

**Annual General Meeting
of KION GROUP AG**

Tuesday, May 11, 2021

From the speech of
Gordon Riske
Chief Executive Officer of KION GROUP AG

(Check against delivery)

Ladies and gentlemen, shareholders, and partners of the KION Group,

Welcome to this year's Annual General Meeting. On behalf of our more than 36,000 employees and the whole Executive Board, I would like to thank you for joining us here on screen today.

We are all working our hardest every day to write the next chapter of our success story. As a full-service provider with a strong presence on every continent, we were able to capitalize on our opportunities again last year despite the pandemic dominating everything.

COVID-19 was of course a challenge for the KION Group, too. We had to put a great many measures in place to protect our employees who were – and always will be – our top priority. The pandemic also brought tremendous personal challenges and stresses for our employees, from the loss of social interaction to suddenly having to cope with the closure of nurseries and schools on top of their professional responsibilities. And despite the many precautions, some became ill or even lost loved ones.

I am therefore all the more impressed by the extraordinary commitment of our teams. It was an enormous challenge to keep our own supply chains going so that we were able to deliver to our customers. And we are still having to operate in very difficult circumstances when we provide services to our customers, and when we install new systems and bring them on line.

The challenges were – and still are! – immense. And yet we still managed to increase the value of our order intake by 3.6 per cent year on year to around €9.4 billion in 2020. That is a new record for the KION Group. And our employees are rightly very proud of that!

Due to the pandemic, consolidated revenue fell by 5.3 percent compared to 2019 ... a far smaller drop than many had feared. As expected, adjusted EBIT was also below the prior-year figure at €547 million. And yet: Net income remained firmly in positive territory at €211 million. As already anticipated during the course of the year, a number of our key performance indicators thus fell below those of the prior year. However, we should remember that 2019 had been the best year in KION's history. And we hope to be back to those levels soon.

The Industrial Trucks and Services segment did not perform as well in 2020 as we had hoped following the record year of 2019 due to the difficult market conditions caused by the pandemic.

The decline in unit sales was mainly due to the challenging conditions in the segment's main sales market, the EMEA region (Europe, Middle East, and Africa). In the APAC region (Asia-Pacific), the segment recorded an increase in unit sales, primarily thanks to particularly strong growth in China, where the pandemic was quickly brought under control.

Our truly global positioning was thus a stabilizing factor for KION.

2020 also created opportunities for the KION Group: The boom in online trade coupled with automation technology in warehouse logistics boosted growth in our Supply Chain Solutions segment.

Our software-driven solutions for global supply chains proved to be a second important stabilizing factor.

Our corporate structure with two strong operating segments, Industrial Trucks & Services and Supply Chain Solutions, has thus proven its worth. While the market for new trucks contracted significantly, particularly here in Europe, the Supply Chain Solutions business segment gained new impetus.

We were quick to spot the digitalization and automation trends in our industry and we acted – and invested – with foresight.

We also took action to protect our finances during the crisis:

The corporate bond issue, which was many times oversubscribed, and the equally successful capital increase have further strengthened our financial structure for the long term. Many of you participated in the rights issue, and I would like to thank you for this demonstration of faith!

You have thus made it possible for us to continue our research and development activities at a very high level during a year which will remain long in many people's memory as a year of crisis. We also invested in additional production facilities. And, with new product launches, we are already offering tomorrow's intralogistics solutions today.

We used 2020 to make sure we were fit and ready for future growth. And – with your support – we have made the most of the opportunities that lie in every crisis. We are therefore proposing a dividend of €0.41 per share. With earnings per share of €1.81, this equates to a dividend payout rate of around 25 percent.

We have also made some organizational changes.

Since the start of this year, responsibility for our Operating Units has been anchored directly within the Executive Board. This step was taken to reflect the size of our Group. We have created the structures for the next stage of our growth:

Hasan Dandashly, who has been with KION for three years, will have Executive Board responsibility for the Supply Chain Solutions segment, which comprises the global business of Dematic.

Andreas Krinninger, who has held a variety of roles at KION over the past twelve years, most recently Chief Executive Officer at our subsidiary Linde Material Handling, will assume responsibility within the Executive Board for the EMEA business of the Industrial Trucks and Services segment. This comprises the operational business of the KION brand companies Linde Material Handling, STILL, and Baoli within the EMEA region.

