Joint Report

of the Executive Board of KION GROUP AG

and

the Management Board of KION Information Management Services GmbH

pursuant to sections 295, 293a German Stock Corporation Act

on the amendment and the content of the amendment to the

Domination and Profit and Loss Transfer Agreement of June 12, 2007

between

KION GROUP AG (as legal successor of KION GROUP GmbH)

and

KION Information Management Services GmbH

I. Introduction

KION GROUP AG ("**KGAG**"), as legal successor to KION GROUP GmbH) and KION Information Management Services GmbH ("**KIM**") concluded a domination and profit and loss transfer agreement on June 12, 2007. KGAG and KIM have now concluded an agreement to amend the existing domination and profit and loss transfer agreement ("**Amendment Agreement**") and have revised it in its entirety.

In order to inform their shareholders and to prepare the resolution at the Annual General Meeting of KGAG on May 29, 2024, the Executive Board of KGAG and the management of KIM submit the following joint report in accordance with sections 295 (1) sentence 2, 293a AktG on the conclusion of this Amendment Agreement and the resulting new version of the existing domination and profit and loss transfer agreement. The Amendment Agreement is to be submitted to the Annual General Meeting of KGAG on May 29, 2024 for approval.

II. Conclusion and entry into force of the Domination and Profit and Loss Transfer Agreement

KGAG concluded the Amendment Agreement on March 7, 2024 as the controlling company with KIM as the dependent company. This Amendment Agreement will only take effect if both the shareholders' meeting of KIM and the Annual General Meeting of KGAG approve it (sections 295 (1) sentence 2, 293 (1), (2) AktG). The shareholders' meeting of KIM has already approved the Amendment Agreement by notarized shareholder resolution dated March 14, 2024.

The Executive Board and Supervisory Board of KGAG propose that the Annual General Meeting of KGAG convened for May 29, 2024 also approves the Amendment Agreement. Following the approval of the Annual General Meeting of KGAG in accordance with sections 295 para. 1 sentence 2, 294 para. 2 AktG, the Amendment Agreement will only take effect once its existence has been entered in the commercial register at the registered office of KIM as the dependent company.

III. Parties to the Agreement

1. KION GROUP AG

KGAG, the controlling company, is a listed stock corporation under German law. KGAG has its registered office in Frankfurt am Main and is entered in the commercial register of the local court of Frankfurt am Main under HRB 112163. The share capital of KGAG amounts to EUR 131,198,647.00 and is divided into 131,198,647 no-par value bearer shares. KGAG is the parent company of the KION Group and, in this capacity, holds direct and indirect interests in KIM, Linde Material Handling GmbH, STILL GmbH, Dematic GmbH and numerous other companies in Germany and abroad.

The financial year of KGAG is the calendar year.

KGAG was formed from KION Holding 1 GmbH through a change of legal form while retaining its legal personality. The company moved its registered office from Wiesbaden to Frankfurt am Main. The transfer of the registered office was entered in the commercial register of the local court of Frankfurt am Main on June 20, 2018.

In accordance with the articles of association, the purpose of KGAG is to hold, acquire, manage and sell investments in companies of any legal form, in particular in companies that are active in the development, production and sale of forklift trucks, warehouse trucks (industrial trucks) and mobile hydraulics, software and automation and robotics solutions in the logistics sector, including automation and robotics solutions. The KGAG Group's business activities include the development, production and sale of forklift trucks, warehouse equipment (industrial trucks) and mobile hydraulics, software and automation and robotics solutions in the logistics sector, including related services and consulting services and similar activities, as well as its own activities in the aforementioned areas, the assumption of management holding functions for a fee, other services for a fee and lease financing vis-à-vis the associated companies.

The members of the Executive Board of KGAG are currently Dr. Richard Robinson Smith (Chairman of the Management Board), Valeria Gargiulo, Christian Harm, Andreas Krinninger, Michael Larsson and Ching Pong Quek.

In accordance with section 7 (1) of the articles of Association, KGAG is legally represented by one member of the Executive Board if the Supervisory Board has authorized him to represent the company individually, otherwise by two members of the Executive Board or by one member of the Executive Board together with an authorized signatory. Deputy members of the Executive Board have the same powers of representation as ordinary members of the Executive Board. Currently, no member of the Executive Board has been granted sole power of representation.

In accordance with the articles of association, the Supervisory Board of KGAG consists of 16 members, half of whom are elected by the shareholders and half by the employees of the KION Group. The Chairman of the Supervisory Board is Hans Peter Ring.

At the end of the 2023 financial year, KGAG had 308 employees and, including its subsidiaries, a total of 42,325 employees.

