as, an offer to sell or issue, or the solicitation of an offer to purchase, subscribe to or acquire, securities of the Company, its affiliates or an inducement to enter into investment activity in the United States or any other country. No part of this Presentation, nor the fact of its distribution, should form the basis of, or be relied on by any person in connection with, any contract or commitment or investment decision whatsoever.

Certain industry, market and competitive position data contained in this Presentation, if any, come from official or third-party sources. Third party industry publications, studies and surveys generally state that the data contained therein has been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, the Company has not independently verified the data contained therein, and the Company assumes no responsibility whatsoever in respect of the accuracy and completeness of any such data. In addition, certain industry, market and competitive position data contained in this Presentation come from the Company's own internal research and certain estimates are based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. The Company, therefore, also assumes no responsibility whatsoever in respect of the accuracy and completeness of any such research and estimates. Accordingly, no reliance should be placed on any of the industry, market or competitive position data contained in this Presentation.

Financial information of the Company or the KION Group as of and for the financial year ended 31 December included in the Presentation is based on the respective audited financial statements. Financial information of the Company or the KION Group as of and for a three-month period ended 31 March as well as a nine-month period ended 30 September included in this Presentation is based on the respective unaudited quarterly financial statements and a six-month period ended 30 June is based on the respective reviewed quarterly financial statements.

Certain information in the Presentation and statements regarding the possible or assumed future or other performance of the Company and its affiliates or its industry or other trend projections constitute forward-looking statements. These statements reflect the Company's current knowledge

and expectations and projections about future events and may be identified by the context of such statements or words such as “anticipate”, “believe”, “expect”, “intend”, “project” and “target”. By their nature, forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of the Company. Such factors include, but are not limited to, changes in economic and industry-specific conditions, the competitive as well as the political situation, changes in national and international law, interest-rate or exchange-rate fluctuation, legal disputes and investigations, and the availability of funds. These factors may cause actual results, performance or developments to differ materially from those expressed or implied by such forward-looking statements. Accordingly, no assurance is given that such forward-looking statements are correct, complete or accurate. They speak only as at the date of the Presentation and the Company undertakes no obligation to update these forward-looking statements.

IFRS financial information for any previous fiscal year figures is adjusted in the Presentation as necessary pursuant to changes to IFRS or other mandatory reclassifications. The addition of the totals presented may result in rounding differences. In addition to figures prepared in accordance with IFRS, the Presentation also includes certain non-GAAP financial performance measures (e.g., EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, adjusted EBIT, earnings before tax, free cash flow, net financial debt, leverage on net financial debt, industrial net operating debt, leverage on industrial net operating debt, and order intake, order book and ROCE). These non-GAAP measures have been included because we believe that investors may find them helpful to measure our performance as reported under the relevant IFRS measures. However, these non-GAAP measures should be considered only in addition to, but not in isolation or as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles, and other companies that report similarly named non-GAAP measures may define or calculate these financial performance measures in different ways.

