

## Statement of financial position as at 31 December 2019

### Assets

€ thousand	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>A. Non-current assets</b>		
I. Financial assets	<u>3,523,920</u>	<u>1,113,604</u>
	<b>3,523,920</b>	<b>1,113,604</b>
<b>B. Current assets</b>		
I. Receivables and other assets		
1. Receivables from affiliated companies	<u>23,901</u>	<u>3,869</u>
	<b>23,901</b>	<b>3,869</b>
II. Cash on hand and credit balances with banks	0	0
<b>Total assets</b>	<b>3,547,820</b>	<b>1,117,473</b>

## Statement of financial position as at 31 December 2019

### Equity and liabilities

€ thousand	31.12.2019	31.12.2018
<b>A. Equity</b>		
I. Subscribed capital	25	25
II. Capital reserves	1,225,951	1,225,951
III. Revenue reserves	0	0
IV. Profit/loss carried forward	-128,639	-143,983
V. Net profit/loss for the year	<u>2,446,206</u>	<u>15,343</u>
	<b>3,543,543</b>	<b>1,097,336</b>
<b>B. Provisions</b>		
1. Provisions for taxes	3,860	0
2. Other provisions	<u>0</u>	<u>9</u>
	<b>3,860</b>	<b>9</b>
<b>C. Liabilities</b>		
1. Trade payables	63	0
2. Liabilities to affiliated companies	<u>232</u>	<u>20,127</u>
	<b>295</b>	<b>20,127</b>
<b>D. Deferred tax liabilities</b>	<b>123</b>	<b>0</b>
<b>Total equity and liabilities</b>	<b>3,547,820</b>	<b>1,117,473</b>

## Notes to the financial statements of Dematic Holdings GmbH for the 2019 financial year

### **[1] General information on the Company**

Dematic Holdings GmbH, 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 113341.

The object of the Company is to hold, acquire, manage and sell investments in entities with any form of legal structure, in particular entities involved in supply chain solutions, as well as to assume responsibility for management functions, other services in return for a consideration and the provision of lease finance for the investee entities.

The separate financial statements of Dematic Holdings GmbH 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). The Company is classified as a small limited company within the meaning of section 267 (1) HGB and has exercised the exemptions pursuant to section 288 sentence 1 and section 326 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.

By contract dated 15 August 2019, DH Services GmbH, whose registered office was in Frankfurt am Main, was merged into Dematic Holdings GmbH; the merger cut-off date was defined as 1 January 2019. The merger took effect when it was entered in the commercial register on 29 August 2019.

As a result of the merger, the following assets were acquired and liabilities assumed at their carrying amounts with effect from 1 January 2019:

<u>€ thousand</u>	<u><b>01.01.2019</b></u>
<b>Assets</b>	
Financial assets	3,523,920
Receivables from affiliated companies	39,809
<u>Other assets</u>	<u>279</u>
<b>Total assets</b>	<b>3,564,008</b>
<b>Equity and liabilities</b>	
	3,823
<b>Provisions for taxes</b>	9
<b>Other provisions</b>	9
<u>Liabilities to affiliated companies</u>	<u>9</u>
<b>Total equity and liabilities</b>	<b>3,841</b>
<b><u>Balance of assets acquired and liabilities assumed</u></b>	<b><u>3,567,849</u></b>

The financial assets acquired comprise the equity investment in Dematic Group S.à r.l. Senningerberg, Luxembourg, and in Mirror Bidco Ltd., Banbury, United Kingdom.

The merger with DH Services GmbH, Frankfurt am Main, resulted in a gain on the merger of €2,446,564 thousand.

As the impact on the financial performance and financial position of Dematic Holdings GmbH is not material, the prior-year figures have not been restated in a separate column for comparison purposes in the statement of financial position or income statement.

## **[2] Accounting policies**

### **Financial assets**

Investments in affiliated companies included within financial assets are carried at cost.

Impairment losses are recognised for assets that are permanently impaired. If an impairment loss has been recognised 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 recognised 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 unrealised losses are recognised, but unrealised gains are not recognised) 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.

### **Equity**

Subscribed capital is carried at its nominal amount.

### **Provisions for taxes and other provisions**

Provisions are measured such that identifiable risks arising from pending transactions and contingent liabilities are recognised in the financial statements. These provisions are recognised 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.

### **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.

## **[3] Notes to the statement of financial position**

### **Non-current assets**

The financial assets comprise the equity investment in Dematic Group S.à r.l., Luxembourg, of €927,095 thousand (31 December 2018: €0 thousand) and in Mirror Bidco Ltd., United Kingdom, of €2,596,825 thousand (31 December 2018: €0 thousand).

As at 31 December 2018, there had been an equity investment in DH Services GmbH, Frankfurt am Main, of €1,113,604 thousand; it was derecognised in connection with the merger of DH Services GmbH, Frankfurt am Main, into Dematic Holdings GmbH.

### Receivables and other assets

Receivables from affiliated companies largely consist of financial receivables within the KION Group. They included receivables from the shareholder amounting to €13,305 thousand (31 December 2018: €0 thousand).

There were no receivables from affiliated companies with a residual maturity of more than one year (31 December 2018: €0 thousand).

### Equity

The Company's subscribed capital amounted to €25 thousand as at 31 December 2019 and was fully paid-up.

### Liabilities

Liabilities to affiliated companies largely consisted of liabilities in connection with loans and cash pooling within the KION Group. They included liabilities to the shareholder amounting to €0 thousand (31 December 2018: €3 thousand).

There were no liabilities to affiliated companies with a residual maturity of more than one year (31 December 2018: €0 thousand).

### [4] Other disclosures

The Company had no employees in 2019 (2018: 0 employees).

The other financial commitments relate to obligations under a long-term lease for office space amounting to €35 thousand (31 December 2018: €39 thousand).

The Company is included in the consolidated financial statements of KION GROUP AG (Frankfurt am Main local court, HRB 112163).

The Management Board proposes to the shareholder that the net profit for the year of €2,446,206 thousand be carried forward to the next accounting period.

Frankfurt am Main, 20 February 2020

The Management Board

  
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Johannes Borsche

  
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Dr. Leha Wallenhorst