

2021

**Separate financial statements**

**KION GROUP AG**

# Statement of financial position

## as at December 31, 2021

### Assets

€ thousand	Notes	31.12.2021	31.12.2020
<b>A. Non-current assets</b>	[3]		
I. Intangible assets		–	–
II. Property, plant and equipment		1,853	2,350
III. Financial assets		4,238,220	4,235,742
		<b>4,240,073</b>	<b>4,238,092</b>
<b>B. Current assets</b>			
I. Receivables and other assets	[4]		
1. Receivables from affiliated companies		3,385,138	3,444,661
2. Receivables from other long-term investees and investors		9,250	–
3. Other assets		44,379	23,544
		<b>3,438,767</b>	<b>3,468,205</b>
II. Cash on hand and credit balances with banks		200,046	103,159
<b>C. Deferred charges and prepaid expenses</b>	[5]	<b>4,064</b>	<b>2,807</b>
<b>Total Assets</b>		<b>7,882,950</b>	<b>7,812,264</b>

**Equity and liabilities**

€ thousand	Notes	31.12.2021	31.12.2020
<b>A. Equity</b>	[6]		
I. Subscribed capital		131,199	131,199
Treasury shares		-96	-112
Issued capital		131,102	131,086
II. Capital reserves		3,860,736	3,860,178
III. Other revenue reserves		599,907	574,907
IV. Distributable profit		197,061	65,701
		<b>4,788,807</b>	<b>4,631,872</b>
<b>B. Provisions</b>			
1. Retirement benefit obligation	[7]	63,611	54,334
2. Tax provisions		261	32
3. Other provisions	[8]	65,715	33,795
		<b>129,587</b>	<b>88,162</b>
<b>C. Liabilities to affiliated companies</b>	[9]		
1. Corporate Bond thereof convertible T€ 0 (2020: T€ 0)		500,000	500,000
2. Liabilities to banks		421,768	612,684
3. Trade payables		6,121	4,423
4. Liabilities to affiliated companies		2,035,059	1,973,389
5. Liabilities to other long-term investees and investors		120	60
6. Other liabilities thereof taxes € thousand 877 (2020: € thousand 991) thereof relating to social security € thousand 0 (2020: € thousand 0)		1,487	1,674
		<b>2,964,556</b>	<b>3,092,230</b>
<b>Total equity and liabilities</b>		<b>7,882,950</b>	<b>7,812,264</b>

# Income Statement

## for the year ended December 31, 2021

### Income Statement

€ thousand	Notes	2021	2020
1. Revenue	[10]	73,663	70,468
2. Other operating income	[11]	27,832	45,905
3. Cost of materials for purchased services	[12]	-230	-312
4. Personnel expenses	[13]	-76,122	-49,152
a) Wages and salaries		-68,308	-42,412
b) Social security contributions and expenses for pensions and other employee benefits thereof for pensions € thousand -3,933 (2020: € thousand -3,022)		-7,814	-6,741
5. Depreciation, amortization and impairment of property, plant and equipment and non-current intangible assets		-521	-521
6. Other operating expenses	[14]	-116,122	-137,033
<b>Operating loss</b>		<b>-91,501</b>	<b>-70,644</b>
7. Income from profit-transfer agreements	[15]	330,078	106,463
8. Expenses from the transfer of losses	[15]	-192	-23,760
9. Other interest and similar income thereof from affiliated companies € thousand 55,019 (2020: € thousand 54,407)		56,309	55,304
10. Interest expense and similar charges thereof to affiliated companies € thousand -2,961 (2020: € thousand -7,646)	[16]	-33,979	-54,474
11. Income taxes	[17]	-50,609	-19,388
<b>12. Net profit/loss for the year</b>		<b>210,105</b>	<b>-6,499</b>
<b>Appropriation of profit</b>			
Net profit/loss for the year		210,105	-6,499
Profits brought forward		11,955	-
Allocation from other revenue reserves		-	72,200
Allocation to other revenue reserves		-25,000	-
<b>Distributable profit</b>		<b>197,061</b>	<b>65,701</b>

# Notes to the financial statements of KION GROUP AG for the year ended December 31, 2021

## 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, the MSCI World, the STOXX Europe 600, the FTSE Euro Mid Cap, the FTSE4Good, and the 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 2021 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

Assets under finance leases are also recognized as property, plant, and equipment. In this case, the present value of future lease payments is recognized at the inception of the lease (purchase price). Corresponding liabilities to the lessor are recognized as trade payables. The property, plant, and equipment is depreciated over the term of the lease.

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 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 2020, 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 pension provisions 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. The actuarial measurement of the amount required to settle the retirement benefit obligation is based on a number of factors including average staff turnover of 2 percent and an assumed annual adjustment of 2.75 percent (2020: 2.75 percent) in remuneration and 2.0 percent (2020: 1.75 percent) in pensions paid, or 1.0 percent where agreed (2020: 1.0 percent). As at December 31, 2021, the discount rate used to discount the defined benefit obligation was 1.87 percent (December 31, 2020: 2.3 percent). The discount rate was determined using the average market discount rate over the previous ten years for an assumed maturity of 15 years, as published by Deutsche Bundesbank.

In order to satisfy the pension obligations, 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 pension provisions. 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.

## Provisions for taxes and other provisions

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 long-service bonuses and partial retirement existed at the reporting date. The provisions for partial retirement were calculated using a discount rate of 1.35 percent per annum (December 31, 2020: 1.6 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 accounted for, 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.

### [4] Receivables and other assets

The receivables mainly consisted of loans and cash pool receivables due from other 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 subsidiaries that do not yet participate in the cash pool. Receivables from affiliated companies with a residual maturity of more than one year totaled €427,863 thousand (December 31, 2020: €571,327 thousand). They related mainly to a fixed-rate loan made to Dematic Corporation (USA).

Receivables from affiliated companies included trade receivables amounting to €22,047 thousand (December 31, 2020: €12,103 thousand).

Other assets included tax receivables amounting to €21,845 thousand (December 31, 2020: €13,151 thousand). This increase essentially arose because the outstanding refunds for 2020 had not yet been made.

## [5] Deferred charges and prepaid expenses

Deferred charges and prepaid expenses amounted to €4,064 thousand (December 31, 2020: €2,807 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 2021 was €593 thousand (2020: €158 thousand).

Deferred charges and prepaid expenses also included payments of €1,850 thousand made in 2021 (December 31, 2020: €0 thousand) that constitute an expense for subsequent years.

## [6] Equity

As at December 31, 2021, the Company's share capital amounted to €131,199 thousand (December 31, 2020: €131,199 thousand), which was fully paid up. It was divided into 131,198,647 no-par-value shares (December 31, 2020: 131,198,647), so each no-par-value share had a notional 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).

The total number of shares outstanding as at December 31, 2021 was 131,102,423 no-par-value shares (December 31, 2020: 131,086,470). Due to the issue of 15,953 bonus shares under KEEP 2018 (2020: 11,129 bonus shares under KEEP 2017), KION GROUP AG held 96,224 treasury shares at the reporting date (December 31, 2020: 112,177). Treasury shares accounted for 0.07 percent of the subscribed capital (December 31, 2020: 0.09 percent). The share options granted under the Employee Equity Program are not dividend-bearing and do not confer any voting rights.

As at December 31, 2021, KION Group employees held options on a total of 21,648 no-par-value shares (December 31, 2020: 40,529).

The capital reserves changed as follows over the course of the year:

### Statement of changes in capital reserves

€ thousand	2021	2020
<b>Balance as at 1 Jan</b>	<b>3,860,178</b>	<b>3,058,841</b>
Capital increase	–	800,179
Issuance of treasury shares	559	1,158
Acquisition of treasury shares	–	–
<b>Balance as at 31 Dec</b>	<b>3,860,736</b>	<b>3,860,178</b>

The distribution of a dividend of €0.41 per share (2020: €0.04 per share) to the shareholders of KION GROUP AG resulted in an outflow of funds from the distributable profit of €53,745 thousand in 2021 (2020: €4,719 thousand).

An amount of €25,000 thousand was transferred to other revenue reserves from the net profit for 2021.

In 2020, a sum of €72,200 thousand had been taken from other revenue reserves.

## [7] Retirement benefit obligation and similar obligations

The retirement benefit obligation and similar obligations relates 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	31.12.2021	31.12.2020
Settlement value for retirement benefit obligation	87,747	73,256
Fair value of plan assets invested in special funds	24,137	18,922
<b>Net amount for retirement benefit obligation</b>	<b>63,611</b>	<b>54,334</b>
<b>Cost of plan assets invested in special funds</b>	<b>20,356</b>	<b>16,176</b>

During the year under review, the contributions made to the cover assets totaled €3,063 thousand (2020: €1,333 thousand). This means that an amount of €3,781 thousand (2020: €2,746 thousand) arising from the difference between cost and fair value 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 €6,739 thousand (2020: €6,279 thousand) and the income arising from the cover assets amounted to €1,072 thousand (2020: €1,200 thousand). The income and expenses were offset against each other and reported in interest expense in the income statement at an amount of €5,667 thousand (2020: €5,079 thousand).

The difference arising from the measurement of pension obligations pursuant to section 253 (6) HGB was €7,988 thousand (2020: €9,298 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 2021, this amount was €3,400 thousand (2020: €2,311 thousand).