Agenda

01 Business Model and Strategy

02 Funding

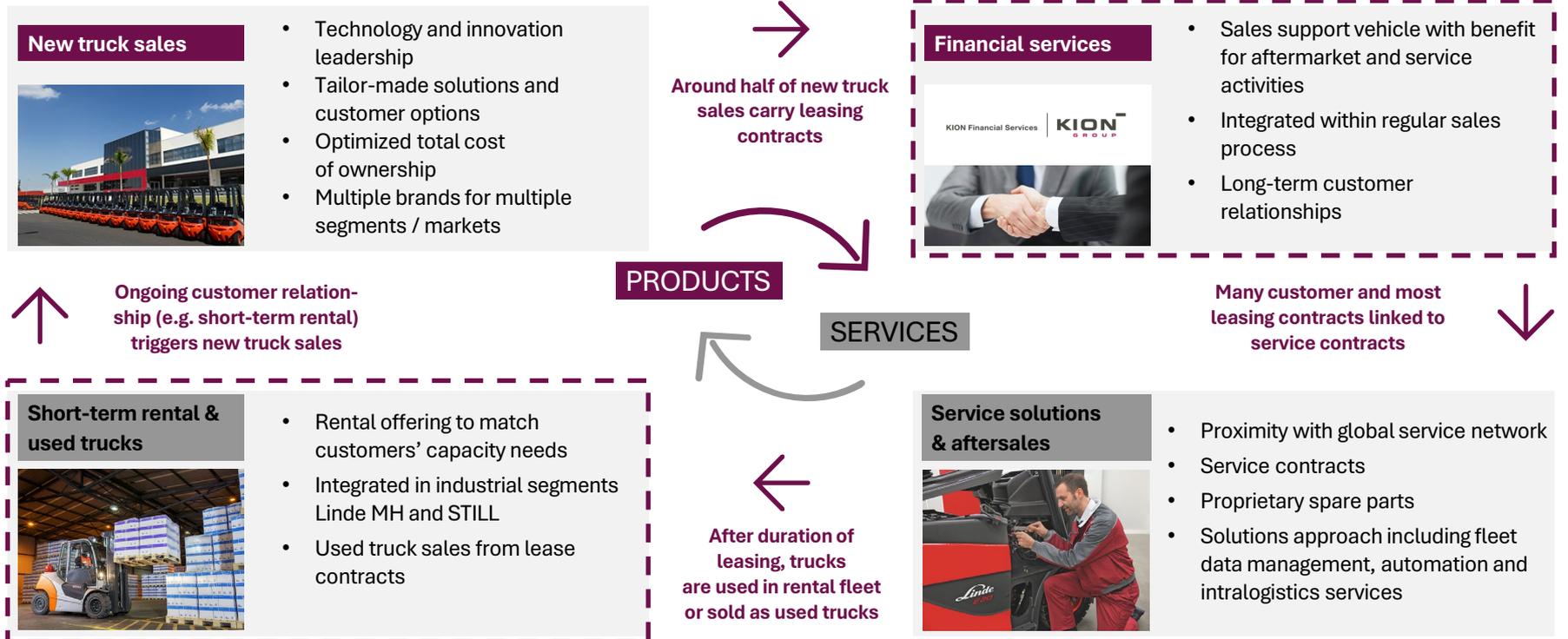
03 Risk Management

04 Lease Accounting & Reporting

05 Key takeaways

Integrated Business Model within Industrial Trucks & Services

Leasing is an important component growing the business

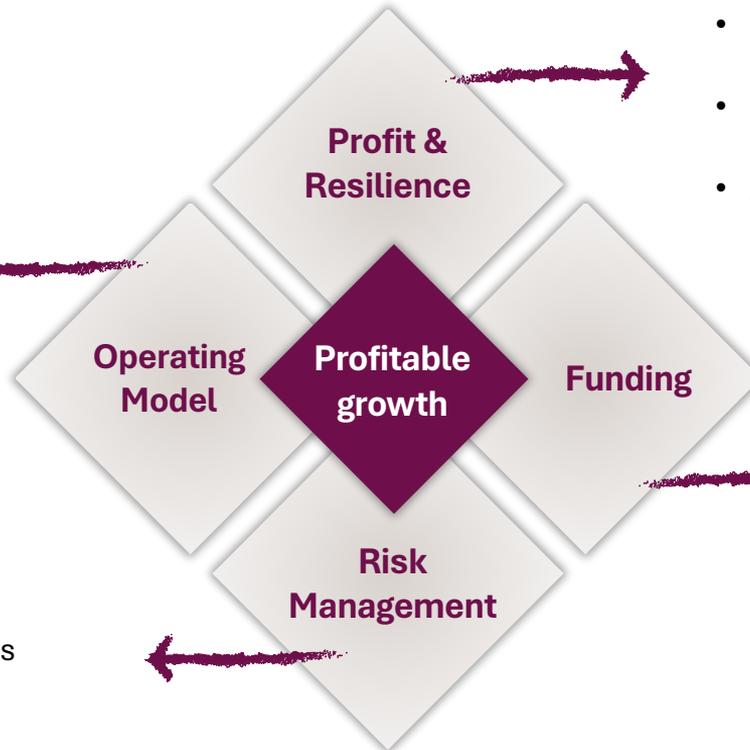


Leasing and Rental Strategy

Integrated approach to drive profitable growth

- Serve customers' needs
