

# Q2

**Interim report**

**Q2 2021**

# Key figures

## KION Group overview

in € million	Q2 2021	Q2 2020	Change	Q1 – Q2 2021	Q1 – Q2 2020	Change
Order intake	3,255.4	2,319.3	40.4%	5,881.7	4,400.1	33.7%
Revenue	2,592.8	1,899.6	36.5%	4,967.9	3,927.3	26.5%
Order book <sup>1</sup>				5,409.0	4,441.3	21.8%
<b>Financial performance</b>						
EBITDA	452.7	247.8	82.6%	873.9	597.1	46.4%
Adjusted EBITDA <sup>2</sup>	457.7	268.4	70.5%	879.5	619.4	42.0%
Adjusted EBITDA margin <sup>2</sup>	17.7%	14.1%	–	17.7%	15.8%	–
EBIT	221.3	17.5	> 100%	414.8	137.6	> 100%
Adjusted EBIT <sup>2</sup>	247.2	60.7	> 100%	462.2	204.8	> 100%
Adjusted EBIT margin <sup>2</sup>	9.5%	3.2%	–	9.3%	5.2%	–
Net (loss) income	154.2	–17.1	> 100%	291.2	50.6	> 100%
Basic (loss) earnings per share	1.17	–0.13	> 100%	2.21	0.46	> 100%
<b>Financial position<sup>1</sup></b>						
Total assets				14,769.1	14,055.7	5.1%
Equity				4,761.0	4,270.8	11.5%
Net financial debt				717.6	880.0	–18.5%
<b>Cash flow</b>						
Free cash flow <sup>3</sup>	39.4	2.5	> 100%	301.5	–219.6	> 100%
Capital expenditure <sup>4</sup>	65.3	49.0	33.1%	123.3	130.0	–5.2%
<b>Employees<sup>5</sup></b>				37,718	36,207	4.2%

1 Figure as at Jun. 30, 2021 compared with Dec. 31, 2020

2 Adjusted for PPA items and non-recurring items

3 Free cash flow is defined as cash flow from operating activities plus cash flow from investing activities

4 Capital expenditure including capitalized development costs, excluding right-of-use assets

5 Number of employees (full-time equivalents) as at Jun. 30, 2021 compared with Dec. 31, 2020

All amounts in this interim report are disclosed in millions of euros (€ million) unless stated otherwise. Due to rounding effects, addition of the individual amounts shown may result in minor rounding differences to the totals. The percentages shown are calculated on the basis of the respective amounts, rounded to the nearest thousand euros.

This interim report is available in German and English at [www.kiongroup.com](http://www.kiongroup.com). The content of the German version is authoritative.

## Highlights Q1 – Q2 2021

### KION Group delivers significantly improved results in the first half of 2021 and has raised its outlook

- Order intake increases by a substantial 33.7 percent to €5.882 billion compared with the prior-year period
- At €5.409 billion, the order book grows by 21.8 percent compared with the end of 2020
- Revenue rises by 26.5 percent to €4.968 billion
- Adjusted EBIT more than doubles to €462.2 million (H1 2020: €204.8 million)
- Adjusted EBIT margin recovers by more than 4 percentage points to 9.3 percent
- Net income for the period increases to €291.2 million (H1 2020: €50.6 million)
- Free cash flow of €301.5 million (H1 2020: minus €219.6 million) strengthens the Group's financial position
- Outlook for the financial year 2021 raised for almost all target figures

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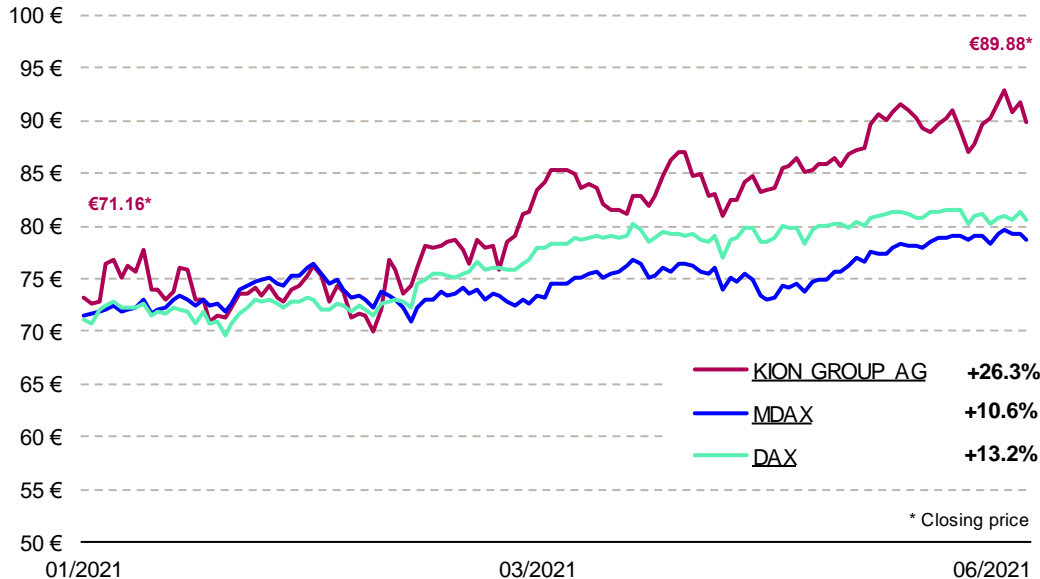
## KION shares

### Upward trend in the equity markets; KION shares reach all-time high

Sustained price gains were the dominant trend in the German equity markets in the first half of 2021. The prospect of a strong economic recovery and growing corporate profits as a result of further easing of the restrictions imposed to tackle the coronavirus pandemic also provided the DAX with a tailwind. The index rose by 13.2 percent in the first half of 2021, reaching a record high on June 14. The MDAX did not go up as steeply, adding 10.6 percent in the six-month period.

In this upbeat trading environment, KION shares also performed very well. Underpinned by the positive financial results for the final quarter of 2020 and first quarter of 2021, the shares rose at a faster rate than their benchmark index, the MDAX. The KION share price jumped to €89.88, which was 26.3 percent higher than at the end of 2020. On June 28, the Xetra share price reached an all-time high of €93.28. At the end of June 2021, market capitalization stood at €11.8 billion, of which €6.5 billion was attributable to shares in free float.

#### Share price performance in the first half of 2021 compared with the DAX and MDAX



## Well-attended virtual Annual General Meeting

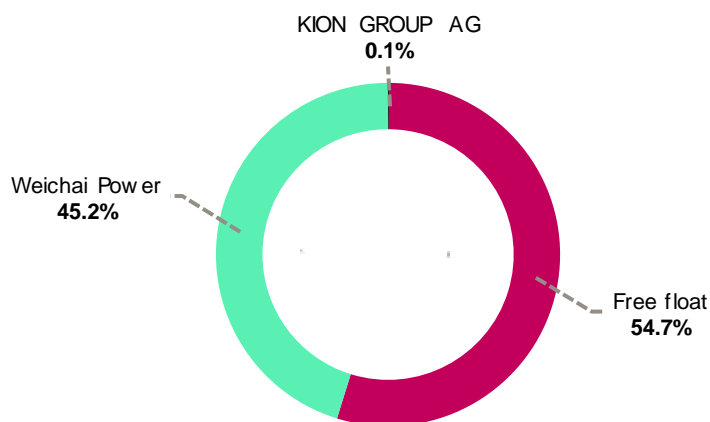
KION GROUP AG's 2021 Annual General Meeting on May 11, 2021 again took place as a virtual event without shareholders being physically present. More than 300 people watched the proceedings. Approximately 84 percent of shares were represented and all of the motions were approved by a majority of votes. This included the distribution of a dividend of €0.41 per share, resulting in a total distribution to shareholders of €53.7 million. With earnings per share for 2020 of €1.81, this equates to a dividend payout rate of around 25 percent.

## Stable shareholder structure

As far as the Company is aware, the shareholder structure remained unchanged in the reporting period. Weichai Power Co., Ltd., Weifang, People's Republic of China, had a stake of 45.2 percent as at June 30, 2021, which means it is still the biggest single shareholder, while KION GROUP AG continues to hold 0.1 percent of the shares. The free float therefore accounted for 54.7 percent as at the end of the second quarter.

### Shareholder structure as at June 30, 2021

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## Mainly buy recommendations

A total of 21 brokerage houses currently follow and report regularly on the KION Group. As at June 30, 2021, 14 analysts recommended KION shares as a buy, six rated them as neutral, and one advised selling them. The average target price specified by the sell-side analysts was €95.52 at the end of June.

## Positive outlook from Standard & Poor's

In May 2021, Standard & Poor's confirmed its issuer rating of BB+ and raised the outlook from stable to positive. The senior unsecured rating from Standard & Poor's remains unchanged at BB+. Furthermore, the KION Group has an investment-grade credit rating. Fitch Ratings has awarded a long-term issuer default rating of BBB- with a stable outlook and a short-term issuer default rating of F3 since October 2020. The new bond placed by KION GROUP AG in September was given a rating of BBB-.

### Share data

Issuer	KION GROUP AG
Registered office	Frankfurt am Main
Share capital	€131,198,647; divided into 131,198,647 no-par-value shares
Share class	No-par-value shares
Stock exchange	Frankfurt Stock Exchange
Market segment	Regulated market (Prime Standard)
Index membership	MDAX, STOXX Europe 600, FTSE All World, MSCI World, MSCI World Custom ESG, FTSE4Good, DAX50 ESG
Stock exchange symbol	KGX
ISIN	DE000KGX8881
WKN	KGX888
Bloomberg / Reuters	KGX:GR / KGX.DE
Closing price as at Jun 30, 2021	€89.88
Performance since beginning of 2021	26.3%
Market capitalization as at Jun 30, 2021	€11,792.1 million
Free float	54.7%
Basic earnings per share <sup>1</sup>	€2.21

<sup>1</sup> For the reporting period Jan 1 to Jun 30, 2021

# Interim group management report

## Fundamentals of the KION Group

The accounting policies used in this interim report are essentially the same as those used for the year ended December 31, 2020. The reporting currency is the euro.