## [8] Other provisions

The breakdown of other provisions was as follows:

### Other provisions

€ thousand	31.12.2021	31.12.2020
Personnel	58,844	24,824
Outstanding invoices	2,653	4,553
Other	4,218	4,418
<b>Total other provisions</b>	<b>65,715</b>	<b>33,795</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 [24] and [25].

## [9] Liabilities

### Liabilities

€ thousand	31.12.2021	31.12.2020
<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>421,768</b>	<b>612,684</b>
due within one year	97,268	28,684
due in more than one year	324,500	584,000
<b>Trade payables</b>	<b>6,121</b>	<b>4,423</b>
due within one year	6,109	4,387
due in more than one year	12	36
<b>Liabilities to affiliated companies</b>	<b>2,035,059</b>	<b>1,973,389</b>
due within one year	2,035,059	1,973,389
due in more than one year	–	–
<b>Liabilities to other long-term investees and investors</b>	<b>120</b>	<b>60</b>
due within one year	120	60
due in more than one year	–	–
<b>Other liabilities</b>	<b>1,487</b>	<b>1,680</b>
due within one year	1,487	1,674
due in more than one year	–	–
<b>Total liabilities</b>	<b>2,964,555</b>	<b>3,092,236</b>

On September 24, 2020, KION GROUP AG placed a corporate bond on the Luxembourg Stock Exchange with a total volume of €500,000 thousand, a coupon of 1.625 percent, and a term ending in September 2025. The unsecured corporate bond was issued at a price of 99.407 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]).

Liabilities to banks essentially comprised promissory notes and interest-bearing liabilities to banks. Of the total liabilities to banks, €27,500 thousand is due in more than five years (December 31, 2020: €75,500 thousand).

As at December 31, 2021, the total nominal amount of the issued promissory notes was €417,000 thousand (December 31, 2020: €584,000 thousand). The promissory notes maturing in 2022, 2024, 2025, 2026, and 2027 have fixed and variable interest rates (Euribor + margin). A variable-rate tranche of the promissory note that was due to mature in April 2024 and had a nominal

amount of €167,000 thousand was repaid ahead of schedule in April 2021. The following table shows the nominal amounts of the promissory notes issued by KION GROUP AG:

## Terms

€ thousand	Term	Maturity	Notional amount	
			31.12.2021	31.12.2020
Promissory note	5 years	May 2022	92,500	92,500
Promissory note	7 years	April 2024	69,500	236,500
Promissory note	7 years	June 2025	179,500	179,500
Promissory note	7 years	April 2026	48,000	48,000
Promissory note	10 years	April 2027	27,500	27,500

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]).

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.

Since October 4, 2021, KION GROUP AG has had a new syndicated revolving credit facility (RCF) with a total volume of €1,000,000 thousand. Its term ends in October 2026 and can be extended by up to two years with the consent of the syndicate of banks. The new facility has a variable interest rate; the contractually agreed interest-rate margin is linked to KION GROUP AG's credit rating and to compliance with sustainability KPIs. The previous credit facility, whose term was due to end in February 2023 and which had a volume of €1,150,000 thousand, was terminated.

Liabilities to affiliated companies largely consisted of short-term loans from subsidiaries 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 of it (€73,103 thousand; 2020: €69,902 thousand) arose from the performance of services for affiliated companies. These services comprised support and advice for the companies in various areas.

There was also revenue of €105 thousand (2020: €134 thousand) in connection with the KEEP Employee Equity Program, which KION GROUP AG launched for itself and various subsidiaries, and revenue of €455 thousand (2020: €432 thousand) from reporting services rendered.

Revenue was broken down by region as follows:

### Revenue

€ thousand	2021	2020
Germany	47,268	45,778
Europe (excluding Germany)	18,256	17,561
China	5,563	6,266
Rest of world	2,576	863
<b>Total revenue</b>	<b>73,663</b>	<b>70,468</b>

### [11] Other operating income

Other operating income included the following items:

### Other operating income

€ thousand	2021	2020
Foreign currency exchange rate gains	20,245	42,728
Income from the reversal of provisions	2,235	2,942
Sundry operating income	5,353	236
<b>Total other operating income</b>	<b>27,832</b>	<b>45,905</b>

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

Other operating income included an amount of €5,096 thousand relating to services from 2020 (2020: €174 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. This cost 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 €76,122 thousand, a year-on-year rise of €26,970 thousand. As a result of the increase in short-term and long-term incentive commitments, the addition to provisions for share-based remuneration and short-term incentives went up by €21,942 thousand.

The Company employed 279 people as at December 31, 2021 (December 31, 2020: 276). The breakdown of the average number of employees was as follows:

### Average of Employees

	2021	2020
Employees with individually agreed remuneration	178	183
Employees covered by collective pay agreements	98	88
<b>Total Employees</b>	<b>276</b>	<b>271</b>

## [14] Other operating expenses

Other operating expenses included the following items:

### Other operating expenses

€ thousand	2021	2020
Expenses for other third-party services	38,153	39,252
Consultancy expenses	32,734	24,524
Foreign currency exchange rate losses	19,115	44,050
Ancillary personnel expenses	9,876	13,944
Insurance Premiums	4,585	3,508
Rental fees	3,131	2,933
Supervisory board remuneration	1,540	1,591
Expenses for travel and events	541	1,771
Sundry operating expenses	6,448	5,460
<b>Total other operating expenses</b>	<b>116,122</b>	<b>137,033</b>

The foreign currency exchange rate losses resulted from the measurement of bank accounts and cash pools in foreign currencies.

Other operating expenses included an amount of €106 thousand relating to services from the 2020 accounting period (2020: €1,578 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 €179,673 thousand (2020: transfer of losses of €23,537 thousand), Dematic Holdings GmbH's profit of €149,974 thousand (2020: €105,663 thousand), KION Information Management Services GmbH's profit of €268 thousand (2020: €773 thousand), and proplan Transport- und Lagersysteme GmbH's profit of €163 thousand (2020: €27 thousand).

Expenses of €192 thousand arose due to the obligation to transfer losses from KION IoT Systems GmbH (2020: €223 thousand).

## [16] Interest expense and similar charges

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

### Interest expense and similar charges

€ thousand	2021	2020
Interest expenses from promissory notes	8,761	21,524
Interest expense Corporate Bond	8,718	2,340
Similar charges	7,356	14,067
Unwinding of discount on provisions for pensions	5,667	5,080
Interest paid to affiliated companies	2,961	7,646
Interest expenses from external loan liabilities and current bank accounts	434	2,971
Other interest expenses	81	847
<b>Total interest expense and similar charges</b>	<b>33,979</b>	<b>54,474</b>

The similar charges predominantly consisted of commitment fees of €3,706 thousand for loan facilities (2020: €7,441 thousand) and transaction costs of €3,620 thousand for the new revolving credit facility entered into in the reporting year. Interest expense also included a sum of €3,549 thousand from the early repayment of the promissory note and the related swap.

In 2020, there had also been commitment fees of €4,220 thousand for the syndicated credit line in which Germany's KfW development bank had taken a leading role.

## [17] Income taxes

KION GROUP AG incurred tax expenses of €50,609 thousand as a result of its role as the parent company of the tax group in 2021 (2020: €19,388 thousand). The primary reason for the increase in the current tax expense for the German tax group of KION GROUP AG in 2021 was the significant improvement in the profit before taxes of the entities in the German tax group.

## Other disclosures

### [18] Contingent liabilities

KION GROUP AG had contingent liabilities related to guarantees and indemnities for obligations of affiliated companies amounting to €5,149,255 thousand (December 31, 2020: €3,910,679 thousand). Of the total amount, most of it (€3,135,502 thousand; December 31, 2020: €2,800,935 thousand) resulted from leasing obligations.

The guarantees and indemnities given to affiliated companies stood at €1,839,770 thousand and those to banks and insurance companies at €3,309,485 thousand. The economic position of the affiliated companies in respect of which the contingent liabilities have been given is positive. The Executive Board therefore believes the probability of their being used is low.

### [19] Other financial commitments

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

#### Other financial commitments

€ thousand	2021	2020
<b>Obligations under long-term leases</b>	<b>19,281</b>	<b>20,974</b>
due within one year	3,021	2,926
due in one to five years	9,873	9,636
due in more than five years	6,387	8,412

### [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 €1,766,801 thousand as at December 31, 2021 (December 31, 2020: €1,398,233 thousand). Offsetting derivatives with a notional amount of €823,114 thousand were entered into with Group companies (December 31, 2020: €505,319 thousand). In total, there were therefore derivative transactions with a notional amount of €2,589,914 thousand (December 31, 2020:

€1,903,552 thousand). This included transactions totaling €382,798 thousand that formed part of hedges (December 31, 2020: €535,364 thousand). The table below shows the breakdown of derivatives:

### Derivatives and Hedge Accounting

€ thousand	Fair value		Notional amount	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
<b>Foreign-currency forwards</b>				
Positive fair values	21,863	19,581	1,203,134	764,958
Negative fair values	-21,908	-16,343	1,177,281	719,094
<b>Interest-rate swaps</b>				
Positive fair values	1,987	3,693	144,500	169,500
Negative fair values	-489	-4,696	65,000	250,000
	<b>1,453</b>	<b>2,235</b>	<b>2,589,915</b>	<b>1,903,552</b>

The fair values (market 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.

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). Provisions for expected losses were recognized in an amount of €1,453 thousand for negative ineffective portions (December 31, 2020: €1,789 thousand).