- Full integration into regional sales structures
- Central steering body for setting guard railing
- Separated captives in bigger markets

- Asset focused credit risk approach
- Conservative residual value setting
- Close management of break clauses

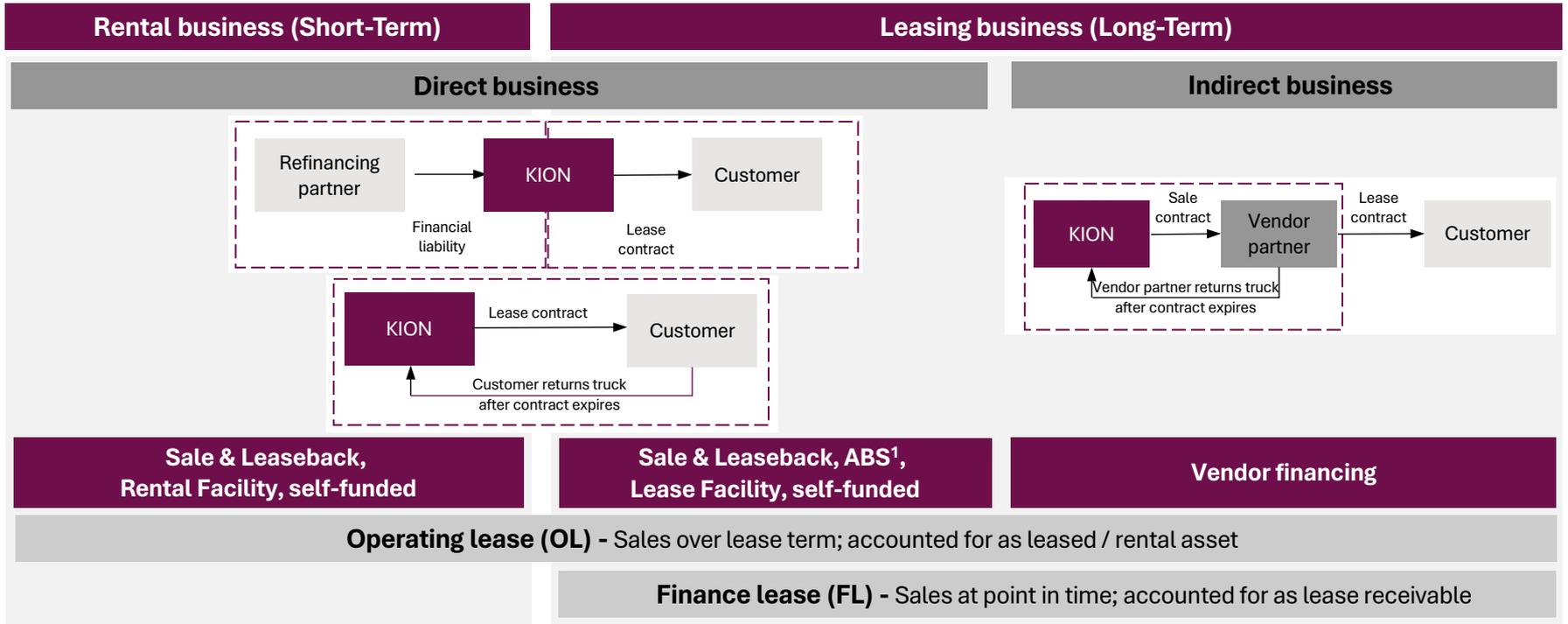


- Full support of life cycle management (Leasing, rental, service, used trucks)
- Strong customer focus to optimized penetration and retention
- Active asset management