## Management and control

Dr. Henry Puhl has been a member of the Executive Board and the new Chief Technology Officer (CTO) of KION GROUP AG since July 1, 2021. He succeeded Dr. Eike Böhm, who retired on June 30, 2021. Hasan Dandashly, who has global responsibility for the Supply Chain Solutions (SCS) segment, and Andreas Krinninger, who is in charge of the EMEA business of the Industrial Trucks & Services (ITS) segment, joined the Executive Board of KION GROUP AG on January 1, 2021.

The Remuneration Committee established by the KION GROUP AG Supervisory Board with effect from March 1, 2021 focuses mainly on issues relating to the Executive Board's remuneration but also deals with the annual remuneration report and the preparations for the report's approval by the Annual General Meeting. It also prepares all Supervisory Board resolutions required in this regard.

## Strategy of the KION Group

In the first half of 2021, the KION Group continued to push ahead with implementing the KION 2027 strategy, with its strategic fields of action of innovation and performance, energy, digitalization, and automation. The aim of the long-term strategy is for the KION Group, as a provider of solutions, to grow at a faster rate than the global material handling market and to continue improving its adjusted EBIT margin so that it reaches double digits in 2023 and continues to increase in the long term. Profitability is to be ensured throughout the various market cycles by a resilient business model. A further target is the optimization of efficient capital use as measured by return on capital employed (ROCE).

Strengthening the KION Group's long-term position in the growth regions of the global material handling market, especially China, remains a key area of focus. In 2020, construction began on an additional factory in the Jinan region for the production of trucks, primarily for the fast-growing value segment. Building work progressed as planned in the reporting period, and the factory is scheduled to go into operation in 2022. In Europe, the new industrial truck plant in Kołbaskowo, near Szczecin in Poland, came on stream in the second quarter of 2021.

Another focal point was the implementation of various measures in the strategic fields of action.

In the **energy** field of action, the emphasis remained on the development and manufacture of energy-efficient drive technologies for industrial trucks. The associated product range was further expanded. KION Battery Systems GmbH (KBS), a joint venture with BMZ Holding GmbH, began full-scale production of lithium-ion batteries in the autumn of last year.



In the **digitalization** field of action, the KION Group strengthened its technological position by introducing new software solutions and applications, including warehouse management software for small and medium-sized enterprises.

In the **automation** field of action, the KION Group increased its installed base by establishing and expanding automated distribution centers that are primarily located in North America and Europe. One of the additions to the technology portfolio was an online tool for configuring automation solutions (Dematic Conveyor ConfiKIT).

## Report on the economic position

### Macroeconomic and sector-specific conditions

#### Macroeconomic conditions

According to the latest report by the World Bank, the global economy performed much better in the first half of 2021 than in the same period of 2020. The pace of recovery varied between regions and between sectors depending on the particular course of the pandemic and the extent of economic and fiscal stimulus measures. In the eurozone, the sluggish and patchy rollout of vaccines and the restrictions on travel that were still in effect in some places slowed the pace of recovery. The US economy recovered more quickly than other developed economies because of larger government stimulus packages. Economic growth continued to pick up again in China too, driven by public investment, exports, and rising domestic demand.

#### Sectoral conditions

##### Sales markets

The global market for forklift trucks and warehouse trucks saw strong demand in the six months under review. The number of new truck orders jumped by 72.3 percent to 1,218 thousand units.

All regions delivered strong year-on-year growth. In the APAC region (Asia-Pacific), the number of new trucks ordered grew by 65.0 percent compared with the prior-year period. This was predominantly attributable to China (up by 71.6 percent), where a sharp increase in warehouse truck orders contributed to the uptrend. The EMEA region (western Europe, eastern Europe, Middle East, and Africa) also recorded a strong rise of 73.9 percent. The number of orders also surged in the Americas region (North, Central, and South America), by 89.2 percent, primarily on the back of market growth in North America.

New orders for IC trucks were up significantly year on year, by 56.1 percent, mainly thanks to the increase in orders in China. The market for electric forklift trucks (up by 73.7 percent) and warehouse trucks (up by 84.6 percent) also recovered strongly, generating significant year-on-year growth. The increase in warehouse truck orders was predominantly attributable to strong demand for entry-level trucks in China, which have limited impact on the overall market volume in terms of revenue.

In the KION Group's view, the coronavirus pandemic continued to boost the growth of the market for supply chain solutions in the second quarter. There was no letup in customers' investment in

warehouse automation and robotics solutions. The KION Group believes that this growth is being driven primarily by ongoing investment by companies in the e-commerce, food, and general merchandise sectors.

### Global industrial truck market (order intake)

in thousand units	Q2 2021	Q2 2020	Change	Q1 – Q2 2021	Q1 – Q2 2020	Change
<b>EMEA</b>	<b>210.1</b>	<b>95.6</b>	<b>&gt; 100%</b>	<b>397.8</b>	<b>228.8</b>	<b>73.9%</b>
Western Europe	158.2	73.0	> 100%	302.1	175.9	71.8%
Eastern Europe	39.8	17.0	> 100%	71.5	38.2	87.2%
Middle East and Africa	12.1	5.6	> 100%	24.1	14.7	64.3%
<b>Americas</b>	<b>127.8</b>	<b>61.1</b>	<b>&gt; 100%</b>	<b>248.2</b>	<b>131.2</b>	<b>89.2%</b>
North America	109.9	55.3	98.9%	214.9	116.6	84.3%
Central and South America	17.9	5.9	> 100%	33.3	14.6	> 100%
<b>APAC</b>	<b>287.6</b>	<b>203.5</b>	<b>41.3%</b>	<b>571.6</b>	<b>346.5</b>	<b>65.0%</b>
China	222.9	163.8	36.0%	448.6	261.4	71.6%
APAC excluding China	64.7	39.6	63.2%	123.0	85.1	44.5%
<b>World</b>	<b>625.5</b>	<b>360.2</b>	<b>73.6%</b>	<b>1,217.5</b>	<b>706.4</b>	<b>72.3%</b>

Source: WITS / FEM

### Procurement markets

Prices for the commodities used by the KION Group rose during the first half of 2021, in some cases significantly. The price of steel surged in the first quarter and then settled at a level considerably above the average price for 2020. Copper prices maintained their steep upward trend in the first half of 2021 too. The increase in commodity prices could also be seen in the price of oil, which has already risen by more than 50 percent in the year to date due to continued growth in the global economy and a slowdown in production by the OPEC states. The price of rubber was also much higher than the average price for 2020.

## Business performance in the Group

The KION Group further expanded its global sales and service network in the first half of 2021. In February, in the Industrial Trucks & Services segment, the KION Group further strengthened Linde Material Handling's dealer network by acquiring the remaining shares in the Hamburg-based wholesaler and service provider Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG and JETSCHKE GmbH. As a result of the acquisitions, these companies are now wholly owned subsidiaries. The purchase consideration for 79 percent of the shares totaled €13.9 million. In the Chinese market, KION's equity investment in a newly established sales company in the Chinese city of Xi'an will help it to expand the local presence of the brand companies Linde and Baoli. KION's sales network in China is also to be expanded through partnerships and local dealers.

The construction of an additional factory for manufacturing Linde and Baoli counterbalance trucks in the eastern Chinese city of Jinan, which got under way in 2020, continued on schedule during the reporting period. This expansion investment, which is also focused on the value segment in China, amounts to around €100 million. The factory is still scheduled to go into operation in 2022. The new industrial truck plant in Kołbaskowo, near Szczecin in Poland, came on stream in the second quarter of 2021. The total capital expenditure of around €80 million covered not only the construction of a new manufacturing facility but also an additional research and development center.

The capacity and structural program initiated in 2020 in connection with the coronavirus pandemic helped to reduce operating costs in the reporting period. The ongoing program, which mainly affects the Industrial Trucks & Services segment, is aimed at optimizing the organizational structures in production, sales, and service in the EMEA region. The KION Group was able to further reduce its financial debt thanks to the healthy increase in free cash flow in the first quarter of 2021. The variable-rate tranche of the promissory note, which had a face value of €167.0 million and was due to mature in 2024, was repaid ahead of schedule at the end of April 2021, thereby contributing to a further decrease in leverage.

## Financial performance and financial position

### Overall assessment of the economic situation

In the first half of 2021, the KION Group recorded significant improvements in all key performance indicators compared with the pandemic-hit prior-year period. The Group recorded sharp growth in order intake and revenue along with even stronger improvement in its earnings, with both operating segments contributing to this growth.

Consolidated revenue improved by 26.5 per cent to €4,967.9 million (H1 2020: €3,927.3 million). The year-on-year revenue growth in the Supply Chain Solutions segment was particularly pronounced at 52.8 percent. In addition to the high overall volume of orders, this was because the segment worked through big-ticket orders for warehouse automation that had been placed in North America and Europe in 2020. The Industrial Trucks & Services segment also saw a jump in its revenue, by 14.9 percent, that was partly due to the pandemic-related restrictions on production in the prior-year period and to the resulting pent-up demand, particularly at the beginning of 2021.

The Group's order intake went up by 33.7 percent to €5,881.7 million (H1 2020: €4,400.1 million), with the marked recovery of new truck business in the Industrial Trucks & Services segment playing a significant part. Against a backdrop of continued rapid growth in the market as a whole, the

segment recorded its highest ever level of order intake in a half-year period. The increase in the Supply Chain Solutions segment was attributable to both the project business and the service business. In the prior-year period, order intake in the SCS segment had been far less affected by the coronavirus pandemic than order intake in the Industrial Trucks & Services segment.

The Group's adjusted EBIT for the six-month period amounted to €462.2 million, which was more than double the figure for the first half of 2020 of €204.8 million. The adjusted EBIT margin improved significantly year on year to 9.3 percent (H1 2020: 5.2 percent) and is thus edging close again to the medium-term target range of 10–12 percent following the sharp fall in 2020 as a result of the pandemic. This improvement in profitability was attributable to the higher gross margin combined with a relatively low increase in selling expenses, development costs, and administrative expenses. This includes the savings already achieved under the ongoing capacity and structural program. However, there was a countervailing effect from the year-on-year increase in personnel expenses, which was mainly attributable to variable remuneration components.

Net income increased sharply to €291.2 million (H1 2020: €50.6 million). Basic earnings per share rose to €2.21 (H1 2020: €0.46). Free cash flow amounted to €301.5 million (H1 2020: minus €219.6 million), which strengthened the Group's financial position. This increase in free cash flow was due primarily to the rise in operating profit but also – despite the growth in the volume of business – to the relatively low growth in net working capital as at the reporting date.