As you know from the statement we made at the start of the year,

our CTO Eike Böhm will be retiring in July. Over the years, with great vision and tenacity, he has created and led a research and development unit that is unparalleled within our sector in terms of its structure and expertise. Eike Böhm's successor Henry Puhl has been at KION for five years so this appointment will ensure maximum continuity.

Ladies and gentlemen:

The KION Group has remained on course even through the choppy waters of the coronavirus pandemic. Our KION 2027 strategy has proved its worth during this crisis. Our structure is resilient and we operate with a focus on the future.

We have also put ourselves on track for sustainable, profitable growth – as illustrated by our good first quarter this year.

I don't think we need to go through the figures in detail, but you can see at a glance that we have recorded a significant improvement in all key financials compared with last year.

We are thus continuing the course for recovery that we set in the previous quarter. Nevertheless, economic conditions are still subject to significant uncertainty. We continue to see risks in relation to changes in the sales markets, commodity prices, and the availability of intermediate products such as semiconductors.

However, these good first-quarter results provide a solid foundation for the remainder of the current financial year.

I mentioned that we have already set a course for sustainable, profitable growth, but what are the major drivers behind our future growth?

Focusing on the growth areas of automation, digitalization, and high-performance energy systems proved successful again in 2020.

We all see it, every day: The digital transformation and the increasing degree of automation are THE game changers in intralogistics. The acquisitions of Dematic in 2016 and the software company DAI last year have thus been tremendous additions to our business.

The trend for fully automated warehouses gathered further pace in 2020. Rapid, reliable, and efficient supply chains create a crucial competitive edge in the web economy – but not just there.

New energy systems are also a particular focus of research and development in the KION Group. From internal combustion engines to electric drives and fuel cells: We offer our customers the full range of drive technologies.

Our intelligent trucks, our data management, and our automated storage systems keep supply chains running smoothly – especially in these coronavirus times.

We are making an important contribution to getting the many hundreds of millions of doses of COVID-19 vaccines quickly and efficiently to the people who urgently need them – working with the various manufacturers all over the world.

The highest standards of hygiene and safety have to be maintained across the entire vaccine supply chain, and constant availability has to be ensured. That's why we are using the STILL and Linde MH electric trucks for the job.

We are also very proud to have completed the construction of a new automated distribution center for the Landmark Group in Dubai with Dematic. Landmark is one of the biggest retailers in the Middle East and in India.

From its new distribution center, the Landmark Group stores and distributes garments, furniture, toys, small goods, and much more to nearly 1,400 of its retail outlets. The new center covers an area the size of 40 soccer pitches, making it the biggest warehouse Dematic has ever installed. It is also the fastest.

With this new distribution center, Dematic has set a logistics benchmark for the entire Middle East.

E-commerce is rapidly conquering sector after sector and becoming firmly embedded in the supply of everyday goods, bringing with it high customer expectations.

The micro-fulfillment system from KION subsidiary Dematic provides a completely new approach to online retail in urban areas. Warehouse space is a rarity in heavily built-up areas, which is why micro-fulfillment systems aim to provide optimized, particularly rapid order fulfillment. Whether in a car park at the back of the supermarket, in subterranean warehouses, or in empty parking garages. They are particularly suitable for small and medium-sized retailers – in fact precisely the kind of businesses that have been especially hard hit by the coronavirus crisis.

Driverless industrial trucks will also offer huge potential in the future. They are already used wherever there are recurring processes. This is a rapidly growing market in which the KION Group is one of the leaders.

Our desire to drive this future-focused field forward led us to enter into a strategic partnership with Quicktron last year, a young Chinese manufacturer of autonomous mobile robots for warehouses.

Energy efficiency is also becoming an increasingly important issue in material handling. Electric forklift trucks and electric warehouse trucks accounted for 87 percent of order intake (in terms of units) in 2020. In total, we delivered more than 170,000 electrically operated new trucks in 2020

We are also in a strong position when it comes to battery technology. Our new subsidiary, KION Battery Systems, went into full production of state-of-the-art lithium-ion batteries for industrial trucks last autumn. KION Battery Systems is a joint venture with BMZ Holding, a leading manufacturer of battery systems.