With total assets of EUR 8,124,100,870.17 (EUR 8,165,274,203.43 in financial year 2022, EUR 7,882,949,729.81 in financial year 2021), KGAG's annual financial statements for financial year 2023 show a net profit for the year of EUR 373,001,748.81 (EUR 220,588,903.70 in financial year 2022, EUR 210,105,378.23 in financial year 2021). Please also refer for information on KGAG's business development and earnings situation to the company's annual financial statements and management reports for the 2021 to 2023 financial years.

2. KION Information Management Services GmbH

KIM, the dependent company, is a limited liability company under German law. KIM has its registered office in Frankfurt am Main and is entered in the commercial register of the local court of Frankfurt am Main under HRB 110454. KIM's share capital amounts to EUR 25,000.00. The contributions to the share capital have been paid in full.

KIM's financial year is the calendar year.

The company relocated its registered office from Wiesbaden to Frankfurt am Main. The transfer of the registered office was entered in the commercial register of the local court Frankfurt am Main on December 19, 2017.

According to the articles of association, the object of KIM is the provision of services in the field of information technology (IT) in Germany and abroad, including the operation of information technology systems for third parties, the design, creation and programming of such systems and the provision of consulting, support and maintenance services in this field. For this purpose, the company may rent or acquire, sell, lease and manage hardware and software as well as intellectual property rights and licenses.

The sole shareholder of KIM is KGAG, which directly holds 100% of the shares in KIM.

The managing director of KIM is Hansjörg Heinrich.

In accordance with section 7 of the articles of association, KIM has one or more managing directors. Representation of the company is governed by section 8 of the articles of association. If one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors or by one managing director jointly with an authorized signatory. The shareholders' meeting is authorized to grant one or more managing directors of the company the authority to represent the company individually. Each managing director may be authorized by shareholders' resolution to represent the company in legal transactions with himself or as a representative of a third party without restriction. Hansjörg Heinrich is authorized to represent the company alone.

KIM had 369 employees at the end of the 2023 financial year.

With total assets for the financial year 2023 of EUR 134,786,216.97[1] (EUR 98,612,406.48 in the 2022 financial year and EUR 75,973. 965.26) a net profit of EUR 0 (also in financial year 2022; in financial year 2021, the net profit amounted to EUR 324,763.44 due to the ban on distribution and transfer of plan assets for pension obligations in accordance with section 246 (2) sentence 2 HGB), as profits and losses must already be transferred under the existing domination and profit and loss transfer agreement. KGAG has assumed a loss of EUR -5,961,753.96 for the 2023 financial year (a loss of EUR -4,203,946.32 in the 2022 financial year and a profit of EUR 267,729.03

[1] Information based on preliminary annual financial statements 2023 of KIM; audit opinion by KPMG pending. No changes are expected.

in the 2021 financial year). Please also refer to the annual financial statements of the company and the Group management reports of KGAG for the financial years 2021 to 2023 for information on the business development and earnings situation of KIM.

IV. Legal and economic reasons for the conclusion of the Amendment Agreement and the revised Domination and Profit and Loss Transfer Agreement

The wording of the existing domination and profit and loss transfer agreement between KGAG and KIM is to be corrected for clarification purposes and reworded as a whole. The revised domination and profit and loss transfer agreement thus primarily serves to maintain the fiscal unity for corporate income tax purposes between KGAG and KIM.

In particular, a dynamic reference to section 301 AktG was included in section 2 of the revised domination and profit and loss transfer agreement for the provisions on profit transfer, according to which the profit transfer may not exceed the maximum amount of the profit transfer permitted under section 301 AktG - as amended from time to time. The previous provisions on profit transfer in the existing domination and profit transfer agreement were formulated statically. For reasons of legal certainty, the amendment is intended to rule out the risk that section 301 AktG could change and the profit to be transferred would then be calculated incorrectly.

In addition, the static wording, which is contained in the previous agreement alongside the dynamic reference to section 302 AktG, was removed for clarification purposes for the provision on the obligation to assume losses. section 17 para. 1 sentence 2 no. 2 KStG requires such a dynamic reference. The revised domination and profit and loss transfer agreement therefore only includes a dynamic reference to section 302 AktG. This amendmend was necessary in order to avoid a restriction of the dynamic reference by the static reference in the event of a change in the law. In addition, the previous provision in the domination and profit and loss transfer agreement regarding the due date of the claim to loss absorption was deleted. It is undisputed that the claim to loss absorption falls due at the end of the dependent company's financial year.