The KION Group used the further improvement in its liquidity situation to reduce its financial debt. Net financial debt fell by €162.4 million to €717.6 million as at June 30, 2021 and therefore equated to just 0.4 times adjusted EBITDA on an annualized basis. A key factor in this decrease was a further early repayment of a variable-rate tranche of the promissory note.

## Business situation and financial performance of the KION Group

### Level of orders

The KION Group's order intake amounted to €5,881.7 million, which was 33.7 percent higher than the figure for the prior-year period (H1 2020: €4,400.1 million). This exceptionally strong increase was primarily a reflection of pent-up demand in the Industrial Trucks & Services segment. In particular, the pandemic-related restrictions in place in 2020 resulted in a significant boost to demand in the current reporting period. The effect of customers bringing forward their purchases in anticipation of global supply bottlenecks and significantly longer lead times also had a positive impact. The segment was able to almost fully exploit this considerable market growth, with its order intake improving by 51.0 percent to €4,021.1 million (H1 2020: €2,663.4 million). Order intake in the Supply Chain Solutions segment came to €1,868.8 million, which was up by 7.2 percent on the very strong figure of €1,743.9 million reported for the first half of 2020.

Currency effects reduced the value of the KION Group's order intake by a total of €115.4 million.

At €5,409.0 million, the Group's order book was up by 21.8 percent compared with the end of 2020 (December 31, 2020: €4,441.3 million). The Industrial Trucks & Services segment made the biggest contribution to this growth.

## Revenue

Consolidated revenue went up by 26.5 percent to €4,967.9 million in the first half of 2021 (H1 2020: €3,927.3 million). In the Industrial Trucks & Services segment, revenue generated from external customers rose by 14.9 percent to €3,114.4 million (H1 2020: €2,710.9 million), driven by the increase in new truck business, particularly in the second quarter, and by sharp growth in the service business. The Supply Chain Solutions segment increased its revenue from external customers by a very substantial 52.4 percent to €1,849.1 million (H1 2020: €1,213.5 million), primarily by working through the substantial order book in the project business (business solutions). The segment's revenue from the service business also went up year on year.

Overall, the proportion of consolidated revenue attributable to the service business declined from 44.4 percent in the prior-year period to 40.0 percent in the first half of 2021 due to the disproportionately strong growth of the project business in the Supply Chain Solutions segment. Currency effects reduced consolidated revenue by €128.0 million.

### Revenue with third parties by product category

in € million	Q2 2021	Q2 2020 <sup>1</sup>	Change	Q1 – Q2 2021	Q1 – Q2 2020 <sup>1</sup>	Change
<b>Industrial Trucks &amp; Services</b>	<b>1,598.3</b>	<b>1,265.0</b>	<b>26.3%</b>	<b>3,114.4</b>	<b>2,710.9</b>	<b>14.9%</b>
New business	766.5	584.2	31.2%	1,484.3	1,301.8	14.0%
Service business	831.8	680.8	22.2%	1,630.1	1,409.1	15.7%
– Aftersales	423.2	338.1	25.2%	841.9	721.4	16.7%
– Rental business	243.8	220.1	10.8%	479.5	446.0	7.5%
– Used trucks	111.6	82.7	35.0%	211.3	164.6	28.4%
– Other	53.1	39.9	33.1%	97.4	77.1	26.4%
<b>Supply Chain Solutions</b>	<b>992.5</b>	<b>633.1</b>	<b>56.8%</b>	<b>1,849.1</b>	<b>1,213.5</b>	<b>52.4%</b>
Business solutions	804.3	475.8	69.0%	1,490.0	878.7	69.6%
Service business	188.3	157.3	19.7%	359.1	334.8	7.2%
<b>Corporate Services</b>	<b>1.9</b>	<b>1.5</b>	<b>29.3%</b>	<b>4.4</b>	<b>3.0</b>	<b>48.0%</b>
<b>Total revenue</b>	<b>2,592.8</b>	<b>1,899.6</b>	<b>36.5%</b>	<b>4,967.9</b>	<b>3,927.3</b>	<b>26.5%</b>

<sup>1</sup> Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. In addition, a definitional adjustment was made in the two product categories of the Supply Chain Solutions segment. The 2020 segment figures have been adjusted accordingly.

## Revenue by sales region

### Revenue with third parties by customer location

in € million	Q2 2021	Q2 2020	Change	Q1 – Q2 2021	Q1 – Q2 2020	Change
<b>EMEA</b>	<b>1,591.6</b>	<b>1,215.9</b>	<b>30.9%</b>	<b>3,100.5</b>	<b>2,623.1</b>	<b>18.2%</b>
Western Europe	1,403.2	1,065.9	31.6%	2,746.7	2,310.9	18.9%
Eastern Europe	167.5	130.7	28.1%	314.9	272.9	15.4%
Middle East and Africa	21.0	19.3	9.0%	38.8	39.4	–1.4%
<b>Americas</b>	<b>705.6</b>	<b>445.5</b>	<b>58.4%</b>	<b>1,324.4</b>	<b>895.4</b>	<b>47.9%</b>
North America	659.0	412.6	59.7%	1,238.9	824.5	50.3%
Central and South America	46.5	32.8	41.7%	85.6	70.9	20.7%
<b>APAC</b>	<b>295.6</b>	<b>238.3</b>	<b>24.0%</b>	<b>542.9</b>	<b>408.8</b>	<b>32.8%</b>
China	174.4	141.2	23.5%	306.8	227.4	34.9%
APAC excluding China	121.2	97.1	24.8%	236.2	181.3	30.2%
<b>Total revenue</b>	<b>2,592.8</b>	<b>1,899.6</b>	<b>36.5%</b>	<b>4,967.9</b>	<b>3,927.3</b>	<b>26.5%</b>

In the Industrial Trucks & Services segment, a large part of the revenue growth was attributable to the main EMEA sales region. The increase in the second quarter was particularly pronounced in comparison with the low figure reported in the prior-year period. The APAC region recorded a disproportionately strong increase in revenue, primarily thanks to higher unit sales in China. In the Americas region, the segment's revenue was almost unchanged despite negative currency effects. The Supply Chain Solutions segment increased its revenue significantly in all sales regions, with particularly strong growth recorded in its core market of North America (Americas) and in the EMEA region. The biggest contribution to the rise in revenue resulted from investment in new facilities and in the expansion of existing facilities by major e-commerce customers and customers in the food and textile industries.

## Earnings

### EBIT and EBITDA

Earnings before interest and tax (EBIT) improved year on year to reach €414.8 million (€137.6 million). EBIT included budgeted negative effects from purchase price allocations totaling €41.8 million (H1 2020: €44.8 million). Non-recurring items amounting to an expense of €5.5 million were also recognized in the period under review and related in part to the capacity and structural program. The prior-year figure, an expense of €22.3 million, mainly included components of the capacity and structural program as well as an impairment charge on an equity investment. Earnings before interest and tax adjusted for non-recurring items and purchase price allocation effects (adjusted EBIT) amounted to €462.2 million for the first six months of 2021, which was more than double the figure for the first half of 2020 of €204.8 million. The adjusted EBIT margin recovered to 9.3 percent (H1 2020: 5.2 percent).

**EBIT**

in € million	Q2 2021	Q2 2020	Q1 – Q2 2021	in % of revenue	Q1 – Q2 2020	in % of revenue
<b>EBIT</b>	<b>221.3</b>	<b>17.5</b>	<b>414.8</b>	<b>8.4%</b>	<b>137.6</b>	<b>3.5%</b>
Adjustment by functional costs:						
+ Cost of sales	9.4	10.3	18.9	0.4%	20.3	0.5%
+ Selling expenses and administrative expenses	15.1	22.0	29.5	0.6%	35.7	0.9%
+ Research and development costs	0.0	0.0	0.1	0.0%	0.1	0.0%
+ Other costs	1.4	10.9	–1.1	–0.0%	11.0	0.3%
<b>Adjusted EBIT</b>	<b>247.2</b>	<b>60.7</b>	<b>462.2</b>	<b>9.3%</b>	<b>204.8</b>	<b>5.2%</b>
adjusted for non-recurring items	5.0	20.6	5.5	0.1%	22.3	0.6%
adjusted for PPA items	20.9	22.7	41.8	0.8%	44.8	1.1%

Earnings before interest, tax, depreciation, and amortization (EBITDA) rose to €873.9 million (H1 2020: €597.1 million). Adjusted EBITDA increased to €879.5 million (H1 2020: €619.4 million), giving an adjusted EBITDA margin of 17.7 percent (H1 2020: 15.8 percent).

**EBITDA**

in € million	Q2 2021	Q2 2020	Q1 – Q2 2021	in % of revenue	Q1 – Q2 2020	in % of revenue
<b>EBITDA</b>	<b>452.7</b>	<b>247.8</b>	<b>873.9</b>	<b>17.6%</b>	<b>597.1</b>	<b>15.2%</b>
Adjustment by functional costs:						
+ Cost of sales	0.0	–0.1	0.0	0.0%	–0.1	–0.0%
+ Selling expenses and administrative expenses	3.6	9.8	6.6	0.1%	11.4	0.3%
+ Research and development costs	0.0	0.0	0.0	0.0%	0.0	0.0%
+ Other costs	1.4	10.9	–1.0	–0.0%	11.0	0.3%
<b>Adjusted EBITDA</b>	<b>457.7</b>	<b>268.4</b>	<b>879.5</b>	<b>17.7%</b>	<b>619.4</b>	<b>15.8%</b>
adjusted for non-recurring items	5.0	20.6	5.6	0.1%	22.3	0.6%
adjusted for PPA items	0.0	0.0	0.0	0.0%	0.0	0.0%



EBITDA for the long-term leasing business, which is derived from internal reporting and assumes a minimum rate of return on the capital employed, amounted to €170.0 million in the reporting period (H1 2020: €167.7 million).