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	758,114	6,517
- Intercompany loans in foreign currency	Currency risk	Micro-hedge	303,298	-859
<b>Hedging of interest-rate risk using interest-rate swaps</b>				
- Promissory notes	Interest-rate risk	Micro-hedge	79,500	-1,498
- Interest-rate swaps transferred to Group companies	Interest-rate risk	Micro-hedge	65,000	489

The currency forwards and interest-rate swaps entered into by KION GROUP AG to hedge the Group companies' risks are usually transferred to the subsidiaries 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 and are usually less than a year. A short-term loan denominated in US dollars is hedged using rolling three-month hedges that are entered into throughout the term of the loan. The hedges are partially settled at intervals in order to ensure that the maturities of the underlying transactions match those of the corresponding hedging transactions.

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 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 €1,423 thousand for the negative fair values of the currency forwards entered into for this purpose (December 31, 2020: €1,265 thousand).

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

### Executive Board members

#### **Gordon Riske**

Chief Executive Officer (CEO) (from March 14, 2008 to December 31, 2021)

- Chairman of the Board of Directors of Linde (China) Forklift Truck Corp., Ltd., Xiamen, People's Republic of China (until June 30, 2021)
- Non-Executive Director of Weichai Power Co., Ltd., Weifang, People's Republic of China
- Member of the Executive Board of the non-profit Hertie Foundation, Frankfurt am Main, Germany
- Member of the Board of Directors of Atlas Copco AB, Stockholm, Sweden

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

Chief Executive Officer (CEO) (since January 1, 2022)

- Member of the Board of Directors of FLSMIDTH & CO A/S, Copenhagen, Denmark

#### **Anke Groth**

Member of the Executive Board / CFO and Labor Relations Director (since June 1, 2018)

#### **Dr. Eike Böhm**

Member of the Executive Board / CTO (from August 1, 2015 to June 30, 2021)

- Member of the Board of Directors of Linde (China) Forklift Truck Co., Ltd., Xiamen, People's Republic of China (until June 30, 2021)
- Member of the Board of Directors of KION (Jinan) Forklift Truck Co., Ltd., Jinan, People's Republic of China (until June 30, 2021)

#### **Hasan Dandashly**

Member of the Executive Board / President of KION Supply Chain Solutions (since January 1, 2021)

#### **Andreas Krinninger**

Member of the Executive Board / President of KION ITS EMEA (since January 1, 2021)

- Member of the Supervisory Board of Linde Hydraulics GmbH & Co. KG, Aschaffenburg, Germany
- Member of the Advisory Board of ebm-papst Mulfingen GmbH & Co. KG, Mulfingen, Germany
- Member of the Supervisory Board of Schöler Fördertechnik AG, Rheinfelden, Germany

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

Member of the Executive Board / CTO (since July 1, 2021)

- Chairman of the Board of Directors of Linde (China) Forklift Truck Corp., Ltd., Xiamen, People's Republic of China (since July 1, 2021)
- Member of the Board of Directors of KION (Jinan) Forklift Truck Co., Ltd., Jinan, People's Republic of China (since July 1, 2021)

- Member of the Shareholder's Advisory Board of KION Battery Systems GmbH, Karlstein, Germany (since July 1, 2021)
- Member of the Advisory Board of JULI Motorenwerk s.r.o., Moravany, Czech Republic (since July 1, 2021)

### **Ching Pong Quek**

Member of the Executive Board / President of KION ITS APAC & Americas (since January 11, 2013)

- Chairman of the Board of Directors of KION South Asia Pte Ltd., Singapore, Singapore
- Chairman of the Board of Directors of KION ASIA (HONG KONG) Ltd., Hong Kong, People's Republic of China
- Chairman of the Board of Directors of Linde Material Handling Hong Kong Ltd., Hong Kong, People's Republic of China
- Chairman of the Board of Directors of Linde Material Handling Asia Pacific Pte. Ltd., Singapore, Singapore
- Chairman of the Board of Directors of Linde Material Handling (Malaysia) Sdn. Bhd., Petaling Jaya, Malaysia
- Chairman of the Board of Directors of Linde Material Handling (Thailand) Co., Ltd., Pathum Thani, Thailand
- Chairman of the Board of Directors of KION Baoli Forklift Co., Ltd., Jiangsu, People's Republic of China
- Chairman of the Board of Directors of KION India Pvt. Ltd., Pune, India
- Member of the Board of Directors of Linde Material Handling Pty. Ltd., Huntingwood, Australia
- Member of the Board of Directors of Lansing Bagnall (Aust.) Pty. Ltd., Huntingwood, Australia
- Chairman of the Board of Directors of KION (Jinan) Forklift Co., Ltd., Jinan, People's Republic of China
- Chairman of the Board of Directors of Linde (China) Forklift Truck Corp., Ltd., Xiamen, People's Republic of China (since June 2021)
- 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., Shanghai, People's Republic of China (since November 8, 2021)

### **Supervisory Board members**

#### **Dr. Michael Macht (since October 9, 2018)**

Chairman of the Supervisory Board (since May 9, 2019)

- Member of the Supervisory Board of Mahle Behr GmbH & Co. KG, Stuttgart, Germany (since June 2021)
- Member of the Board of Directors of McLaren Group Limited, Woking, United Kingdom (since September 2021)

- Shareholder and member of the Supervisory Board of Endurance Capital Aktiengesellschaft, Munich, Germany (until September 2021)
- Member of the Advisory Board of Linde & Wiemann SE & Co. KG, Dillenburg, Germany (until March 2021)
- Member of the Supervisory Board of Mahle GmbH, Stuttgart, Germany
- Chairman of the Administrative Board of Rosenberger Hochfrequenztechnik GmbH & Co. KG, Tittmoning, Germany (since July 2021)
- Member of the Board of Directors of Weichai Power Co., Ltd., Weifang, People's Republic of China

**Özcan Pancarci<sup>1</sup> (since June 12, 2013)**

Deputy Chairman of the Supervisory Board (since January 1, 2016)

- Chairman of the Group Works Council of the German KION Group, Frankfurt am Main, Germany
- Full-time works council representative and Chairman of the Plants I and II Works Council, Linde Material Handling GmbH, Aschaffenburg, Germany
- Deputy Chairman of the European Works Council of the KION Group, Frankfurt am Main, Germany
- Member and Deputy Chairman of the Supervisory Board of Linde Material Handling GmbH, Aschaffenburg, Germany

**Birgit A. Behrendt (since January 1, 2015)**

Member of the Supervisory Board and freelance management consultant, Cologne, Germany

- Member of the Supervisory Board of Umicore SA, Brussels, Belgium (since April 2021)
- Member of the Board of Directors of Infinium Holdings, Inc., Sacramento, USA (since March 2021)
- Member of the Supervisory Board of Ford Werke GmbH, Cologne, Germany
- Member of the Advisory Board of Hydrogenious LOHC Technologies GmbH, Erlangen, Germany
- Member of the Administrative Board of Stulz Verwaltungsgesellschaft mbH & Co. KG, Hamburg, Germany
- Member of the Supervisory Board of thyssenkrupp AG, Essen, Germany

**Stefan Casper<sup>1</sup> (since May 11, 2017)**

Chairman of the Works Council of KION Warehouse Systems GmbH, Reutlingen, Germany

Member of the Group Works Council of the German KION Group, Frankfurt am Main, Germany

**Dr. Alexander Dibelius (since March 12, 2007)**

Managing Partner at CVC Capital Partners (Deutschland) GmbH, Frankfurt am Main, Germany

- Member and Chairman of the Administrative Board 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 Diebold Nixdorf Inc., North Canton, USA

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<sup>1</sup> Employee representative

- 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 ironSource Mobile Ltd., Tel Aviv, Israel
- Member of the Supervisory Board of Kirk Beauty Investments S.A., Luxembourg
- Member of the Advisory Board of Messer Industries Europe GmbH, Bad Soden, Germany
- Member of the Advisory Board of Messer Industries USA Inc., Bridgewater, USA
- 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 10, 2018)**

Chairman of the Works Council of Dematic GmbH and Dematic Services GmbH, Heusenstamm, Germany

**Jiang Kui (since December 27, 2012)**

President of Shandong Heavy Industry Group Co., Ltd., Jinan, People's Republic of China

- Member of the Board of Directors of Ballard Power Systems Inc., Burnaby, Canada
- Member of the Board of Directors of Shantui Construction Machinery Co., Ltd., Jining, People's Republic of China
- Member of the Board of Directors of Sinotruk (BVI) Limited, British Virgin Islands
- Member of the Board of Directors of SINOTRUK (Hong Kong) Limited, Hong Kong, People's Republic of China
- Member and Chairman of the Board of Directors of Weichai Ballard Hy-Energy Technologies Co., Ltd., Weifang, People's Republic of China
- Member of the Board of Directors of Weichai Power Co., Ltd., Weifang, People's Republic of China

**Olaf Kunz<sup>1</sup> (since September 1, 2014)**

Trade Union Secretary on the National Executive of IG Metall, Frankfurt am Main, Germany

- Member of the Supervisory Board of STILL GmbH, Hamburg, Germany

**Jörg Milla<sup>1</sup> (since November 16, 2015)**

Chairman of the Works Council of STILL GmbH, Hamburg, Germany

- Member and Deputy Chairman of the Supervisory Board of STILL GmbH, Hamburg, Germany