In addition, the previous provisions in the domination and profit and loss transfer agreement, according to which the claim to profit transfer or loss absorption is subject to interest of 5% per annum from the due date of the annual financial statements, were deleted. Even without a contractual provision, the current version of sections 352 et seq. of the German Commercial Code provides for a claim to maturity interest of 5% per annum.

The revised domination and profit and loss transfer agreement thus continues to enable the maintenance of the consolidated tax group for corporate income tax purposes as part of a tax-optimized consideration of the profits and losses of KIM through combined taxation of KGAG and KIM at the level of KGAG.

Otherwise, no essential changes will be made to the content; in general, only editorial adjustments will be made to adapt the existing domination and profit and loss transfer agreement to the current company-wide standard of a domination and profit and loss transfer agreement. In addition, the existing domination and profit and loss transfer agreement is to be made marketable by including an English translation for international cooperation. The amendments therefore have no economic or operational impact on the companies involved. Overall, the revised agreement contains the usual provisions that are made when forming a group. Such adjustments to the existing domination and profit and loss transfer agreement also do not constitute a new agreement, so that in particular no new minimum term within the meaning of section 14 para. 1 sentence 1 no. 3 sentence 1 KStG begins to run.

V. Explanation of the revised Domination and Profit and Loss Transfer Agreement through the Amendment Agreement

The main content of the revised domination and profit and loss transfer agreement can be summarized and explained as follows:

1. Domination

In accordance with section 1.1 of the revised domination and profit and loss transfer agreement, KIM places its management under the control of KGAG as the controlling company. Accordingly, KGAG is entitled to issue instructions to the management of KIM with regard to its management. In accordance with section 1.2 of the domination and profit and loss transfer agreement, KIM is obliged to follow the instructions of KGAG. Notwithstanding this right to issue instructions, the management and representation of KIM remains the responsibility of its management.

In this respect, there are no changes to the content of the original version of the agreement.

2. Transfer of profit

In accordance with section 2.1 of the revised domination and profit and loss transfer agreement, KIM undertakes to transfer its entire profit to KGAG. The scope of the profit transfer is described in more detail in section 2 of the revised domination and profit and loss transfer agreement.

According to section 2.1 of the revised domination and profit and loss transfer agreement, the provision of section 301 AktG in its currently valid version, i.e. by means of a dynamic reference, on the profit to be transferred is now included in the agreement.

According to section 2.2 of the revised domination and profit and loss transfer agreement, KIM may, with the consent of KGAG, transfer amounts from the net profit for the year to other revenue reserves in accordance with section 272 (3) of the German Commercial Code ("**HGB**"), with the exception of any statutory reserves, to the extent that this is permissible under commercial law and economically justified on the basis of prudent business judgment.

Section 2.3 of the revised domination and profit and loss transfer agreement clarifies that neither amounts from the release of other revenue reserves (section 272 (3) HGB), which were formed from the result from the period prior to this intercompany agreement, nor income from the release of capital reserves, regardless of whether these were formed before or after the domination and profit and loss transfer agreement came into force, may be transferred to KGAG as profit or used to offset the net loss for the year.

In this respect, there are no material changes compared to the corresponding provision in the original version of the agreement. Essentially, adjustments are made to the provision of section 301 AktG and the deletion of the interest rate already regulated by law. In addition, a dynamic reference to section 301 AktG ("as amended") is made.

3. Assumption of loss

Section 3 of the revised domination and profit and loss transfer agreement governs the assumption of losses by KGAG. Accordingly, KGAG is obliged to offset any net loss for the year incurred by KIM during the term of the agreement by applying section 302 AktG accordingly. The provision of section 302 AktG on the assumption of losses is included in the agreement in its currently valid version, i.e. by means of a dynamic reference.

The provision on the assumption of losses also remains essentially unchanged. Only a dynamic reference to section 302 AktG ("as amended from time to time") is made and the statutory interest claim is deleted and the due date is removed.

4. Effectiveness, application

Section 4.1 of the revised domination and profit and loss transfer agreement clarifies that the domination and profit and loss transfer agreement requires the approval of the shareholders' meeting of KIM and the Annual General Meeting of KGAG in order to become effective. In addition, the revised agreement will only become effective once its existence has been entered in KIM's commercial register. The shareholders' meeting of KIM already approved the agreement on March 14, 2024.

With the exception of the provisions on control in accordance with section 1 of the revised domination and profit and loss transfer agreement, the revised domination and profit and loss transfer agreement applies in accordance with section 4.2 of the revised domination and profit and loss transfer agreement with effect from the beginning of the financial year of KIM in which the revised domination and profit and loss transfer agreement is entered in the commercial register of KIM. It is therefore expected to apply from January 1, 2024.