### Key influencing factors for earnings

The cost of sales rose at a slower rate than revenue, increasing by 24.9 percent to €3,702.6 million (H1 2020: €2,964.8 million). The KION Group's gross margin therefore rose to 25.5 percent in the period under review (H1 2020: 24.5 percent). This was primarily driven by the increase in the gross margin in the Industrial Trucks & Services segment thanks to a limited rise in fixed costs. Gross profit in the Supply Chain Solutions segment, meanwhile, was up significantly due to strong revenue growth. In this segment too, revenue grew at a faster rate than the mainly volume-related increase in functional costs. Selling expenses rose by just 5.2 percent, partly because of the ongoing restrictions on travel and marketing activities, whereas administrative expenses and research and development costs increased year on year by 8.7 percent and 11.1 percent respectively. Purchase price allocation effects included in the cost of sales and in other functional costs were lower overall than in the prior-year period. The 'other' item includes not only income and expense resulting from currency translation but also line items such as the share of profit (loss) of equity-accounted investments, which amounted to a profit of €10.3 million (H1 2020: loss of €3.6 million).

The change in the cost of sales and in other functional costs is shown in the following condensed income statement.

### Condensed consolidated income statement

in € million	Q2 2021	Q2 2020	Change	Q1 – Q2 2021	Q1 – Q2 2020	Change
Revenue	2,592.8	1,899.6	36.5%	4,967.9	3,927.3	26.5%
Cost of sales	-1,942.8	-1,480.3	-31.2%	-3,702.6	-2,964.8	-24.9%
<b>Gross profit</b>	<b>649.9</b>	<b>419.3</b>	<b>55.0%</b>	<b>1,265.2</b>	<b>962.5</b>	<b>31.5%</b>
Selling expenses and administrative expenses	-395.8	-355.8	-11.3%	-782.9	-734.7	-6.5%
Research and development costs	-45.8	-39.6	-15.8%	-86.3	-77.7	-11.1%
Other	13.0	-6.4	> 100%	18.8	-12.4	> 100%
<b>Earnings before interest and tax (EBIT)</b>	<b>221.3</b>	<b>17.5</b>	<b>&gt; 100%</b>	<b>414.8</b>	<b>137.6</b>	<b>&gt; 100%</b>
Net financial expenses	-9.2	-21.2	56.7%	-19.2	-46.9	59.0%
<b>Earnings before tax</b>	<b>212.1</b>	<b>-3.7</b>	<b>&gt; 100%</b>	<b>395.6</b>	<b>90.8</b>	<b>&gt; 100%</b>
Income taxes	-57.9	-13.4	< -100%	-104.4	-40.2	< -100%
<b>Net (loss) income</b>	<b>154.2</b>	<b>-17.1</b>	<b>&gt; 100%</b>	<b>291.2</b>	<b>50.6</b>	<b>&gt; 100%</b>



**Net financial expenses**

The net financial expenses, representing the balance of financial income and financial expenses, improved to €19.2 million (H1 2020: €46.9 million). Reasons for this included the further reduction in borrowing, improved net interest income/expense from the leasing business, and lower net expenses in respect of the retirement benefit obligation.

**Income taxes**

Income tax expenses rose significantly year on year to €104.4 million (H1 2020: €40.2 million), reflecting the level of earnings. However, the effective tax rate fell to 26.4 percent (H1 2020: 44.2 percent). The figure for the comparative period of 2020 had been influenced in particular by high non-tax-deductible expenses and losses that could not be utilized for tax purposes owing to the level of earnings.

**Net income for the period**

Net income for the period came to €291.2 million, which was substantially higher than in the same period of the previous year (H1 2020: €50.6 million). Basic earnings per share attributable to the shareholders of KION GROUP AG came to €2.21 (H1 2020: €0.46) based on 131.1 million (H1 2020: 118.0 million) no-par-value shares.

## Business situation and financial performance of the segments

### Industrial Trucks & Services segment

#### Business performance and order intake

In the first half of 2021, the Industrial Trucks & Services segment generated strong growth across all product categories in the new truck business. The number of orders rose by 74.8 percent year on year to 155.5 thousand units. This increase compared with the first half of 2020 was primarily attributable to increased demand in the main EMEA sales region, where counterbalance trucks, and particularly electric forklift trucks, were among the products that contributed to the growth.

In the APAC region, the KION Group's growth outstripped that of the market, mainly due to higher unit sales of counterbalance trucks (diesel and electric forklift trucks) and warehouse equipment in China. In the Americas region, the Industrial Trucks & Services segment registered almost double the number of orders, meaning that its growth also outstripped that of the market.

The value of order intake rose by 51.0 percent to €4,021.1 million (H1 2020: €2,663.4 million). Currency effects reduced order intake by a total of €41.2 million.

#### Key figures – Industrial Trucks & Services

in € million	Q2 2021	Q2 2020 <sup>1</sup>	Change	Q1 – Q2 2021	Q1 – Q2 2020 <sup>1</sup>	Change
Order intake	2,220.7	1,264.8	75.6%	4,021.1	2,663.4	51.0%
Total revenue	1,601.0	1,267.5	26.3%	3,119.7	2,714.8	14.9%
Order book <sup>2</sup>				2,264.6	1,384.1	63.6%
EBITDA	328.3	180.6	81.8%	644.6	463.1	39.2%
Adjusted EBITDA	335.6	200.5	67.4%	650.8	483.1	34.7%
EBIT	139.8	-3.4	> 100%	270.9	94.4	> 100%
Adjusted EBIT	147.6	16.8	> 100%	278.6	114.8	> 100%
Adjusted EBITDA margin	21.0%	15.8%	–	20.9%	17.8%	–
Adjusted EBIT margin	9.2%	1.3%	–	8.9%	4.2%	–

<sup>1</sup> Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. The 2020 segment figures have been adjusted accordingly.

<sup>2</sup> Figure as at Jun. 30, 2021 compared with Dec. 31, 2020

#### Revenue

The Industrial Trucks & Services segment's total revenue rose sharply, by 14.9 percent, to €3,119.7 million in the reporting period (H1 2020: €2,714.8 million). Revenue in the new truck business was up by 14.0 percent, despite the current difficulties with the procurement of materials. All relevant product categories contributed to this growth, with the biggest increases generated from warehouse trucks and electric forklift trucks. There was also a year-on-year rise in the service business, which was up by 15.7 percent overall.

At 52.3 percent, the proportion of the segment's external revenue accounted for by the service business was slightly higher than in the prior year (H1 2020: 52.0 percent). Currency effects reduced segment revenue by €27.6 million.

### Earnings

Rising by €163.9 million, the adjusted EBIT in the Industrial Trucks & Services segment for the first half of 2021 more than doubled compared with the very low figure for the prior-year period to reach €278.6 million (H1 2020: €114.8 million). This improvement was due to the substantial increase in revenue and the slower rise in fixed costs. This includes the savings already achieved in connection with the capacity and structural program. However, there was a countervailing effect from the increase in personnel expenses, which was mainly attributable to variable remuneration components. In the first half of the year, the prevailing increases in commodity prices and the global delivery bottlenecks had not yet had a material influence on the segment's productivity and profitability, even though there had already been some delays to the completion of new trucks. The adjusted EBIT margin recovered to 8.9 percent (H1 2020: 4.2 percent). After taking into account non-recurring items and purchase price allocation effects, EBIT rose to €270.9 million (H1 2020: €94.4 million). Adjusted EBITDA improved to €650.8 million (H1 2020: €483.1 million), giving an adjusted EBITDA margin of 20.9 percent (H1 2020: 17.8 percent).

## Supply Chain Solutions segment

### Business performance and order intake

Order intake in the Supply Chain Solutions segment exceeded the high figure reported in the prior-year period, improving by 7.2 percent to €1,868.8 million in the first half of 2021 (H1 2020: €1,743.9 million). The project business (business solutions) benefited from the continued strength of e-commerce and a sharp rise in project orders from the food and textile sectors. The service business also registered a substantial increase. Currency effects reduced order intake by a total of €74.1 million.

### Key figures – Supply Chain Solutions

in € million	Q2 2021	Q2 2020	Change	Q1 – Q2 2021	Q1 – Q2 2020	Change
Order intake	1,038.9	1,057.6	-1.8%	1,868.8	1,743.9	7.2%
Total revenue	996.5	634.6	57.0%	1,857.2	1,215.8	52.8%
Order book <sup>1</sup>				3,150.3	3,071.1	2.6%
EBITDA	139.9	70.2	99.3%	256.6	143.1	79.2%
Adjusted EBITDA	141.5	70.2	> 100%	259.5	144.2	80.0%
EBIT	103.6	31.0	> 100%	184.1	66.7	> 100%
Adjusted EBIT	125.5	53.4	> 100%	227.3	112.1	> 100%
Adjusted EBITDA margin	14.2%	11.1%	–	14.0%	11.9%	–
Adjusted EBIT margin	12.6%	8.4%	–	12.2%	9.2%	–

<sup>1</sup> Figure as at Jun. 30, 2021 compared with Dec. 31, 2020

## Revenue

The total revenue of the Supply Chain Solutions segment surged by 52.8 percent to €1,857.2 million (H1 2020: €1,215.8 million), primarily as a result of working through the project orders received in 2020 plus a consistently high level of capacity utilization. The increase in revenue was largely accounted for by the long-term project business (business solutions), in which revenue went up by 69.6 percent. Having seen a slight decrease in revenue in the first quarter as a result of exchange-rate effects, the service business (customer services) generated a year-on-year rise in revenue of 7.2 percent in the first half of 2021. The proportion of the segment's external revenue accounted for by the service business fell to 19.4 percent (H1 2020: 27.6 percent). Currency effects reduced segment revenue by €100.4 million.

## Earnings

The adjusted EBIT of the Supply Chain Solutions segment for the six-month period amounted to €227.3 million, which was double the figure for the first half of 2020 of €112.1 million. The disproportionately strong growth in the project business (business solutions) made a bigger contribution to gross profit than the high-margin service business. This effect was outweighed by the relatively small growth in other functional costs. The adjusted EBIT margin improved to 12.2 percent overall (H1 2020: 9.2 percent). After taking into account non-recurring items and purchase price allocation effects, EBIT came to €184.1 million (H1 2020: €66.7 million).

Adjusted EBITDA amounted to €259.5 million (H1 2020: €144.2 million); the adjusted EBITDA margin rose to 14.0 percent (H1 2020: 11.9 percent).

## Corporate Services segment

### Business performance

The Corporate Services segment comprises holding companies and other service companies that provide services such as IT and general administration across all segments.

### Revenue and earnings

Total segment revenue increased to €85.3 million (H1 2020: €79.2 million).