- Optimized structure to offer competitive funding
- Diversified funding-partner portfolio for stable access to market
- Matched funding (currency, interest rate, maturity)

Lease Accounting – KION’s Leasing and Rental Business

Contract and financing structure overview



¹ Asset-backed securities

Agenda

01 Business Model and Strategy

02 Funding

03 Risk Management

04 Lease Accounting & Reporting

05 Key takeaways

Funding Structure of Leasing & Rental Business

Increasing share of ABS / RCF optimizing funding condition

Instrument	Balance Sheet Position in €m ¹	Maturity Matched Funding	Interest Matched Funding
ABS (Asset-backed securities)		☑	☑
SALB (Sale-and-Leaseback)		☑	☑
Indirect Leasing (Vendor Financing)		☑	☑
Lease/Rental Facility (incl. Revolving Credit Facility)		☑	☑

¹ Excluding deferred income

FY 2025
FY 2024
FY 2023

Agenda

01 Business Model and Strategy

02 Funding

03 Risk Management

04 Lease Accounting & Reporting

05 Key takeaways

Risk Management Categories

All risk categories are actively managed and mitigated

Residual Value Risk

- **Conservative residual value strategy** in place since FY 2001
- Leasing residual values allow for attractive profit margins in our used truck business
- KION has never recorded significant aggregated residual value losses

Customer Default Risk

- Customer **default costs** are **at 20 basis points** per year
- Differentiated, asset-based risk approach leads to very low refusal rate
- Increasing use of automated scoring

Break Clause Risk

- **Very low percentage rate** of contracts **carry a break clause risk**
- Utilization of break clauses has been rare
- No material impact on results
- Future customer utilization is expected to remain low

Agenda

01 Business Model and Strategy

02 Funding

03 Risk Management

04 Lease Accounting & Reporting

05 Key takeaways

Lease Accounting – Balance Sheet

Increase in (lease) liabilities resulting from growth of leasing business

Assets			Equity and liabilities		
in € million	Dec. 31, 2025	Dec. 31, 2024	in € million	Dec. 31, 2025	Dec. 31, 2024
Goodwill	3,450.9	3,648.2	Equity	6,123.0	6,207.1
Other intangible assets	2,022.4	2,166.7			
Leased assets	1,726.4	1,631.5	Retirement benefit obligation and similar obligations	604.3	747.5
Rental assets	803.1	805.2	Financial liabilities	903.8	1,002.0
Other property, plant and equipment	2,013.0	1,986.1	Liabilities from lease business	3,486.9	3,225.3
Equity-accounted investments	113.0	110.3	Liabilities from short-term rental business	565.8	585.5
Lease receivables	2,349.0	2,088.9	Other provisions	275.0	213.1
Other financial assets	196.6	208.6	Other financial liabilities	638.4	663.1
Other assets	98.6	101.6	Other liabilities¹	203.0	204.9
Deferred taxes	440.9	489.3	Deferred taxes	388.0	446.7
Non-current assets	13,214.1	13,236.4	Non-current liabilities	7,065.2	7,088.1
Inventories	1,631.7	1,748.6	Financial liabilities	155.1	698.3
Lease receivables	787.1	723.8	Liabilities from lease business	1,341.7	1,182.2
Contract assets	259.1	278.1	Liabilities from short-term rental business	244.4	228.7
Trade receivables	1,528.3	1,695.6	Contract liabilities	655.3	778.6
Income tax receivables	118.3	63.6	Trade payables	1,255.4	1,160.4
Other financial assets	97.6	76.2	Income tax liabilities	37.9	75.0
Other assets	183.9	196.1	Other provisions	335.5	269.4
Cash and cash equivalents	474.9	787.0	Other financial liabilities	288.6	313.9
Current assets	5,080.8	5,569.0	Other liabilities¹	812.9	803.8
			Current liabilities	5,106.8	5,510.2
Total assets	18,294.9	18,805.4			
			Total equity and liabilities	18,294.9	18,805.4