**Dr. Christina Reuter (since May 12, 2016)**

Head of Digital Design, Manufacturing and Services (DDMS) at Operations at Airbus Defence and Space GmbH, Taufkirchen, Germany

**Hans Peter Ring (since June 9, 2013)**

Freelance management consultant, Munich, Germany

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<sup>1</sup> Employee representative



- Member of the Supervisory Board of Airbus Defence and Space GmbH, Ottobrunn, Germany
- Member of the Supervisory Board of Fokker Technologies Holding B.V., Papendrecht, Netherlands (until April 2021)

**Alexandra Schädler<sup>1</sup> (since October 2, 2013)**

Trade Union Secretary on the National Executive of IG Metall, Industrial Relations Policy department, Industrial Relations Code and Co-Determination Policy division, Frankfurt am Main, Germany

- Member of the Supervisory Board of Linde Material Handling GmbH, Aschaffenburg, Germany
- Member of the Supervisory Board of Opel Automobile GmbH, Rüsselsheim, Germany

**Dr. Frank Schepp<sup>2</sup> (since May 11, 2017)**

Senior Vice President of Operations, Linde Material Handling GmbH, Aschaffenburg, Germany, Head of Counterbalance Trucks Production Unit, KION

**Tan Xuguang (since May 9, 2019)**

Chairman of the Board of Directors and President of Shandong Heavy Industry Group Co., Ltd., Jinan, People's Republic of China

- Chairman of the Board of Directors of Shaanxi Heavy-Duty Automobile Co., Ltd., Jinan, People's Republic of China
- Chairman of the Board of Directors of Shaanxi Fast Gear Co., Ltd., Jinan, People's Republic of China
- Chairman of the Board of Directors of China National Heavy Duty Truck Group Co., Ltd., Jinan, People's Republic of China
- Chairman of the Board of Directors of Weichai Holding Group Co., Ltd., Weifang, People's Republic of China
- Chairman of the Board of Directors and Chief Executive Officer of Weichai Power Co., Ltd., Weifang, People's Republic of China
- Chairman of the Board of Directors of Sinotruk Group Co., Ltd, Jinan, People's Republic of China

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

Full-time works council member, headquarters and plant 2 at Linde Material Handling GmbH, Aschaffenburg, Germany

**Xu Ping (since January 1, 2015)**

Senior Partner and member of the Management Committee at law firm King & Wood Mallesons, Beijing, People's Republic of China

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<sup>1</sup> Employee representative

<sup>2</sup> Executive representative

## [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 €19,613 thousand in 2021 (2020: €8,852 thousand). This consisted of short-term remuneration amounting to €12,448 thousand (2020: €4,138 thousand) and share-based payments of €7,165 thousand (2020: €4,715 thousand).

The fair value of the share-based payments at their individual grant dates amounted to €7,165 thousand (2020: €4,715 thousand).

In 2020, a termination agreement was entered into with a member of the Executive Board. The member stepped down on June 30, 2021. The Executive Board service contract is due to end on July 31, 2022. The Executive Board member's benefits up to June 30, 2021 are included in the aforementioned remuneration for 2021 and 2020.

Furthermore, the long-serving Chief Executive Officer (CEO) Gordon Riske, whose existing Executive Board service contract ends on June 30, 2022 due to his reaching the standard retirement age of 65, resigned from the Executive Board with effect from December 31, 2021. From this date until the end of his service contract, he is available to the Company in an advisory capacity. The benefits up to December 31, 2021 are included in the aforementioned remuneration for 2021 and 2020. In 2021, KION GROUP AG recognized a provision of €2,120 thousand for the contractually agreed granting of commitments beyond December 31, 2021.

As at December 31, 2021, no loans or advances had been extended to members of the Executive Board.

The total remuneration paid to the members of the Supervisory Board for the year under review (excluding VAT) totaled €1,445 thousand (2020: €1,553 thousand).

There were pension provisions of €12,484 thousand for former members of the Executive Board of KION GROUP AG and its legal predecessors as at the reporting date (December 31, 2020: €10,800 thousand). The payments made in 2021 totaled €266 thousand (2020: €266 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] KEEP Employee Equity Program

KEEP is a share matching plan. Participating employees acquire KION shares for their own investment purposes. Each set of three KION shares represents a share package. Once the three-year holding period has expired, employees are entitled to another free matching share (bonus share) for each share package. However, KION GROUP AG has the right to satisfy each program participant's entitlement by paying a cash settlement instead of granting a bonus share.

Each year, the Executive Board of KION GROUP AG decides whether there will be an offer made under the Employee Equity Program that year and which companies will participate.

Due to the coronavirus pandemic, the Executive Board of KION GROUP AG decided not to run the KEEP Employee Equity Program in 2020 and 2021.

In 2019, KION GROUP AG plus 19 German and 60 foreign subsidiaries were eligible to take part in KEEP 2019.

For employees taking part for the first time, the KION Group offers a special incentive in the form of starter packages. Under KEEP 2019, the KION Group bore the cost of one KION share (free share) in each of the first seven share packages that an employee took up.

The right to obtain a bonus share lapses if participants sell their own investment in KION shares or cease to work for the KION Group. The change in the number of bonus shares granted was as follows:

#### Change in the number of bonus shares granted

	2021	2020
<b>Balance as at 1 Jan</b>	<b>40,529</b>	<b>53,776</b>
Granted bonus shares	–	–
Exercised bonus shares	–15,953	–11,129
Forfeited bonus shares	–1,165	–2,118
<b>Balance as at 31 Dec</b>	<b>23,411</b>	<b>40,529</b>

The free shares to be issued are measured at their fair value on the day on which employees obtain the right to acquire shares as their own investment. The fair value on the grant date was determined on the basis of Monte Carlo simulation. The following measurement parameters were used:

#### Significant measurement parameters

	KEEP 2019
Expected dividend	1.30 €
Price of the KION share as at the grant date	58.82 €

As at December 31, 2021, the fair value of a bonus share for KEEP 2019 was €55.16.

The fair value of the bonus shares to be granted is recognized as an expense and paid into capital reserves over the three-year holding period. The holding period for KEEP 2018 ended on October 2, 2021 and the bonus shares were issued to the eligible employees at no cost.

In 2021, an expense totaling €22 thousand was recognized for free shares and bonus shares in connection with the Employee Equity Program (2020: €34 thousand).

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

The 2021 tranche of the long-term, variable remuneration component for the managers in the KION Group (LTI 2021) was granted with effect from January 1, 2021 and has a term of three years. The remuneration component measured over the long term is based in equal parts on the total shareholder return (TSR) of KION GROUP AG shares compared with the performance of the MDAX index as a market-oriented measure of performance, and with return on capital employed (ROCE)

as an internal measure of performance. It also depends on the performance of KION GROUP AG shares during the relevant period.

The performance period for the 2021 tranche ends on December 31, 2023 (2020 tranche: December 31, 2022). The 2019 tranche expired on December 31, 2021 and will be paid out in the first quarter of 2022.

At the beginning of the performance period on January 1, 2021 (2020 tranche: January 1, 2020; 2019 tranche: January 1, 2019), the managers were allocated a total of 43,409 phantom shares for this tranche (2020 tranche: 53,518 phantom shares; 2019 tranche: 56,460 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.

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

#### Significant measurement parameters

	Tranche 2021	Tranche 2020
Expected volatility of KION shares	40.0%	25.0%
Expected volatility of the MDAX Index	20.0%	15.0%
Risk-free interest rate	-0.7%	-0.8%
Expected dividend	1.69 €	1.50 €
Value of a KION shares as at valuation date	94.86 €	94.86 €
Value of the MDAX index as at valuation date	34,622.25 points	34,622.25 points
Starting price of KION shares (60-days-average)	71.20 €	57.79 €
Starting value of the MDAX Index (60-days-average)	28,518.18 points	26,893.05 points

Taking account of the remaining term of two years (2021 tranche) and one year (2020 tranche), the historic volatility of KION shares was used to determine the volatility on which the valuation is based. As at December 31, 2021, the fair value of one phantom share was €96.56 for the 2020 tranche (December 31, 2020: €58.26) and €76.53 for the 2021 tranche.

On that date, the total fair value was €4,683 thousand for the 2020 tranche based on 48,495 phantom shares (December 31, 2020: €2,717 thousand) and €3,376 thousand for the 2021 tranche based on 44,113 phantom shares. The amount of €4,972 thousand that is expected to be paid out for the 2019 tranche (2020: €743 thousand for the 2018 tranche) was calculated on the basis of a preliminary total target achievement rate.

In March 2021, a payment from the 2018 tranche was made on the basis of the achievement of the long-term targets that were defined in 2018 at the start of the performance period.

The total carrying amount for liabilities in connection with share-based remuneration was €9,219 thousand as at December 31, 2021 (December 31, 2020: €2,728 thousand). Of this amount, €4,972 thousand related to the 2019 tranche (December 31, 2020: €891 thousand), €3,122 thousand to the 2020 tranche (December 31, 2020: €906 thousand), and €1,125 thousand to the 2021 tranche. In 2020, there had also been an amount of €743 thousand relating to the 2018 tranche. In 2021, an expense of €2,841 thousand in respect of the 2019 tranche (2020: €544 thousand), a pro rata expense for twelve months of €2,207 thousand for the 2020 tranche (2020: expense of €889 thousand), and a pro rata expense for twelve months of €1,115 thousand for the 2021 tranche were recognized. Furthermore, income of €194 thousand for the 2018 tranche had been recognized in 2020.