Adjusted EBIT for the segment fell to minus €20.4 million (H1 2020: €3.7 million). In the first six months of the pandemic-hit year of 2020, personnel expenses attributable to variable remuneration components were much lower than in the current reporting period, which was one of the contributory factors to the fall in adjusted EBIT. Excluding internal income from equity investments, adjusted EBIT amounted to minus €43.6 million (H1 2020: minus €22.0 million). Adjusted EBITDA stood at minus €7.4 million (H1 2020: €18.0 million) or minus €30.6 million (H1 2020: minus €7.8 million) excluding intra-group income from equity investments.

**Key figures – Corporate Services**

in € million	<b>Q2 2021</b>	<b>Q2 2020<sup>1</sup></b>	<b>Change</b>	<b>Q1 – Q2 2021</b>	<b>Q1 – Q2 2020<sup>1</sup></b>	<b>Change</b>
Order intake	41.6	39.8	4.7%	85.3	79.2	7.7%
Total revenue	41.6	39.8	4.7%	85.3	79.2	7.7%
EBITDA	6.3	22.6	-72.2%	-3.8	16.6	< -100%
Adjusted EBITDA	2.4	23.3	-89.9%	-7.4	18.0	< -100%
EBIT	-0.2	15.5	< -100%	-16.8	2.4	< -100%
Adjusted EBIT	-4.2	16.1	< -100%	-20.4	3.7	< -100%

1 Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. The 2020 segment figures have been adjusted accordingly.

**Net assets**

Totalling €10,820.3 million, non-current assets as at June 30, 2021 were higher than at the end of 2020 (December 30, 2020: €10,666.2 million). The carrying amount of intangible assets rose moderately to €5,628.0 million (December 31, 2020: €5,559.6 million). Of this sum, €3,474.3 million was attributable to goodwill (December 31, 2020: €3,407.6 million), which rose by €58.3 million due to currency effects. The acquisition of the remaining shares in the German wholesaler and service provider Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG and JETSCHKE GmbH increased goodwill by a total of €8.4 million. At €1,329.3 million, other property, plant, and equipment was higher than at the end of 2020 (December 31, 2020: €1,316.6 million). This included right-of-use assets amounting to €489.1 million in relation to procurement leases (December 31, 2020: €492.5 million).

With rental assets of €520.2 million recognized in the statement of financial position, the short-term rental business was more or less at the same level as at the end of 2020 (December 30, 2020: €529.6 million). However, leased assets for direct and indirect leases with end customers that are classified as operating leases increased to €1,376.3 million (December 31, 2020: €1,333.3 million). Long-term lease receivables arising from leases with end customers that are classified as finance leases swelled to €1,271.2 million (December 31, 2020: €1,199.1 million).

Current assets increased significantly to a total of €3,948.9 million (December 31, 2020: €3,389.4 million) for two reasons. Firstly, growth necessitated an increase in inventories in order to ensure the KION Group's ability to supply customers. The Group's inventories stood at €1,338.4 million as at June 30, 2021 (December 31, 2020: €1,101.0 million). Secondly, trade receivables rose to €1,233.2 million (December 31, 2020: €1,172.7 million). Contract assets, which mainly related to project business in the Supply Chain Solutions segment, were also up sharply, to €330.6 million (December 31, 2020: €172.1 million). At €313.8 million, cash and cash equivalents remained at roughly the same level as at December 31, 2020 (€314.4 million) despite the dividend paid to the shareholders of KION GROUP AG in May 2021 and the repayment of financial liabilities, reflecting the increase in free cash flow.

The KION Group's net working capital amounted to €1,056.2 million as at June 30, 2021 (December 31, 2020: €984.5 million). The increase in inventories, trade receivables, and contract assets was only partly offset by the rise in trade payables and contract liabilities.

Current lease receivables from end customers increased from €396.2 million as at December 31, 2020 to €443.1 million as at June 30, 2021.

### Condensed consolidated statement of financial position

in € million	Jun. 30, 2021	in %	Dec. 31, 2020	in %	Change
Non-current assets	10,820.3	73.3%	10,666.2	75.9%	1.4%
Current assets	3,948.9	26.7%	3,389.4	24.1%	16.5%
<b>Total assets</b>	<b>14,769.1</b>	<b>100.0%</b>	<b>14,055.7</b>	<b>100.0%</b>	<b>5.1%</b>
Equity	4,761.0	32.2%	4,270.8	30.4%	11.5%
Non-current liabilities	5,547.0	37.6%	5,966.6	42.4%	-7.0%
Current liabilities	4,461.2	30.2%	3,818.3	27.2%	16.8%
<b>Total equity and liabilities</b>	<b>14,769.1</b>	<b>100.0%</b>	<b>14,055.7</b>	<b>100.0%</b>	<b>5.1%</b>

### Financial position

The principles and objectives applicable to financial management as at June 30, 2021 were largely the same as those described in the 2020 combined management report.

### Analysis of capital structure

Non-current and current liabilities amounted to €10,008.1 million as at June 30, 2021, which was €223.3 million higher than the figure as at December 31, 2020 of €9,784.8 million. This was primarily due to the growth in trade payables and liabilities from the leasing business in line with the volume of business.

Non-current and current financial liabilities fell by a total of €163.1 million to €1,031.4 million (December 31, 2020: €1,194.5 million). The decline was predominantly due to the repayment of the variable-rate tranche of the promissory note with a face value of €167.0 million in April 2021. As a result of this repayment, the carrying amount of non-current promissory notes stood at only €326.8 million as at June 30, 2021 (December 31, 2020: €590.0 million). Alongside this, non-current financial liabilities largely comprise the corporate bond issued, which has a carrying amount of €495.0 million (December 31, 2020: €494.5 million).

Current financial liabilities rose to €171.0 million as at June 30, 2021 (December 31, 2020: €77.1 million). This is mainly because the fixed-rate tranche of the promissory note maturing in May 2022 and with a nominal amount of €92.5 million is now recognized under current financial liabilities. Net financial debt (non-current and current financial liabilities less cash and cash equivalents) decreased to €717.6 million as at June 30, 2021 (December 31, 2020: €880.0 million). This equated to 0.4 times adjusted EBITDA on an annualized basis (December 31, 2020: 0.6 times). To reconcile the net financial debt to the industrial net operating debt of €1,722.3 million as at June 30, 2021

(December 31, 2020: €1,912.6 million), the liabilities from the short-term rental business of €481.7 million and the liabilities from procurement leases of €523.0 million are added to net financial debt.

### Industrial net operating debt

in € million	Jun. 30, 2021	Dec. 31, 2020	Change
Promissory notes	419.2	590.0	-28.9%
Bonds	495.0	494.5	0.1%
Liabilities to banks	84.3	77.1	9.4%
Other financial debt	32.8	32.9	-0.5%
<b>Financial debt</b>	<b>1,031.4</b>	<b>1,194.5</b>	<b>-13.7%</b>
Less cash and cash equivalents	-313.8	-314.4	0.2%
<b>Net financial debt</b>	<b>717.6</b>	<b>880.0</b>	<b>-18.5%</b>
Liabilities from short-term rental business	481.7	505.6	-4.7%
Liabilities from procurement leases	523.0	527.0	-0.8%
<b>Industrial net operating debt</b>	<b>1,722.3</b>	<b>1,912.6</b>	<b>-10.0%</b>

Non-current and current liabilities from the leasing business rose to €2,942.1 million as at June 30, 2021 (December 31, 2020: €2,739.3 million). Of this total, €2,707.0 million was attributable to financing of the direct leasing business (December 31, 2020: €2,483.6 million) and €235.1 million to the repurchase obligations resulting from the indirect leasing business (December 31, 2020: €255.7 million).

Non-current and current liabilities from the short-term rental business, which totaled €481.7 million (December 31, 2020: €505.6 million), declined in line with the rental assets.

Non-current and current other financial liabilities stood at €641.4 million as at June 30, 2021 (December 31, 2020: €646.9 million). This item included liabilities from procurement leases amounting to €523.0 million (December 31, 2020: €527.0 million), for which right-of-use assets were recorded. Contract liabilities, of which a large proportion related to the long-term project business in the Supply Chain Solutions segment, stood at €562.0 million (December 31, 2020: €550.8 million).

The retirement benefit obligation and similar obligations fell to €1,275.5 million owing to higher discount rates (December 31, 2020: €1,450.3 million).

Consolidated equity rose to €4,761.0 million as at June 30, 2021 (December 31, 2020: €4,270.8 million). The net income of €291.2 million earned during the period under review contributed to the rise in equity, as did the actuarial gains and losses arising from the measurement of pensions, which amounted to a net gain of €151.8 million (after deferred taxes) and were recognized in other comprehensive income. The currency translation gains of €103.3 million, also recognized in other comprehensive income, had a positive impact on equity too. KION GROUP AG's dividend payout reduced equity by €53.7 million. Overall, the equity ratio improved to 32.2 percent (December 31, 2020: 30.4 percent).



## Analysis of capital expenditure

The KION Group's total capital expenditure on property, plant, and equipment and on intangible assets (excluding right-of-use assets from procurement leases) totaled €123.3 million (H1 2020: €130.0 million). Spending in the Industrial Trucks & Services segment continued to be focused on capital expenditure on product development and on the expansion and modernization of production and technology facilities. In the reporting period, the Company also invested in the construction of the new plants at the production sites in Jinan, China, and in Kołbaskowo in Poland. Capital expenditure in the Supply Chain Solutions segment primarily related to development costs.

## Analysis of liquidity

Owing to the healthy increase in free cash flow, the €313.8 million in cash and cash equivalents recognized as at June 30, 2021 was at nearly the same level as at December 31, 2020 (€314.4 million) even after the repayment of financial debt and the dividend payout. Taking into account the €1,148.8 million of the credit facility that was still freely available (December 31, 2020: €1,150.0 million), the unrestricted cash and cash equivalents available to the KION Group as at June 30, 2021 amounted to €1,453.9 million (December 31, 2020: €1,457.3 million).

At €437.7 million, net cash provided by operating activities was up significantly on the figure for the prior-year period, which was just into negative territory at minus €2.6 million. The main reason for this improvement was the sharp rise in operating profit. In addition, the fact that the €61.7 million growth in net working capital was lower than that in the prior-year period (H1 2020: €205.4 million) meant that there was less of a drag on cash flow from operating activities.