As you can see, when we talk about focusing on the growth sectors of automation, digitalization, and high-performance energy systems, we really mean it. These are not just words: It is our reality and the basis of our success.

Ladies and gentlemen: You already know about our successful KION 2027 strategy. The aim of this strategy has always been to further expand our strong competitive position globally.

We are therefore investing in the expansion of our global capacity. The fast-growing Chinese market is critical here, and our Chief Asia Pacific Officer CP Quek has developed a comprehensive expansion plan for this region. Last summer, we began work on building an additional plant for counterbalance trucks in Jinan, China. We are expanding our portfolio of industrial trucks in one of the world's biggest markets for material handling in order to seize our opportunities for growth – particularly in the value segment. We are investing around €100 million and intend to create more than 800 new jobs by 2025. The minority interest of our anchor shareholder Weichai Power – also headquartered in Shandong province – ensures that we have a strong local presence in the region.

Our second plant in the Xiamen region, where production of warehouse trucks began in 2020, will also help us to unlock further potential in the Chinese market. At the same time, we want to increase sales and expand our service activities in China and benefit from the trend toward the electrification of industrial trucks in the country. Additional sales partners will help us to penetrate the market even more effectively.

We are also expanding in the EMEA region. In 2020, we increased capacity at the Střebro facility in the Czech Republic with the addition of a third production hall where Dematic manufactures material handling equipment.

The construction of the next-generation plant for industrial trucks in Kołbaskowo in Poland is nearing completion too, and the first trucks should shortly be rolling off the line.

We are also investing in our plant in Kahl, in Bavaria. Over the next few years, we will be spending around €50 million on upgrading the parts warehouse for our industrial trucks. Dematic has also established manufacturing activities at this site.

The Group invested around €205 million in its production facilities around the world in 2020 alone. Total expenditure on research and development came to around €235 million last year, roughly the same level as the year before. Not only can we see our future – we are actively shaping it.

This also includes running our business in a sustainable way.

We accept our responsibility for the climate, the environment, and society.

We continued to develop our sustainability strategy last year. It has three main strands: People, products, and processes.

- We aim to be an employer that people want to work for. Health and safety in the workplace is absolutely fundamental for us.
- We offer high-performance products, solutions, and services that do their job efficiently, help to mitigate climate change, and increase safety for our customers.
- We have designed our processes so that we can limit our impact on the climate as far as possible. And of course we also expect our suppliers to comply with environmental and social standards.

We take our responsibility seriously. One illustrative example of this is the renewal at the end of last year of the positive assessment we received from the international environmental organization CDP. The KION Group was awarded a climate change rating of 'A minus' for the first time, which is leadership level and an improvement on the already good 'B' rating of past years.

Sustainability is also enshrined within the organization as one of the most important managerial responsibilities. This is reflected in the remuneration of the Executive Board and all executives. From this year onward, 20 percent of their variable remuneration will be directly determined by sustainability criteria.

Sustainability is and remains an integral element of our corporate strategy, The sustainability report for 2020 has just been published. You can find it on the KION Group's website:

Ladies and gentlemen, dear shareholders:

We began in 2006 with the structures of a mid-sized organization. The KION Group is now present in more than 100 countries. With our wide portfolio of products and services, we generated revenue of around €8.3 billion in 2020 – almost three times as much as a decade ago.

We want to build on this track record in 2021:

- With our successful KION 2027 strategy,
- our great flexibility and ability to respond rapidly to unforeseen events,
- our extensive and high-performance intralogistics portfolio,
- the allocation of direct responsibility for the Operating Units to members of the Executive Board – the solid organizational foundation on which we intend to generate profitable growth going forward,
- our strengthened balance sheet,
- our undertaking to operate sustainably,
- with our more than 36,000 motivated and experienced employees,
- and with you, our strong and reliable owners.

Intralogistics remains a highly attractive, fast-growing market of the future. And within this market KION is a fantastic success story – a story we aim to carry on writing.

And I invite you, our dear shareholders, to continue being part of this success!

Thank you very much!