## [25] 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 2021 tranche, each with a weighting of 40 percent (2019 tranche and 2020 tranche: each with a weighting of 50 percent), are the relative total shareholder return (TSR) for the shares of KION GROUP AG compared with the MDAX (market-oriented measure of financial performance) and return on capital employed (ROCE) (internal measure of financial performance). In addition, 20 percent of the performance share plan (2019 tranche and 2020 tranche: 0 percent) is linked to environmental, social, and corporate governance (ESG) targets. The plan also depends on the performance of KION GROUP AG shares during the relevant period.

The performance period for the 2021 tranche ends on December 31, 2023 (2020 tranche: December 31, 2022).

At the beginning of the performance period on January 1, 2021 (2020 tranche: January 1, 2020; 2019 tranche: January 1, 2019), the Executive Board members were allocated a total of 96,785 phantom shares for this tranche (2020 tranche: 76,656 phantom shares; 2019 tranche: 91,002 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 2021	Tranche 2020
Expected volatility of KION shares	40.0%	25.0%
Expected volatility of the MDAX Index	20.0%	15.0%
Risk-free interest rate	-0.7%	-0.8%
Expected dividend	1.69 €	1.50 €
Value of a KION shares as at valuation date	94.86 €	94.86 €
Value of the MDAX index as at valuation date	34,622.25 points	34,622.25 points
Starting price of KION shares (60-days-average)	71.20 €	57.79 €
Starting value of the MDAX Index (60-days-average)	28,518.18 points	26,893.05 points

Taking account of the remaining term of two years (2021 tranche) and one year (2020 tranche), the historic volatility of KION shares was used to determine the volatility on which the valuation is based. As at December 31, 2021, the fair value of one phantom share was €96.56 for the 2020 tranche (December 31, 2020: €52.86) and €78.76 for the 2021 tranche. On that date, the total fair value was €5,786 thousand for the 2020 tranche based on 63,390 phantom shares (December 31, 2020: €4,052 thousand) and €6,321 thousand for the 2021 tranche based on 80,477 phantom shares.

In connection with the arrangement of the liquidity line with a syndicate of banks led by KfW, the Executive Board waived its variable remuneration for 2020 (2018 tranche). However, an Executive Board member who left in the reporting year was still entitled to the variable remuneration for the 2018 tranche. This waiver meant that no payment was made in March 2021 under the 2018 tranche that had originally been granted.

The total carrying amount for liabilities in connection with share-based remuneration was €16,191 thousand as at December 31, 2021 (December 31, 2020: €5,187 thousand). Of this amount, €9,074 thousand related to the 2019 tranche (December 31, 2020: €3,753 thousand), €4,626 thousand to the 2020 tranche (December 31, 2020: €1,434 thousand), and €2,491 thousand to the 2021 tranche. In 2020, there had also been an amount of €0 thousand relating to the 2018 tranche. In 2021, an expense of €5,321 thousand in respect of the 2019 tranche (2020: €1,801 thousand), a pro rata expense for twelve months of €3,192 thousand for the 2020 tranche (2020: expense of €1,434 thousand), and a pro rata expense for twelve months of €2,491 thousand for the 2021 tranche were recognized. Furthermore, income of €1,990 thousand for the 2018 tranche had been recognized in 2020.

**[26] Membership of a corporate group**

KION GROUP AG, Frankfurt am Main, prepares consolidated financial statements that are published in the German Federal Gazette.

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)).

## [27] Total fees paid to the auditors

The total fees paid to the auditors 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.

The fees recognized as an expense in the consolidated financial statements and paid to the auditors of the consolidated financial statements in 2021 amounted to €2.2 million (2020: €2.3 million) for the audit of the financial statements, €0.3 million (2020: €0.5 million) for other advisory services, €0.0 million (2020: €0.0 million) for tax consultancy services, and €0.0 million (2020: €0.0 million) for other services.

## [28] Events after the reporting date

In February 2022, Anke Groth, the Chief Financial Officer (CFO) and Labor Relations Director of KION GROUP AG, whose contract would have been coming up for renewal, reached agreement by amicable and mutual consent with the Supervisory Board that her employment at KION GROUP AG will end with effect from March 31, 2022, before the end of her contract, so that she can take on new challenges outside the Group. Until a new CFO has been appointed, the Chief Executive Officer Dr. Richard Robinson Smith will take over Ms. Groth's responsibilities on an interim basis.

## [29] Affiliated companies and equity investments

Pursuant to section 285 no. 11 HGB, shareholdings are disclosed in the list of shareholdings attached to these notes.

## [30] Declaration of conformity regarding the German Corporate Governance Code (DCGK)

In December 2021, the Executive Board and Supervisory Board of KION GROUP AG submitted their declaration of conformity for 2021 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 website of KION GROUP AG at [https://www.kiongroup.com/en/About-us/Management/#text\\_picture\\_corporate\\_governance](https://www.kiongroup.com/en/About-us/Management/#text_picture_corporate_governance).

## [31] 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 22, 2022. 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 22, 2022 are available on the website of KION GROUP AG at <https://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 2021/2022

	1	2
<b>Details of person subject to notification obligation</b>	DWS Investment GmbH	BlackRock, Inc
<b>Reason for notification</b>	Acquisition/disposal of shares with voting rights	Acquisition/disposal of shares with voting rights  Other reason: Voluntary group notification with triggered threshold on subsidiary level
<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>	May 6, 2021	January 14, 2022
<b>Percentage of voting rights attached to shares at the time of previous notification</b>	4.94%	3.09%
<b>New percentage of voting rights attached to shares (exceedence/shortfall)</b>	2.90% (shortfall)	3.13% (exceedence)
<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>	2.90% (3,804,109 voting rights)	3.13% (4,102,329 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	FN 1



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or indirectly hold(s) an  
interest in the (underlying)  
issuer.

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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., BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Capital Holdings, Inc., BlackRock Advisors, LLC

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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 International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock (Singapore) Holdco Pte. Ltd., BlackRock (Singapore) Limited

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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 Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Institutional Trust Company, National Association, SAE Liquidity Fund (GenPar), LLC

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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 (Singapore) Holdco Pte. Ltd., BlackRock HK Holdco Limited, BlackRock Lux Finco S. a r.l., BlackRock Japan Holdings GK, BlackRock Japan Co., Ltd.

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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

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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 Luxembourg Holdco S.a.r.l., BlackRock (Luxembourg) S.A.

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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

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 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>	16 February 2015	16 February 2015	16 February 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 Stimmrechte) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights Stimmrechte) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights Stimmrechte) 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

## Notification of voting rights 2015/2016

	4	5	6
			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>	16 February 2015	16 February 2015	16 February 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 Stimmrechte) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights Stimmrechte) held by Superlift Holding S.à.r.l.	13.93% (13,778,486 voting rights Stimmrechte) 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

## [32] 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 11, 2022 that an amount of €196,654 thousand be appropriated from the distributable profit of KION GROUP AG for the 2021 financial year of €197,061 thousand for the payment of a dividend of €1.50 per dividend-bearing share. It is also proposed that €407 thousand be carried forward to the next accounting period.

Frankfurt am Main, February 22, 2022

The Executive Board



Dr. Richard Robinson Smith



Anke Groth



Hasan Dandashly



Andreas Krinninger



Dr. Henry Puhl



Ching Pong Quek

## Statement of changes in non-current assets for 2021 (annex to the notes to the financial statements)

## Summary of fixed assets 2021

€ thousand	Gross carrying amount				Balance as at 31.12.2021
	Balance as at 01.01.2021	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	2,944	24	0	0	2,968
Advances paid and assets under construction	0	0	0	0	0
<b>Total property, plant and equipment</b>	<b>4,274</b>	<b>24</b>	<b>0</b>	<b>0</b>	<b>4,298</b>
<b>Financial assets</b>					
Investments in affiliated companies	4,235,743	0	36	0	4,235,707
Equity Investments	0	2,513	0	0	2,513
<b>Total financial assets</b>	<b>4,235,743</b>	<b>2,513</b>	<b>36</b>	<b>0</b>	<b>4,238,220</b>
<b>Total non-current assets</b>	<b>4,240,019</b>	<b>2,537</b>	<b>36</b>	<b>0</b>	<b>4,242,520</b>

## Summary of fixed assets 2021

€ thousand	Accumulated amortization				Carrying amount		
	Balance as at 01.01.2021	Additions	Disposals	Reclassifications	Balance as at 31.12.2021	Balance as at 31.12.2021	Balance as at 31.12.2020
<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	353	142	0	0	495	836	977
Office furniture and equipment	1,571	379	0	0	1,950	1,017	1,373
Advances paid and assets under construction	0	0	0	0	0	0	0
<b>Total property, plant and equipment</b>	<b>1,924</b>	<b>521</b>	<b>0</b>	<b>0</b>	<b>2,445</b>	<b>1,853</b>	<b>2,350</b>
<b>Financial assets</b>							
Investments in affiliated companies	0	0	0	0	0	4,235,707	4,235,742
Equity Investments	0	0	0	0	0	2,513	0
<b>Total financial assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,238,220</b>	<b>4,235,742</b>
<b>Total non-current assets</b>	<b>1,926</b>	<b>521</b>	<b>0</b>	<b>0</b>	<b>2,447</b>	<b>4,240,073</b>	<b>4,238,092</b>

## List of shareholdings as at December 31, 2021 (annex to the notes to the financial statements)

The companies' equity and net profit (loss) are reported as at December 31, 2021 and for the 2021 financial year respectively in accordance with IFRS, unless otherwise indicated.

### Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
<b>Domestic:</b>						
BlackForxx GmbH	Stuhr	Germany	100.0%	-1,293	82	[A]
Comnovo GmbH	Dortmund	Germany	100.0%	1,332	460	[1], [5]
Dematic GmbH	Heusenstamm	Germany	100.0%	44,708	18,038	
Dematic Holdings GmbH	Frankfurt am Main	Germany	100.0%	3,543,544	1	[B]
Dematic Logistics GmbH	Heusenstamm	Germany	100.0%	7,668	1,880	
Dematic Services GmbH	Heusenstamm	Germany	100.0%	54,316	5,965	[C]
Eisengießerei Dinklage GmbH	Dinklage	Germany	100.0%	7,056	508	[A]
Eisenwerk Weilbach GmbH	Frankfurt am Main	Germany	100.0%	287	0	[D]
Fahrzeugbau GmbH Geisa	Geisa	Germany	100.0%	7,251	-17	[A]
Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG	Hamburg	Germany	100.0%	18,783	2,752	
JETSCHKE GmbH	Hamburg	Germany	100.0%	94	2	[1], [5]
KION Battery Systems GmbH	Karlstein am Main	Germany	50.0%	410	2,150	
KION Financial Services GmbH	Frankfurt am Main	Germany	100.0%	1,508	65	[D]
KION Information Management Services GmbH	Frankfurt am Main	Germany	100.0%	281	4,487	[B]
KION IoT Systems GmbH	Frankfurt am Main	Germany	100.0%	25	0	[5], [B]
KION Warehouse Systems GmbH	Reutlingen	Germany	100.0%	30,735	7,197	[A]
Linde Material Handling GmbH	Aschaffenburg	Germany	100.0%	467,427	101,087	[B]
Linde Material Handling Rhein-Ruhr GmbH & Co. KG	Essen	Germany	100.0%	17,781	941	
Linde Material Handling Rhein-Ruhr Verwaltungs-GmbH	Essen	Germany	100.0%	54	1	[1], [5]
Linde Material Handling Rental Services GmbH	Aschaffenburg	Germany	100.0%	23	0	[D]
LMH Immobilien GmbH & Co. KG	Aschaffenburg	Germany	99.6%	29,327	2,486	
LMH Immobilien Holding GmbH & Co. KG	Aschaffenburg	Germany	94.0%	2,006	137	
LMH Immobilien Holding Verwaltungs-GmbH	Aschaffenburg	Germany	100.0%	38	1	
LMH Immobilien Verwaltungs-GmbH	Aschaffenburg	Germany	100.0%	36	1	

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
LR Intralogistik GmbH	Wörth a. d. Isar	Germany	100.0%	13,168	-264	[A]
OM Deutschland GmbH	Neuhausen a. d. Fildern	Germany	100.0%	-2,867	-27	[1], [5]
proplan Transport- und Lagersysteme GmbH	Aschaffenburg	Germany	100.0%	573	0	[5], [B]
Schrader Industriefahrzeuge Verwaltung GmbH	Essen	Germany	100.0%	109	4	[1], [5]
STILL Financial Services GmbH	Hamburg	Germany	100.0%	8,916	1,459	[E]
STILL Gesellschaft mit beschränkter Haftung	Hamburg	Germany	100.0%	247,063	54,124	[D]
Trainingscenter für Sicherheit und Transport GmbH	Bremen	Germany	74.0%	25	0	[1], [5], [F]
Urban-Transporte Gesellschaft mit beschränkter Haftung	Unterschleißheim	Germany	100.0%	2,733	-82	[D]
Willenbrock Fördertechnik Beteiligungs-GmbH	Bremen	Germany	74.0%	48	1	[1], [5]
Willenbrock Fördertechnik Beteiligungs-GmbH	Hannover	Germany	74.0%	38	0	[1], [5]
Willenbrock Fördertechnik GmbH & Co. KG	Bremen	Germany	74.0%	-	-	[6]
Willenbrock Fördertechnik GmbH & Co. KG	Hannover	Germany	74.0%	-	-	[6]
Willenbrock Fördertechnik Holding GmbH	Bremen	Germany	74.0%	28,827	8,494	
<b>Foreign:</b>						
AUSTRO OM PIMESPO Fördertechnik GmbH	Linz	Austria	100.0%	12,787	979	
Baoli EMEA S.p.A.	Lainate	Italy	100.0%	6,538	558	
BARTHELEMY MANUTENTION SAS	Vitrolles	France	100.0%	4,614	3,276	
Bastide Manutention SAS	Bruguières	France	100.0%	6,804	2,299	
Bretagne Manutention SAS	Pacé	France	100.0%	9,960	7,914	
Castle Lift Trucks Ltd.	Basingstoke	United Kingdom	100.0%	839	0	[5], [R]
Creighton Materials Handling Ltd.	Basingstoke	United Kingdom	100.0%	538	0	[5], [R]
D.B.S. Brand Factors Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
DAI Software Technology (Shanghai) Co. Ltd.	Shanghai	People's Republic of China	100.0%	-	-	[7]
Dematic (Malaysia) Sdn. Bhd.	Petaling Jaya	Malaysia	100.0%	2,741	-299	
Dematic Corp.	Grand Rapids	United States	100.0%	94,235	219,048	
Dematic Group Ltd.	Banbury	United Kingdom	100.0%	28,930	-2,796	
Dematic Group S.à r.l.	Luxembourg	Luxembourg	100.0%	3,847,090	137,814	
Dematic Holdings Pty. Ltd.	Belrose	Australia	100.0%	6,576	3,941	
Dematic Holdings UK Ltd.	Banbury	United Kingdom	100.0%	840,676	15,984	
Dematic International Trading Ltd.	Shanghai	People's Republic of China	100.0%	-20,391	2,114	



## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
Dematic Korea Ltd.	Seoul	South Korea	100.0%	-	-	[4]
Dematic Logistic Systems S.A.U.	Coslada	Spain	100.0%	36,441	8,170	
Dematic Logistics de Mexico S. de R.L. de C.V.	Monterrey	Mexico	100.0%	-1,104	-907	
Dematic Logistics Systems Ltd.	Suzhou	People's Republic of China	100.0%	15,027	2,019	
Dematic Ltd.	Banbury	United Kingdom	100.0%	34,270	6,917	
Dematic Ltd.	Mississauga	Canada	100.0%	22,512	11,906	
Dematic NV	Zwijndrecht	Belgium	100.0%	92,032	-5,493	
Dematic Poland Sp. z o.o.	Poznań	Poland	100.0%	88	16	
Dematic Pte. Ltd.	Singapore	Singapore	100.0%	11,220	2,489	
Dematic Pty. Ltd.	Belrose	Australia	100.0%	53,208	4,937	
Dematic S.r.l.	Cernusco sul Naviglio	Italy	100.0%	59,872	16,686	
Dematic SAS	Bussy-Saint-Georges	France	100.0%	7,118	-6,246	
Dematic Sistemas e Equipamentos de Movimentação de Materiais Ltda.	Indaiatuba / São Paulo	Brazil	100.0%	-2,593	-13	
Dematic Suisse Sagl	Lugano	Switzerland	100.0%	-75	-12	
Dematic Trading de Mexico S. de R.L. de C.V.	Monterrey	Mexico	100.0%	-16,543	-337	
Digital Applications GmbH	Basel	Switzerland	100.0%	1,567	398	
Digital Applications International B.V.	Bussum	Netherlands	100.0%	-	-	[7]
Digital Applications International Ltd.	Stockport	United Kingdom	100.0%	23,924	9,609	
DMTC Technology Services, S. de R.L. de C.V.	Monterrey	Mexico	100.0%	-2,920	119	
Egemin Asia Pacific Automation Ltd.	Causeway Bay - Hong Kong	People's Republic of China	100.0%	-226	-34	
Emhilia Material Handling S.p.A.	Modena	Italy	100.0%	6,257	-1,167	
FENWICK FINANCIAL SERVICES SAS	Elancourt	France	100.0%	9,417	2,622	
FENWICK-LINDE OPERATIONS SAS	Cenon-sur-Vienne	France	100.0%	36,179	-2,698	
FENWICK-LINDE SAS	Elancourt	France	100.0%	284,191	37,701	
Fork Truck Rentals Ltd.	Basingstoke	United Kingdom	100.0%	238	0	[5], [R]
Fork Truck Training Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
IBER-MICAR S.L.U.	Gavà	Spain	100.0%	6,298	642	[5]
Islavista Spain S.A.U.	L'Hospitalet de Llobregat	Spain	100.0%	44,694	1,909	