The net cash used for investing activities amounted to minus €136.3 million in the reporting period (H1 2020: minus €217.0 million). Within this figure, cash payments for capital expenditure on production facilities, product development, and purchased property, plant, and equipment amounted to minus €123.3 million, which was lower than in the first six months of the previous year (H1 2020: minus €130.0 million). In addition, the acquisition of the remaining shares in Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG and JETSCHKE GmbH resulted in a cash outflow totaling minus €13.9 million, of which €2.0 million had been paid as an advance payment in December 2020. Cash flow from investing activities in the prior-year period had included net payments of minus €89.3 million for the acquisition of UK software company Digital Applications International Limited (DAI).

Free cash flow – the sum of cash flow from operating activities and investing activities – came to €301.5 million. This represented a very significant improvement compared with the prior-year period, which had been affected by acquisition items (H1 2020: minus €219.6 million).

Net cash used for financing activities came to minus €309.9 million (H1 2020: net cash provided of €269.6 million), primarily due to the aforementioned repayment of the variable-rate tranche of the promissory note and the repayment of other current liabilities to banks. Payments made for interest portions and principal portions under procurement leases totaled minus €69.8 million (H1 2020: minus €65.6 million). Current interest payments declined to minus €13.7 million (H1 2020: minus €16.5 million) due to the further repayment of financial debt. The payment of a dividend to the shareholders of KION GROUP AG in May 2021 resulted in an outflow of funds of minus €53.7 million, whereas the corresponding payment had not yet been made in the first half of 2020 because the Annual General Meeting was postponed to the third quarter.



**Condensed consolidated statement of cash flows**

in € million	<b>Q2 2021</b>	<b>Q2 2020</b>	<b>Change</b>	<b>Q1 – Q2 2021</b>	<b>Q1 – Q2 2020</b>	<b>Change</b>
EBIT	221.3	17.5	> 100%	414.8	137.6	> 100%
+ Amortization / depreciation <sup>1</sup> on non-current assets (without lease and rental assets)	100.4	101.2	–0.8%	199.7	198.5	0.6%
+ Net changes from lease business (including depreciation <sup>1</sup> and release of deferred income)	–10.2	3.2	< –100%	–10.0	–19.2	47.7%
+ Net changes from short-term rental business (including depreciation <sup>1</sup> )	–5.6	–3.4	–66.1%	1.5	4.8	–70.0%
+ Changes in net working capital	–162.9	–83.9	–94.3%	–61.7	–205.4	70.0%
+ Taxes paid	–45.7	–36.1	–26.7%	–98.5	–82.9	–18.9%
+ Other	8.5	59.2	–85.7%	–8.1	–36.1	77.6%
<b>= Cash flow from operating activities</b>	<b>105.8</b>	<b>57.9</b>	<b>82.9%</b>	<b>437.7</b>	<b>–2.6</b>	<b>&gt; 100%</b>
+ Cash flow from investing activities	–66.5	–55.4	–20.0%	–136.3	–217.0	37.2%
thereof changes from acquisitions	–0.1	–10.7	98.7%	–12.0	–97.7	87.7%
thereof changes from other investing activities	–66.3	–44.7	–48.4%	–124.3	–119.2	–4.2%
<b>= Free cash flow</b>	<b>39.4</b>	<b>2.5</b>	<b>&gt; 100%</b>	<b>301.5</b>	<b>–219.6</b>	<b>&gt; 100%</b>
+ Cash flow from financing activities	–243.2	24.5	< –100%	–309.9	269.6	< –100%
+ Effect of exchange rate changes on cash	2.5	–0.6	> 100%	7.8	–11.7	> 100%
<b>= Change in cash and cash equivalents</b>	<b>–201.3</b>	<b>26.5</b>	<b>&lt; –100%</b>	<b>–0.7</b>	<b>38.3</b>	<b>&lt; –100%</b>

<sup>1</sup> Including impairment and reversals of impairment

## Non-financial information

### Employees

As at June 30, 2021, the KION Group employed 37,718 full-time equivalents (December 31, 2020: 36,207). The rise during the reporting period was predominantly due to hiring in the Supply Chain Solutions segment, partly in order to increase capacity in software development and sales. In the Industrial Trucks & Services segment, the primary reason for the increase was the inclusion of the employees taken on in the context of acquisitions.

Personnel expenses rose to €1,306.5 million (H1 2020: €1,148.5 million).

#### Employees (full-time equivalents)

	Jun. 30, 2021	Dec. 31, 2020	Change
<b>EMEA</b>	<b>25,774</b>	<b>25,228</b>	<b>2.2%</b>
Western Europe	21,790	21,476	1.5%
Eastern Europe	3,932	3,671	7.1%
Middle East and Africa	52	81	-35.8%
<b>Americas</b>	<b>6,056</b>	<b>5,270</b>	<b>14.9%</b>
North America	4,359	3,937	10.7%
Central and South America	1,697	1,333	27.3%
<b>APAC</b>	<b>5,888</b>	<b>5,709</b>	<b>3.1%</b>
China	4,459	4,333	2.9%
APAC excluding China	1,429	1,376	3.9%
<b>Total</b>	<b>37,718</b>	<b>36,207</b>	<b>4.2%</b>

### Research and development

Total spending on research and development, including capitalized development costs, went up by 4.5 percent year on year to reach €127.9 million (H1 2020: €122.4 million), which equates to 2.6 percent of revenue (H1 2020: 3.1 percent). R&D costs totaling €86.3 million were expensed in the income statement (H1 2020: €77.7 million). There were also amortization charges on capitalized development costs of €48.8 million (H1 2020: €51.3 million), which are reported under cost of sales.

**Research and development (R&D)**

in € million	Q1 – Q2 2021	Q1 – Q2 2020	Change
Research and development costs (P&L)	86.3	77.7	11.1%
Capitalized development costs	41.5	44.7	–7.1%
<b>Total R&amp;D spending</b>	<b>127.9</b>	<b>122.4</b>	<b>4.5%</b>
R&D spending as percentage of revenue	2.6%	3.1%	–

**Focus of R&D in the first six months of 2021**

The fundamental strategic direction of research and development, which is defined in the KION 2027 strategy, did not change in the period under review and continued to center on the growth areas of automation, digitalization, and energy-efficient drive solutions. The focus remains on providing long-term support for the KION Group's position as a leading global supplier of integrated, automated supply chain solutions and mobile automation solutions. The KION Group is boosting the innovativeness of its portfolio by concentrating heavily on automation and robotics solutions that are based on a cross-segment software platform.

**Energy**

The development and refinement of energy-efficient drive solutions, from internal combustion engines to various electric drive systems and fuel cells, continued to be a focus of research and development. Additions to the product range included developments in the area of lithium-ion batteries.

The new Linde X20–X35 electric forklift truck models with a load capacity of 2.0 to 3.5 tonnes match the performance and robustness of the Linde hydrostatic systems for the first time but also offer the environmental and efficiency advantages of battery-powered trucks.

The RX 20-16P/lithium-ion electric forklift truck from STILL was awarded the top accolade VR Forklift Champion in the category of electric forklift trucks up to 3.5 tonnes in the forklift truck tests conducted by VerkehrsRundschau (VR). It was rated highly for characteristics such as precise and safe steering and very good handling rates.

**Digitalization**

VDA 5050 is a digital interface that enables automated guided vehicle systems (AGVs) and control software supplied by different manufacturers to communicate with each other. The KION Group and its STILL brand company have been involved in the joint project of the German Association of the Automotive Industry (VDA) and the German Mechanical Engineering Industry Association (VDMA) from the outset and have contributed their expertise to the project. In March of this year, the interface passed the first live test, thereby reaching the first milestone on the journey to market maturity.

KION brand company Linde Material Handling has developed Linde Warehouse Manager in order to help customers start using digital warehouse management. The efficient warehouse management system is suitable for small and medium-sized enterprises that want to transition from entirely manual to semi- and fully automated processes. They can use the software solution to coordinate their truck fleets and manage transport tasks completely automatically. The inventory management function offers full transparency about capacity utilization in the warehouse while a pick function supports

order picking. The software can also be integrated with ERP systems and automated conveyor technology.

Making greater use of artificial intelligence for products and software solutions is a further long-term focus of the KION Group's research and development activities in the area of digitalization.

### **Automation**

Dematic has launched Dematic Conveyor ConfiKIT, an online tool for automation solutions that streamlines the processes involved in preparing quotations for conveyor technology systems. The app enables such systems to be individually configured from a kit of standardized modules while at the customer's site, which means projects can be implemented much more quickly. Dematic developed the tool in collaboration with KION Digital, STILL, and Linde Material Handling.

The Industrial Indoor Localization (IIL) research project, which was completed in February 2021, facilitates the collection and standardization of the infrastructure and process data that is needed for warehouse automation. STILL brought its knowledge of truck automation and robotics to the project and, in the automated horizontal order picker OPX iGo neo, developed precisely the right truck for efficient process automation.

Linde Material Handling is working with a partner on a pilot project to develop autonomous reach trucks. The trucks are now being put through their paces in real-life conditions at an ultra-modern distribution center.

### **Projects as part of R&D partnerships**

Four new collaborative projects were launched in the first half of 2021 in order to conduct research into artificial intelligence, object gripping, 3D indoor maps for visualizing warehouse data, and outdoor automated guided vehicle systems. The projects are being supported by the German Federal Ministry for Economic Affairs and Energy (BMWi), the German Federal Ministry of Education and Research (BMBF), the Bavarian Ministry of Economic Affairs, Regional Development and Energy, and the European Union.

## **Customers**

Even after the third wave of the coronavirus pandemic has subsided and despite the progress made with vaccination programs in many countries, travel and contact restrictions remain in force in many places. This necessitates the greater use of digital formats for customer service and sales. The KION Group has therefore enhanced its virtual formats and focused on using them to strengthen its customer relationships.

During Supply Chain Day, the KION Group teamed up with the German Logistics Association (BVL) and its brand companies Linde Material Handling, STILL GmbH, and Dematic to provide virtual insights into warehouse logistics processes.

Dematic continued the series of virtual events for customers by hosting the first Europe-wide AutoStore® showcase. Participants were taken on a virtual tour of a reference installation that demonstrated how the compact piece picking system works and highlighted its benefits. Dematic also offers web chat as a way of providing rapid support free of charge.

KION North America has completely revamped its internet presence, launching a new online portal that customers can use for tasks such as checking inventories, placing rush orders, and tracking order status.