¹ Also contains non-lease related items

Overview

- Many of KION Group's balance sheet items are related to leasing business, especially:
 - **Leased assets**
 - **Rental assets**
 - **Lease receivables**
 - **Liabilities from lease business**
 - **Liabilities from short-term rental business**
- In general, the **development** on the asset and liability side of the balance sheet are **highly correlated**
- Therefore, an **increase in liabilities is resulting from an increase in leasing business** (i.e., lease related assets) and / or a higher dedicated refinancing portion of our leasing business
- Valuable information on KION Group's leasing business can be found in the Notes to the consolidated financial statements

Source: KION Group, Annual Report 2025, p. 260-261

Lease Accounting – Balance Sheet

Direct leasing business drives KION's balance sheet

Leasing and rental balances as at Dec 31, 2025 (2024)

Leased assets €1,726.4m (€1,631.5m)	Liabilities from lease business €4,828.6m (€4,407.5m)	Leasing business
Lease receivables €3,136.1m (€2,812.7m)	Deferred revenues¹ €168.2m (€182.7m)	
Rental assets €803.1m (€805.2m)	Liabilities from short-term rental business €810.2m (€814.1m)	Rental business
	Deferred revenues¹ €0.1m (€0.3m)	

¹ Contained in "other liabilities"

Direct vs. indirect leasing as at Dec 31, 2025 (2024)

Leased assets (operating lease) €1,484.3m (€1,366.8m)	Liabilities from lease business €4,714.6m (€4,280.5m)	Direct
Lease receivables (finance lease) €3,136.1m (€2,812.7m)	Deferred revenues¹ €0.0m (€0.1m)	
Leased assets €242.1m (€264.8m)	Liabilities from lease business (residual value) €114.0m (€127.0m)	Indirect
	Deferred revenues¹ €168.2m (€182.6m)	

Lease Accounting – Income Statement

Leasing business contributes 16% to total KION revenue

Condensed Consolidated income statement

in € million	2025	2024
Revenue	11,297.2	11,503.2
Cost of sales	-8,347.0	-8,409.7
Gross profit	2,950.2	3,093.5
Selling expenses	-1,283.4	-1,206.5
Research and development costs	-259.4	-259.6
Administrative expenses	-912.8	-834.9
Other income	138.1	115.3
Other expenses	-142.9	-145.4
Profit from equity-accounted investments	11.0	15.4
Earnings before interest and tax	500.9	777.8
Financial income	271.6	302.0
Financial expenses	-419.0	-490.0
Net financial expenses	-147.4	-188.0
Earnings before tax	353.5	589.8

Revenue with third parties by product category

in € million	2025	2024
Industrial Trucks & Services	8,253.0	8,593.5
New business	4,052.9	4,484.4
Service business	4,200.1	4,109.1
– Aftersales	2,186.2	2,158.7
– Rental business	1,223.0	1,190.3
– Used trucks	497.2	468.0
– Other	293.7	292.1
Supply Chain Solutions	3,042.8	2,906.2
Business solutions	1,794.3	1,715.4
Service business	1,248.6	1,190.8
Corporate Services	1.4	3.5
Total revenue	11,297.2	11,503.2

Leasing (FL) = €1,171m (2024: €1,190m)

Leasing (OL) = €666m (2024: €619m)
Rental (OL) = €557m (2024: €571m)

- Leasing & Rental business accounts for 21% of total KION revenue and 29% of total ITS revenue
- Leasing only (FL & OL) accounts for 16% of total KION revenue
- Share of finance lease revenue from New business amounts to 29%