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
KION (Jinan) Forklift Co., Ltd.	Jinan	People's Republic of China	95.0%	37,366	-4,898	
KION ASIA (HONG KONG) Ltd.	Kwai Chung - Hong Kong	People's Republic of China	100.0%	43,856	-5	
KION Baoli (Jiangsu) Forklift Co., Ltd.	Jingjiang	People's Republic of China	100.0%	42,537	-310	
KION Business Services Polska Sp. z o.o.	Kraków	Poland	100.0%	2,304	-105	
KION FINANCIAL SERVICES Ltd.	Basingstoke	United Kingdom	100.0%	22,809	10,060	
KION France SERVICES SAS	Elancourt	France	100.0%	369,731	27,428	
KION Financial Services Sweden AB (formerly: Linde Material Handling Financial Services AB)	Örebro	Sweden	100.0%	3,424	521	
KION India Pvt. Ltd.	Pune	India	100.0%	21,136	246	
KION North America Corp.	Summerville	United States	100.0%	-1,458	-11,921	
KION Polska Sp. z o.o.	Kolbaskowo	Poland	100.0%	41,909	-8,543	
KION Regional Distribution Center Nordics AB	Vaggeryd (Jonköping)	Sweden	100.0%	-	-	[4]
KION Rental Services S.A.U.	Barcelona	Spain	100.0%	11,636	2,048	
KION Rental Services S.p.A.	Milan	Italy	100.0%	54,731	11,754	
KION South America Fabricação de Equipamentos para Armazenagem Ltda.	Indaiatuba / São Paulo	Brazil	100.0%	35,570	9,158	
KION South Asia Pte. Ltd.	Singapore	Singapore	100.0%	2,481	812	
KION Supply Chain Solutions Czech, s.r.o.	Kostelec (Střibrod)	Czech Republic	100.0%	7,276	4,945	
Lancashire (Fork Truck) Services Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Lansing Bagnall (Aust.) Pty. Ltd.	Huntingwood	Australia	100.0%	1,584	-2	[3], [5], [R]
Lansing Linde Ltd.	Basingstoke	United Kingdom	100.0%	119	0	[5], [R]
Lansing Linde Triflik Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde (China) Forklift Truck Corporation Ltd.	Xiamen	People's Republic of China	100.0%	228,680	44,704	
Linde Castle Ltd.	Basingstoke	United Kingdom	100.0%	12	0	[5], [R]
Linde Creighton Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde Heavy Truck Division Ltd.	Basingstoke	United Kingdom	100.0%	5,535	-169	[5]

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
Linde Holdings Ltd.	Basingstoke	United Kingdom	100.0%	171,485	-732	
Linde Jewsbury's Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde Magyarország Anyagmozgatási Kft.	Dunaharaszti	Hungary	100.0%	-848	-2,509	
Linde Material Handling (Ireland) Ltd.	Ballymount (Dublin)	Ireland	100.0%	-6,169	-4,511	
Linde Material Handling (Malaysia) Sdn. Bhd.	Petaling Jaya	Malaysia	100.0%	-3,547	-1,281	[1], [5]
Linde Material Handling (Pty) Ltd.	Linbro Park	South Africa	100.0%	9,705	727	
Linde Material Handling (Thailand) Co., Ltd.	Pathum Thani	Thailand	100.0%	-790	-993	
Linde Material Handling (UK) Ltd.	Basingstoke	United Kingdom	100.0%	95,036	2,045	
Linde Material Handling AB	Örebro	Sweden	100.0%	24,655	6,685	
Linde Material Handling Asia Pacific Pte. Ltd.	Singapore	Singapore	100.0%	40,628	1,297	
Linde Material Handling Austria GmbH	Linz	Austria	100.0%	10,944	4,116	
Linde Material Handling Česká republika s.r.o.	Prague	Czech Republic	100.0%	8,946	3,493	
Linde Material Handling East Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde Material Handling Hong Kong Ltd.	Kwai Chung - Hong Kong	People's Republic of China	100.0%	2,540	823	
Linde Material Handling Ibérica, S.A.U.	Pallejá	Spain	100.0%	98,121	7,255	
Linde Material Handling Italia S.p.A.	Buguggiate	Italy	100.0%	23,597	4,640	
Linde Material Handling Parts Distribution CZ s.r.o.	Český Krumlov	Czech Republic	100.0%	8,161	5,812	
Linde Material Handling Polska Sp. z o.o.	Warsaw	Poland	100.0%	26,732	4,707	
Linde Material Handling Pty. Ltd.	Huntingwood	Australia	100.0%	37,176	2,743	
Linde Material Handling Schweiz AG	Dietlikon	Switzerland	100.0%	7,521	2,257	
Linde Material Handling Scotland Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde Material Handling Slovenská republika s.r.o.	Trenčín	Slovakia	100.0%	4,512	610	
Linde Material Handling South East Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde MH UK Ltd.	Basingstoke	United Kingdom	100.0%	156,990	14,170	
Linde Pohony s.r.o.	Český Krumlov	Czech Republic	100.0%	32,365	9,888	
Linde Severnside Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde Sterling Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Linde Viličar d.o.o.	Celje	Slovenia	100.0%	2,505	343	
Linde Viljuškari d.o.o.	Vrčin	Serbia	100.0%	220	67	[5]
LOIRE OCEAN MANUTENTION SAS	Saint-Herblain	France	100.0%	4,953	2,865	

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
Manuchar SAS	Gond-Pontouvre	France	100.0%	2,816	1,315	
McLEMAN FORK LIFT SERVICES LTD.	Basingstoke	United Kingdom	100.0%	0	-66	[5], [R]
Mirror Bidco Ltd.	Banbury	United Kingdom	100.0%	0	-58	
NDC Automation Pty. Ltd.	Belrose	Australia	100.0%	12	0	[3], [5], [R]
NDC Manage Pty. Ltd.	Belrose	Australia	100.0%	1	0	[3], [5], [R]
Nordtruck AB	Örnsköldsvik	Sweden	100.0%	8,351	1,160	
OOO "Dematic"	Moscow	Russian Federation	100.0%	198	159	
OOO "Linde Material Handling Rus"	Moscow	Russian Federation	100.0%	981	1,196	
OOO "STILL Forklifttrucks"	Moscow	Russian Federation	100.0%	-122	-93	
QUALIFT S.p.A.	Verona	Italy	100.0%	1,651	310	[1], [5]
Regentruck Ltd.	Basingstoke	United Kingdom	100.0%	1	0	[5], [R]
Société Angoumoisine de Manutention (SAMA) SAS	Champniers	France	100.0%	13,912	426	
SCI Champ Lagarde	Elancourt	France	100.0%	105	0	[1], [5]
SM Rental SAS	Roissy-Charles-de-Gaulle	France	100.0%	1,511	742	
Stephensons Enterprise Fork Trucks Ltd.	Basingstoke	United Kingdom	100.0%	0	0	[5], [R]
Sterling Mechanical Handling Ltd.	Basingstoke	United Kingdom	100.0%	1,229	0	[5], [R]
STILL AG	Otelfingen	Switzerland	100.0%	7,626	1,826	
STILL ARSER İş Makineleri Servis ve Ticaret A.Ş.	Izmir	Turkey	51.0%	-19,863	-6,814	
STILL ČR spol. s.r.o.	Prague	Czech Republic	100.0%	5,050	1,184	
STILL DANMARK A/S	Kolding	Denmark	100.0%	14,562	1,185	
STILL Gesellschaft m.b.H.	Wiener Neudorf	Austria	100.0%	5,922	927	
STILL Intern Transport B.V.	Hendrik-Ido-Ambacht	Netherlands	100.0%	30,880	8,152	
STILL Kft.	Tatabánya	Hungary	100.0%	3,004	872	
STILL Location Services SAS	Marne-la-Vallée	France	100.0%	7,114	2,698	
STILL MATERIAL HANDLING ROMANIA SRL	Ilfov	Romania	100.0%	5,285	415	
STILL Materials Handling Ltd.	Exeter	United Kingdom	100.0%	-20,542	3,262	
STILL Norge AS	Trondheim	Norway	100.0%	-1,696	-271	
STILL NV	Wijnegem	Belgium	100.0%	8,526	3,198	

## Investments in affiliated companies

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
STILL POLSKA Sp. z o.o.	Gądko	Poland	100.0%	26,348	5,143	
STILL Regional Service Center, s.r.o.	Prague	Czech Republic	100.0%	1,491	590	
STILL S.p.A.	Lainate	Italy	100.0%	106,962	23,023	
STILL SAS	Marne-la-Vallée	France	100.0%	29,382	4,902	
STILL SR, spol. s.r.o.	Nitra	Slovakia	100.0%	1,476	855	
STILL Sverige AB	Malmö	Sweden	100.0%	6,201	1,686	
STILL, S.A.U.	L'Hospitalet de Llobregat	Spain	100.0%	20,761	-715	
Superlift UK Ltd.	Basingstoke	United Kingdom	100.0%	-2,285	-2,926	
URBAN LOGISTICA S.R.L.	Lainate	Italy	100.0%	2,609	871	
Urban Logistics (UK) Ltd.	Basingstoke	United Kingdom	100.0%	1,204	492	[1], [5]
URBAN LOGISTIQUE SAS	Elancourt	France	100.0%	3,122	918	
Urban Transporte spol. s.r.o.	Moravany	Czech Republic	100.0%	1,684	749	
Urban Logistyka Polska Sp. z o.o.	Kolbaskowo	Poland	100.0%	-	-	[4]
WHO Real Estate UAB	Vilnius	Lithuania	74.0%	-30	0	[1], [5]