The KION brand companies won further accolades for their product quality and innovation in the first six months of the year.

Linde Material Handling was recognized in two categories of the Products of the Year 2021 awards of trade journal Materialfluss: The Linde R-MATIC reach truck secured first place in the industrial truck category, while Linde Safety Guard: Door Control – an access authorization system – took the top spot in the identification technology category.

Dematic's micro-fulfillment solution for urban settings won the German Innovation Award 2021 in the machines and engineering section of the excellence in business to business category. The development of Blue Hub, an innovative and cutting-edge distribution center, also secured Dematic a Technology Excellence Award from Singapore Business Review. Blue Hub was singled out for the high degree of automation using the Internet of Things (IoT) along with the consideration of sustainability aspects in its architecture and energy management system.

## Outlook, risk report, and opportunity report

### Outlook

#### Expected macroeconomic conditions

In its most recently available Global Economic Prospects report published at the midway point of the year, the World Bank predicts that global economic output will grow by 5.6 percent across 2021 as a whole after having contracted by 3.5 percent in 2020. This is a further 1.5 percentage points higher than its original forecast in January 2021. It also anticipates a sharp year-on-year rise of 8.3 percent in the volume of global trade.

According to the World Bank, the factors driving global growth include a strong recovery in the US economy as a result of the government's fiscal stimulus package, reflected in its US growth projection of 6.8 percent for 2021 as a whole. China is perceived as another engine of growth and is forecast to see expansion of 8.5 percent. The expectation is that the European economy will also grow, by 4.2 percent, thanks to rising vaccination rates and the extensive easing of coronavirus restrictions in many countries.

The KION Group believes that forecasts remain inherently uncertain as the future course of the coronavirus pandemic is impossible to predict. An unchecked surge in infections could result in a swift return to local or national lockdown measures and disrupt or even reverse the current recovery.

#### Expected business situation and financial performance of the KION Group

In the first half of 2021, the results achieved by the KION Group in all key performance indicators were significantly better than in its original forecast. For this reason, in conjunction with the current positive projections for global economic growth over the year as a whole, in particular, the fact that the KION Group's upturn in revenue looks set to continue for the remainder of the year, the Group is raising the target figures for 2021 that it published in its 2020 outlook. The only exceptions here are the Group's free cash flow as well as order intake in the Supply Chain Solutions segment (SCS), where the target ranges remain unchanged.

The order intake of the KION Group is expected to be between €10,650 million and €11,450 million. The target figure for consolidated revenue is in the range of €9,700 million to €10,300 million. The target range for adjusted EBIT is €810 million to €890 million. Free cash flow is still expected to be in a range between €450 million and €550 million. The target figure for ROCE is in the range of 9.0 percent to 10.0 percent.

Order intake in the Industrial Trucks & Services segment (ITS) is expected to be between €6,850 million and €7,250 million. The target figure for revenue is in the range of €6,250 million to €6,550 million. The target range for adjusted EBIT is €525 million to €565 million.

The expectation for order intake in the Supply Chain Solutions segment (SCS) is unchanged at between €3,800 million and €4,200 million. The target figure for revenue is in the range of €3,450 million to €3,750 million. The target range for adjusted EBIT is €385 million to €425 million.

## Outlook 2021

in € million	KION Group		Industrial Trucks & Services		Supply Chain Solutions	
	Outlook 2021 adjusted	Outlook 2021	Outlook 2021 adjusted	Outlook 2021	Outlook 2021 adjusted	Outlook 2021
Order intake <sup>1</sup>	10,650 – 11,450	9,700 – 10,400	6,850 – 7,250	5,900 – 6,200	3,800 – 4,200	3,800 – 4,200
Revenue <sup>1</sup>	9,700 – 10,300	9,150 – 9,750	6,250 – 6,550	5,900 – 6,200	3,450 – 3,750	3,250 – 3,550
Adjusted EBIT <sup>1</sup>	810 – 890	720 – 800	525 – 565	445 – 485	385 – 425	360 – 400
Free cash flow	450 – 550	450 – 550	–	–	–	–
ROCE	9.0% – 10.0%	8.2% – 9.2%	–	–	–	–

<sup>1</sup> Disclosures for the Industrial Trucks & Services and Supply Chain Solutions segments also include intra-group cross-segment order intake, revenue and effects on EBIT

Notwithstanding the raising of the target figures, there is still uncertainty in the economic environment. The KION Group continues to see risks, particularly in relation to changes in sales markets and commodity prices and in the availability of intermediate products.

## Opportunity and risk report

The KION Group's overall risk and opportunity situation has not changed significantly compared with the description in the 2020 combined management report. As things stand at present, there are no indications of any risks that could jeopardize the Company's continuation as a going concern.

# Condensed consolidated interim financial statements

## Condensed consolidated income statement

in € million	Q2 2021	Q2 2020	Q1 – Q2 2021	Q1 – Q2 2020
Revenue	2,592.8	1,899.6	4,967.9	3,927.3
Cost of sales	-1,942.8	-1,480.3	-3,702.6	-2,964.8
<b>Gross profit</b>	<b>649.9</b>	<b>419.3</b>	<b>1,265.2</b>	<b>962.5</b>
Selling expenses	-242.7	-217.7	-478.8	-454.9
Research and development costs	-45.8	-39.6	-86.3	-77.7
Administrative expenses	-153.1	-138.1	-304.1	-279.8
Other income	23.1	15.1	44.0	39.8
Other expenses	-15.8	-15.2	-35.6	-48.7
(Loss) profit from equity-accounted investments	5.7	-6.3	10.3	-3.6
<b>Earnings before interest and tax</b>	<b>221.3</b>	<b>17.5</b>	<b>414.8</b>	<b>137.6</b>
Financial income	19.0	2.1	54.7	47.6
Financial expenses	-28.2	-23.3	-73.9	-94.4
<b>Net financial expenses</b>	<b>-9.2</b>	<b>-21.2</b>	<b>-19.2</b>	<b>-46.9</b>
<b>Earnings before tax</b>	<b>212.1</b>	<b>-3.7</b>	<b>395.6</b>	<b>90.8</b>
<b>Income taxes</b>	<b>-57.9</b>	<b>-13.4</b>	<b>-104.4</b>	<b>-40.2</b>
Current taxes	-67.4	-16.2	-120.6	-52.9
Deferred taxes	9.5	2.9	16.2	12.7
<b>Net (loss) income</b>	<b>154.2</b>	<b>-17.1</b>	<b>291.2</b>	<b>50.6</b>
Attributable to shareholders of KION GROUP AG	153.5	-14.8	290.1	53.9
Attributable to non-controlling interests	0.8	-2.3	1.1	-3.3
<b>(Loss) earnings per share</b>				
Average number of shares (in million)	131.1	118.0	131.1	118.0
Basic (loss) earnings per share (in €)	1.17	-0.13	2.21	0.46
Diluted (loss) earnings per share (in €)	1.17	-0.13	2.21	0.46

**Condensed consolidated statement of comprehensive income**

in € million	Q2 2021	Q2 2020	Q1 – Q2 2021	Q1 – Q2 2020
<b>Net (loss) income</b>	<b>154.2</b>	<b>-17.1</b>	<b>291.2</b>	<b>50.6</b>
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>5.4</b>	<b>-157.6</b>	<b>151.0</b>	<b>-49.8</b>
Gains / losses on defined benefit obligation	6.8	-157.6	151.8	-45.5
thereof changes in unrealized gains and losses	10.3	-227.0	215.0	-63.0
thereof tax effect	-3.6	69.4	-63.2	17.6
Changes in unrealized gains / losses on financial investments	-1.4	-0.1	-0.0	-1.7
Changes in unrealized gains / losses from equity-accounted investments	0.0	0.1	-0.7	-2.6
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>-10.5</b>	<b>-21.4</b>	<b>102.9</b>	<b>-53.2</b>
Impact of exchange differences	-16.8	-25.3	103.3	-62.0
thereof changes in unrealized gains and losses	-16.8	-25.3	103.3	-62.0
Gains / losses on hedge reserves	6.3	4.0	-0.7	8.2
thereof changes in unrealized gains and losses	8.3	2.1	1.1	5.5
thereof realized gains (-) and losses (+)	-0.3	0.8	-2.1	2.1
thereof tax effect	-1.6	1.1	0.3	0.7
Changes in unrealized gains / losses from equity-accounted investments	0.0	0.0	0.4	0.6
<b>Other comprehensive (loss) income</b>	<b>-5.1</b>	<b>-179.0</b>	<b>253.9</b>	<b>-103.0</b>
<b>Total comprehensive (loss) income</b>	<b>149.2</b>	<b>-196.1</b>	<b>545.2</b>	<b>-52.4</b>
Attributable to shareholders of KION GROUP AG	147.7	-194.5	542.5	-48.4
Attributable to non-controlling interests	1.5	-1.6	2.6	-4.1



**Condensed consolidated statement of financial position – Assets**

in € million	Jun. 30, 2021	Dec. 31, 2020
Goodwill	3,474.3	3,407.6
Other intangible assets	2,153.7	2,152.0
Leased assets	1,376.3	1,333.3
Rental assets	520.2	529.6
Other property, plant and equipment	1,329.3	1,316.6
Equity-accounted investments	82.4	78.8
Lease receivables	1,271.2	1,199.1
Other financial assets	80.2	75.6
Other assets	101.1	78.8
Deferred taxes	431.5	494.9
<b>Non-current assets</b>	<b>10,820.3</b>	<b>10,666.2</b>
Inventories	1,338.4	1,101.0
Lease receivables	443.1	396.2
Contract assets	330.6	172.1
Trade receivables	1,233.2	1,172.7
Income tax receivables	39.7	54.8
Other financial assets	76.3	77.3
Other assets	173.8	100.9
Cash and cash equivalents	313.8	314.4
<b>Current assets</b>	<b>3,948.9</b>	<b>3,389.4</b>
<b>Total assets</b>	<b>14,769.1</b>	<b>14,055.7</b>