This essentially corresponds to the provisions in the original version. The original version of the agreement dated June 12, 2007 will apply for the period prior to the revised agreement taking effect, thus clarifying the sequence of applicability of the various versions over time.

5. Term, termination

Section 5 of the revised domination and profit and loss transfer agreement contains provisions on the term of the agreement and the termination options. In accordance with section 5.1 of the revised domination and profit and loss transfer agreement, the agreement is concluded for an indefinite period. In accordance with section 5.2 of the revised domination and profit and loss transfer agreement, it can be terminated for the first time at the end of the financial year of KIM that ends at the earliest five years after the agreement came into force. The notice period is six months. After the end of the first five years, the revised domination and profit and loss transfer agreement can be terminated in accordance with section 5.3 with a notice period of six months to the end of each financial year of KIM. The termination must be in writing.

These provisions on the term and termination remain essentially unchanged and correspond to those in the original version.

The revised domination and profit and loss transfer agreement can also be terminated in writing for good cause without observing a notice period - even during the year. Such important reasons are listed in the revised domination and profit and loss transfer agreement by way of example and not exhaustively in section 5.5 and include, for example

– in the event of a loss of the majority of voting rights from the investment in KIM within the meaning of section 14 para. 1 sentence 1 no. 1 KStG by the KGAG

– in the event of a merger or demerger of KGAG or KIM;

– in the event of liquidation of the KGAG or KIM;

– for other reasons within the meaning of R 14.5 para. 6 KStR 2022 or a provision subsequent to this directive.

These reasons are now expressly defined as good cause in the agreement. Compared to section 4 (3) of the agreement in its original version, the grounds for termination for good cause are thus further specified. This is appropriate, as can be seen from the administrative instruction R 14.5 para. 6 sentence 2 KStR 2022.

6. Final provisions

Section 6.1 of the revised domination and profit and loss transfer agreement stipulates that amendments or additions to the agreement must be made in writing unless notarization is required.

Section 6.2 of the revised domination and profit and loss transfer agreement states that the German version of the agreement shall prevail.

The "severability clause" in section 6.3 of the revised domination and profit and loss transfer agreement ensures the effectiveness and enforceability of the agreement in the event that individual clauses are or become ineffective or unenforceable or there is a loophole in the agreement. In the aforementioned cases, the validity of the remaining provisions of the domination and profit and loss transfer agreement shall not be affected. In such a case, the contracting parties undertake to replace the invalid or unenforceable provision or to fill the gap by agreeing an appropriate, valid and enforceable provision that comes closest to what the contracting parties intended or would have intended according to the meaning and purpose of the agreement if they had considered the point from the outset, taking into account the requirements of a tax group within the meaning of sections 14, 17 KStG and section 2 (2) sentence 2 GewStG.

Section 6.4 clarifies that the provisions of the revised domination and profit and loss transfer agreement are to be interpreted in such a way that they meet the requirements for the recognition of a tax group within the meaning of sections 14, 17 KStG and section 2 para. 2 sentence 2 GewStG.

The inclusion of new provisions in sections 6.1, 6.2 and 6.4 and the clarification of section 6.3 are appropriate.

VI. No Compensation or Consideration pursuant to sections 304, 305 German Stock Corporation Act, no Review of Amendment Agreement

KGAG holds 100% of the shares in KIM. As KIM has no outside shareholder, no appropriate compensation within the meaning of section 304 AktG is to be determined in the revised domination and profit and loss transfer agreement - as in the original version. Therefore, no compensation within the meaning of section 305 AktG is to be determined and no valuation of the companies involved is to be carried out to determine an appropriate compensation and an appropriate settlement.

As KGAG directly holds all shares in KIM, no audit of the revised domination and profit and loss transfer agreement by an expert auditor pursuant to sections 295 para. 1 sentence 2, 293b para. 1 AktG and consequently no preparation of a corresponding audit report pursuant to sections 295 para. 1 sentence 2, 293e AktG is required.

VII. Alternatives

There is no economically reasonable alternative to the conclusion of the Amendment Agreement between KGAG and KIM and the associated revision of the domination and profit and loss transfer agreement that could achieve the objectives described above equally or better. In particular, the combined taxation of KGAG and KIM cannot be maintained by concluding a new domination and profit and loss transfer agreement or another type of intercompany agreement within the meaning of section 292 AktG (operating lease agreement, operating transfer agreement, profit pooling or partial profit transfer agreement) or an operating agreement.

Annex 1: Agreement to amend the domination and profit and loss transfer agreement concluded on June 12, 2007 dated March 7, 2024