## Equity Investments

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
<b>Domestic:</b>						
Carl Beuthauser Kommunal- und Fördertechnik GmbH & Co. KG	Hagelstadt	Germany	25.0%	23,330	1,948	[1], [5]
ifesca GmbH	Ilmenau	Germany	19.8%	788	-1,830	[1], [4], [5]
Linde Leasing GmbH	Wiesbaden	Germany	45.0%	63,941	5,788	[1], [5]
Linde Hydraulics GmbH & Co. KG	Aschaffenburg	Germany	10.0%	124,208	-73,867	[1], [5]
Linde Hydraulics Verwaltungs GmbH	Aschaffenburg	Germany	10.0%	36	1	[1], [5]
MV Fördertechnik GmbH	Blankenhain	Germany	25.0%	2,880	334	[1], [5]
Pelzer Fördertechnik GmbH	Kerpen	Germany	25.0%	32,743	2,805	[1], [5]
Schwerter Profile GmbH	Schwerte	Germany	50.0%	-	-	[4]
Supralift Beteiligungs- und Kommunikationsgesellschaft mbH	Frankfurt am Main	Germany	50.0%	20	0	[1], [5]
Supralift GmbH & Co. KG	Frankfurt am Main	Germany	50.0%	585	-38	[1], [5]

## Equity Investments

Name	Registered office	Country	Shareholding	Equity, € thousand	Profit/loss for the financial year in € thousand	Note
<b>Foreign:</b>						
Balyo SA	Ivry-sur-Seine	France	6.3%	12,169	-5,366	[1], [5]
Carretilas Elevadoras Sudeste S.A.	Murcia	Spain	38.5%	7,878	927	[5]
Chadwick Materials Handling Ltd.	Corsham	United Kingdom	48.0%	1,185	82	[1], [5]
DEMATIC ELECTROMECHANICAL SYSTEMS MIDDLE EAST L.L.C.	Dubai	United Arab Emirates	49.0%	143	0	[5]
JULI Motorenwerk s.r.o.	Moravany	Czech Republic	50.0%	29,456	3,936	[1], [5]
Labrosse Equipement SAS	Saint-Péray	France	34.0%	13,685	3,778	[2], [5]
Linde High Lift Chile S.A.	Santiago de Chile	Chile	45.0%	26,938	1,802	[1], [5]
Normandie Manutention SAS	Saint-Etienne-du-Rouvray	France	34.0%	33,881	7,035	[1], [5]
Shaanxi KION Intelligent Warehousing Equipment Co., Ltd.	Xi'an	People's Republic of China	20.0%	1,515	123	[4], [5]
Shanghai Quicktron Intelligent Technology Co., Ltd.	Shanghai	People's Republic of China	7.7%	49,430	-12,636	[5]
TPZ Linde Viličari Hrvatska d.o.o.	Zagreb	Croatia	20.0%	2,024	295	[1], [5]
Zhejiang EP Equipment Co., Ltd.	Anji (Huzhou)	People's Republic of China	4.7%	192,320	45,216	[5]

[1] Financial figures as of 31 December 2020

[2] Financial figures as of 30 June 2021

[3] Last provided financial statement

[4] Addition / Foundation during 2021

[5] Financial figures in local GAAP

[6] Pre-consolidated in Willenbrock Fördertechnik Holding GmbH

[7] Pre-consolidated in Digital Applications International Ltd.

[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

[F] Profit and loss transfer agreement with Willenbrock Fördertechnik Holding GmbH

[R] Dormant company

# Independent auditor's report

To KION GROUP AG, Frankfurt am Main/Germany

## Report on the audit of the annual financial statements and of the combined management report

### Audit Opinions

We have audited the annual financial statements of KION GROUP AG, Frankfurt am Main/Germany, which comprise the balance sheet as at 31 December 2021, and the statement of profit and loss for the financial year from 1 January to 31 December 2021, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report for the Company and the group of KION GROUP AG, Frankfurt am Main/Germany, for the financial year from 1 January to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the corporate governance statement pursuant to Section 289f, Section 315d German Commercial Code (HGB) included in the combined management report.

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 2021 and of its financial performance for the financial year from 1 January to 31 December 2021 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 audit opinion on the combined management report does not cover the content of the corporate governance statement pursuant to Sections 289f, 315d HGB included in the combined management report.

Pursuant to Section 322 (3) sentence 1 HGB, 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 Audit 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 (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) point (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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the issue of recoverability of the shares in affiliated companies, which we have identified in the course of our audit to be a key audit matter.

Our presentation of this key audit matter has been structured as follows:

- a) description (including reference to corresponding information in the annual financial statements), and
- b) auditor's response.

### **Recoverability of the Shares in Affiliated Companies**

- a) As at 31 December 2021, the book value of the shares in affiliated companies in the annual financial statements amounted to mEUR 4,238.2 (53.8% of total assets) and relates to the shares in Dematic Holdings GmbH, Frankfurt am Main/Germany, in proplan Transport- und Lagersysteme GmbH, Aschaffenburg/Germany, in KION IoT Systems GmbH, Frankfurt am Main/Germany, in KION Battery Systems GmbH, Karlstein am Main/Germany, in KION Business Srv. Pol. Sp. z o.o., Krakow/Poland, in Schwerter Profile GmbH, Schwerte/Germany, as well as the shares in Linde Material Handling GmbH, Aschaffenburg/Germany, and in KION Information Management Services GmbH, Frankfurt am Main/Germany. Once a year, the shares in affiliated companies are tested for expected permanent impairment and, thus, for any need for a write-down to the lower fair value.

Due to the major significance of the shares in affiliated companies within the annual financial statements and due to the executive directors' estimation of their recoverability, this matter was of particular significance in the scope of our audit.

For information about the recoverability of the shares in affiliated companies, please refer to note 2 to the financial statements.

- b) As part of our audit of permanent impairment of the shares in affiliated companies, we obtained an understanding of the approach applied by the executive directors as part of their impairment test. To this end, we used the information obtained during our audit of the annual financial statements of these affiliated companies. In this context, we determined the expected future cash flows based on the operative budget (2022) adopted by the supervisory board and on the medium-term budget (2023 to 2024) approved by the executive directors, and audited the budget, including the projection until perpetuity that is based on the budget, as well as perpetuity itself by using general and industry-specific market expectations. For this purpose, we have taken into account the adherence to the budget planning related to the individual affiliated companies. In addition, we audited the applied country-specific discount rates (weighted average cost of capital – WACC) based on the corresponding market situation and for this purpose also consulted valuation specialists.



Due to the great significance of the shares in affiliated companies within the annual financial statements, we finally conducted sensitivity analyses with regard to both the growth expectations of the future cash flows from the affiliated companies and the applied discount rates.

### **Other Information**

The executive directors and the supervisory board are responsible for the other information. The other information comprises:

- the statement on corporate governance included in the combined management report and
- the executive directors' confirmation regarding the annual financial statements and the combined management report pursuant to Section 264 (2) sentence 3 and Section 289 (1) sentence 5 HGB.

The executive directors and the supervisory board as well are responsible for the declaration related to the German Corporate Governance Code according to Section 161 German Stock Corporation Act (AktG), which is part of the corporate governance statement included in the combined management report. Otherwise, the executive directors are responsible for the other information.

Our audit 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 audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

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

The executive directors are 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, the executive directors are 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 or error.

In preparing the annual financial statements, the executive directors are 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, the executive directors are 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, the executive directors are 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 audit 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 judgment 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 audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one 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 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 audit opinion on the effectiveness of these systems of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' 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 audit 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 the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors 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 audit 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 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 related safeguards.

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 the auditor's report unless law or regulation precludes public disclosure about the matter.

## Other legal and regulatory requirements

### **Report on the Audit of the Electronic Reproductions of the Annual Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB**

#### **Audit Opinion**

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (here-inafter referred to as "ESEF documents") prepared for publication, contained in the provided file, which has the SHA-256 value DE76F87601D0EB1D84478E0D476F784A44F0FA22BB960C70AD70BD6A4C9131C7, meet, in all material respects, the requirements for the electronic re-orting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the provided file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying annual financial

statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2021 contained in the above “Report on the Audit of the Annual Financial Statements and of the Combined Management Report”, we do not express any audit opinion on the information contained in these electronic files and on any other information contained in the file stated above.

### **Basis for the Audit Opinion**

We conducted our audit of the electronic reproductions of the annual financial statements and of the combined management report contained in the provided file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (10.2021)). Our responsibilities in this context are further described in the “Auditor’s Responsibilities for the Audit of the ESEF Documents” section. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1).

### **Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents**

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

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

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

### **Auditor’s Responsibilities for the Audit of the ESEF Documents**

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 judgment and maintain professional scepticism throughout the audit. 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 audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit 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 provided file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.

- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

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

We were elected as group auditor by the general meeting on 11 May 2021. We were engaged by the supervisory board on 27 May / 2 June 2021. We have been the group auditor of KION GROUP AG, Frankfurt am Main/Germany, which had been named KION Holding 1 GmbH until 12 June 2013, without interruption since the financial year 2007. Since the financial year 2013, the Company has been a public interest entity within the meaning of Section 316a Sentence 2 No. 1 HGB.

We declare that the audit 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).

### **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 with the audited ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be published in the Federal Gazette – are merely electronic reproductions 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 audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

### **German public auditor responsible for the engagement**

The German Public Auditor responsible for the engagement is Stefan Dorissen.

Frankfurt am Main/Germany, 22. February 2022

#### **Deloitte GmbH**

Wirtschaftsprüfungsgesellschaft

(Annika Deutsch)

Wirtschaftsprüferin

(German Public Auditor)

(Stefan Dorissen)

Wirtschaftsprüfer

(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 22, 2022

The Executive Board




Dr. Richard Robinson Smith



Anke Groth



Hasan Dandashly



Andreas Krinninger



Dr. Henry Puhl



Ching Pong Quek

We keep

the world moving.

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