Source: KION Group, Annual Report 2025, p. 78, 84, 258

Lease Accounting – Income Statement

Timely recognition of income differs between finance and operating Lease

FY 2025	Leasing (FL)	Leasing (OL)	Rental (OL)
Business line	New business	Rental business	Rental business
Recognition			
Revenue (FY 2024)	€1,171m (€1,190m)	€666m (€619m)	€557m (€571m)
Cost of sales, SG&A			
= EBIT impact			
Financial income			
Financial expense			
= EBT impact			
 At commencement of the lease contract		 Over time	

Finance lease (FL) vs. operating lease (OL)

- (In-) direct leasing business classified as a **finance lease** generates revenue and cost of sales at commencement of the lease contract
- (In-) direct leasing business classified as an **operating lease** generates revenues and cost of sales (i.e., depreciation) over the lease term
- Refinancing of KION´s leasing business causes financial expenses (finance and operating lease) as well as interest income (finance lease)
- Customer payments made under **operating leases** are fully recognized as revenue, covering amortization and interest

Source: KION Group, Annual Report 2025, p. 84, 286-293

Lease Accounting – Cash Flow Statement

Leasing business is operating cash flow accretive

Consolidated statement of cash flows

in € million	2025	2024
Earnings before interest and tax	500.9	777.8
Amortization, depreciation and impairment minus reversals of impairment on non-current assets without lease and rental assets	588.5	546.3
Depreciation and impairment minus reversals of impairment on lease and rental assets	611.2	592.9
Non-cash reversals of deferred revenue from lease business	-76.0	-78.9
Other non-cash income (-)/expenses (+)	30.5	12.5
Gains (-)/losses (+) on disposal of non-current assets	-13.5	-5.6
Change in assets/liabilities from lease and short-term rental business	-599.2	-543.1
thereof change in leased assets (excluding depreciation and interest) and receivables/liabilities from lease business	-326.9	-270.1
thereof change in rental assets (excluding depreciation and interest) and liabilities from short-term rental business	-231.2	-186.6
thereof interest received from lease business	172.4	140.2
thereof interest paid from lease and short-term rental business	-213.5	-226.6
Change in net working capital	257.8	243.0
thereof inventories	77.5	93.8
thereof trade receivables and trade payables	248.9	34.2
thereof contract assets and contract liabilities	-68.6	115.0
Cash payments for defined benefit obligations	-87.6	-84.5
Change in other provisions	146.0	19.3
Change in other operating assets/liabilities	23.8	-6.3
Taxes paid	-250.5	-302.9
Cash flow from operating activities	1,131.8	1,170.6

1

2

3

Understanding the cash flow statement

KION's leasing business is presented as operating cash flow

1. EBIT is the basis for the (indirect) calculation of the operating cash flow (OCF) incl. EBIT from leasing & rental business
2. Due to the indirect determination of the OCF, non-cash leasing items included in EBIT, i.e., depreciation €611.2m (2024: €592.9m) and deferred revenue of -€76.0m (2024: -€78.9m) are reversed = **+€535.2m** (2024: +€514.0m)
3. Changes in leased assets, rental assets as well as lease receivables and dedicated liabilities are offset against each other = **-€599.2m** (2024: -€543.1m)



Taking all relevant lease positions into consideration, leasing and rental business activities usually have a **positive OCF effect**

Source: KION Group, Annual Report 2025, p. 262

Agenda

01 Business Model and Strategy

02 Funding

03 Risk Management

04 Lease Accounting & Reporting

05 Key takeaways

Leasing Business Deep Dive

Key takeaways

1. Leasing business is an **important component** of the integrated ITS business model
2. Well managed **risk profile** with **resilient income streams**
3. Optimized refinancing structure supports **competitive funding costs**
4. Leasing operations are **EBIT and operating cash flow accretive**



KION