**Condensed consolidated statement of financial position – Equity and liabilities**

in € million	Jun. 30, 2021	Dec. 31, 2020
Subscribed capital	131.1	131.1
Capital reserve	3,826.2	3,825.8
Retained earnings	1,421.0	1,184.6
Accumulated other comprehensive loss	-605.2	-857.6
Non-controlling interests	-12.1	-13.1
<b>Equity</b>	<b>4,761.0</b>	<b>4,270.8</b>
Retirement benefit obligation and similar obligations	1,275.5	1,450.3
Financial liabilities	860.4	1,117.4
Liabilities from lease business	1,810.1	1,715.1
Liabilities from short-term rental business	326.6	353.0
Other provisions	140.9	144.7
Other financial liabilities	418.8	432.1
Other liabilities	213.3	242.9
Deferred taxes	501.4	511.1
<b>Non-current liabilities</b>	<b>5,547.0</b>	<b>5,966.6</b>
Financial liabilities	171.0	77.1
Liabilities from lease business	1,132.0	1,024.2
Liabilities from short-term rental business	155.1	152.6
Contract liabilities	562.0	550.8
Trade payables	1,284.0	910.5
Income tax liabilities	51.6	44.9
Other provisions	175.4	165.5
Other financial liabilities	222.6	214.8
Other liabilities	707.5	677.9
<b>Current liabilities</b>	<b>4,461.2</b>	<b>3,818.3</b>
<b>Total equity and liabilities</b>	<b>14,769.1</b>	<b>14,055.7</b>

**Condensed consolidated statement of cash flows**

in € million	Q1 – Q2 2021	Q1 – Q2 2020
<b>Earnings before interest and tax</b>	<b>414.8</b>	<b>137.6</b>
Amortization, depreciation and impairment minus reversals of impairment on non-current assets without lease and rental assets	199.7	198.5
Depreciation and impairment minus reversals of impairment on lease and rental assets	259.4	261.0
Non-cash reversals of deferred revenue from lease business	–81.2	–95.5
Other non-cash income (–) / expenses (+)	17.7	30.7
Gains (–) / losses (+) on disposal of non-current assets	–2.8	–2.4
Change in leased assets (excluding depreciation) and receivables / liabilities from lease business	–97.7	–87.5
Change in rental assets (excluding depreciation) and liabilities from rental business	–89.0	–92.4
Change in net working capital	–61.7	–205.4
thereof inventories	–217.4	–128.6
thereof trade receivables and trade payables	315.0	–80.9
thereof contract assets and contract liabilities	–159.3	4.1
Cash payments for defined benefit obligations	–11.4	–10.2
Change in other provisions	19.5	–1.4
Change in other operating assets / liabilities	–31.1	–52.8
Taxes paid	–98.5	–82.9
<b>Cash flow from operating activities</b>	<b>437.7</b>	<b>–2.6</b>
Cash payments for purchase of non-current assets	–123.3	–130.0
Cash receipts from disposal of non-current assets	2.8	5.0
Dividends received	5.1	0.7
Acquisition of subsidiaries / other businesses (net of cash acquired)	–12.0	–97.7
Cash receipts / payments for sundry assets	–9.0	5.1
<b>Cash flow from investing activities</b>	<b>–136.3</b>	<b>–217.0</b>

**Condensed consolidated statement of cash flows (continued)**

in € million	Q1 – Q2 2021	Q1 – Q2 2020
Capital increase from issuing of employee shares	0.0	0.3
Dividend of KION GROUP AG	–53.7	0.0
Dividends paid to non-controlling interests	–1.6	0.0
Financing costs paid	–2.2	–7.3
Transaction costs in connection with equity measures	–2.1	0.0
Proceeds from borrowings	85.3	2,113.5
Repayment of borrowings	–249.9	–1,762.4
Interest received	0.7	0.9
Interest paid	–13.7	–16.5
Interest and principal portion from procurement leases	–69.8	–65.6
Cash receipts / payments from other financing activities	–2.9	6.7
<b>Cash flow from financing activities</b>	<b>–309.9</b>	<b>269.6</b>
Effect of exchange rate changes on cash and cash equivalents	7.8	–11.7
<b>Change in cash and cash equivalents</b>	<b>–0.7</b>	<b>38.3</b>
Cash and cash equivalents at the beginning of the period	314.4	211.2
Cash and cash equivalents at the end of the period	313.8	249.5

**Condensed consolidated statement of changes in equity**

in € million	Subscribed capital	Capital reserves	Retained earnings
<b>Balance as at Jan. 1, 2020</b>	<b>118.0</b>	<b>3,034.7</b>	<b>975.2</b>
Net income			53.9
Other comprehensive loss			
<b>Comprehensive loss</b>	<b>0.0</b>	<b>0.0</b>	<b>53.9</b>
Changes from employee share option program	0.0	0.8	
Other changes			3.4
<b>Balance as at Jun. 30, 2020</b>	<b>118.0</b>	<b>3,035.5</b>	<b>1,032.5</b>
<b>Balance as at Jan. 1, 2021</b>	<b>131.1</b>	<b>3,825.8</b>	<b>1,184.6</b>
Net income			290.1
Other comprehensive income			
<b>Comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>290.1</b>
Dividend of KION GROUP AG			-53.7
Dividends paid to non-controlling interests			
Changes from employee share option program	0.0	0.3	
<b>Balance as at Jun. 30, 2021</b>	<b>131.1</b>	<b>3,826.2</b>	<b>1,421.0</b>

## Accumulated other comprehensive loss

	Cumulative translation adjustment	Gains / losses on defined benefit obligation	Gains / losses on hedge reserves	Gains / losses on financial investments	Gains / losses from equity- accounted investments	Equity attributable to share- holders of KION GROUP AG	Non- controlling interests	Total
	-143.5	-399.3	-16.8	0.0	-0.8	3,567.5	-9.2	3,558.4
						53.9	-3.3	50.6
	-61.3	-45.5	8.2	-1.7	-2.0	-102.3	-0.8	-103.0
	-61.3	-45.5	8.2	-1.7	-2.0	-48.4	-4.1	-52.4
						0.8	0.0	0.8
						3.4	1.0	4.4
	-204.7	-444.8	-8.6	-1.6	-2.8	3,523.3	-12.2	3,511.1
	-350.3	-504.9	-1.2	1.6	-2.8	4,284.0	-13.1	4,270.8
						290.1	1.1	291.2
	101.7	151.8	-0.7	-0.0	-0.4	252.4	1.6	253.9
	101.7	151.8	-0.7	-0.0	-0.4	542.5	2.6	545.2
						-53.7	0.0	-53.7
						0.0	-1.6	-1.6
						0.3	0.0	0.3
	-248.6	-353.1	-1.9	1.6	-3.1	4,773.1	-12.1	4,761.0

# Notes to the condensed consolidated interim financial statements

## Basis of presentation

### General information on the Company

KION GROUP AG, whose registered office is at Thea-Rasche-Strasse 8, 60549 Frankfurt am Main, Germany, is registered at the Frankfurt am Main local court under reference HRB 112163.

The condensed consolidated interim financial statements and the interim group management report were prepared by the Executive Board of KION GROUP AG on July 28, 2021.

### Basis of preparation

The condensed consolidated interim financial statements of the KION Group for the six months ended June 30, 2021 have been prepared in line with International Accounting Standard (IAS) 34 'Interim Financial Reporting' and other International Financial Reporting Standards (IFRSs) as adopted by the European Union in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council concerning the application of international accounting standards for interim financial statements. A condensed scope of interim reporting has been prepared in accordance with IAS 34.

All of the IFRSs and the related interpretations (IFRICs / SICs) of the IFRS Interpretations Committee (IFRS IC) that had been issued by the reporting date and that were required to be applied for financial years commencing on or after January 1, 2021 have been applied in preparing these condensed consolidated interim financial statements. These condensed consolidated interim financial statements do not contain all the information and disclosures required of a set of consolidated annual financial statements and should therefore be read in conjunction with the consolidated financial statements prepared for the year ended December 31, 2020.

The reporting currency is the euro. All amounts are disclosed in millions of euros (€ million) unless stated otherwise. Due to rounding effects, addition of the individual amounts shown may result in minor rounding differences to the totals. The percentages shown are calculated on the basis of the respective amounts, rounded to the nearest thousand euros.

## Basis of consolidation

A total of 27 German (December 31, 2020: 26) and 105 foreign (December 31, 2020: 110) subsidiaries were fully consolidated in addition to KION GROUP AG as at June 30, 2021.

In addition, seven associates (December 31, 2020: eight) and three joint ventures (December 31, 2020: two) were consolidated and accounted for using the equity method.

As at June 30, 2021, 56 (December 31, 2020: 51) companies were recognized at amortized cost or at fair value through other comprehensive income.

## Acquisitions

### Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG

On February 1, 2021, the remaining 79.0 percent of the shares in the German dealer Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG and in the general partner JETSCHKE GmbH, both headquartered in Hamburg, were acquired. The other 21.0 percent of the share capital and voting rights in Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG and JETSCHKE GmbH were already held by Linde Material Handling GmbH and accounted for as an associate prior to the acquisition of the shares on February 1, 2021. The purchase consideration for the net assets acquired was €13.9 million. By acquiring Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG, the KION Group has strengthened Linde Material Handling's dealer network. The company is a wholesaler and service provider that specializes in intralogistics equipment, electric and diesel trucks, warehouse trucks, container handlers, heavy-goods handlers, sideloaders, and sweepers.

The equity-accounted carrying amount of the investment in Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG, Hamburg, immediately prior to the acquisition date came to €1.2 million. Remeasurement of the investment of 21.0 percent previously held resulted in a fair value of €3.7 million. The difference of €2.5 million was taken to income and recognized under the share of profit (loss) of equity-accounted investments in the consolidated income statement.

The impact of this acquisition on the consolidated financial statements of KION GROUP AG based on the provisional figures available at the acquisition date is shown in the following table.



**Impact of the acquisition of the Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG**

in € million	Fair value at the acquisition date
Goodwill	8.4
Customer relationships	7.6
Other intangible assets	0.8
Rental / Leased assets	38.0
Lease receivables	23.3
Trade receivables	7.7
Other assets	12.9
<b>Total assets</b>	<b>98.9</b>
Financial liabilities	5.7
Liabilities from lease business	40.5
Liabilities from short-term rental business	15.1
Other liabilities	20.0
<b>Total liabilities</b>	<b>81.3</b>
<b>Total net assets</b>	<b>17.6</b>
Cash payment	13.9
<b>Consideration transferred</b>	<b>13.9</b>
Previously held share of equity (21.0 per cent in Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG, Hamburg)	3.7
<b>Total</b>	<b>17.6</b>

In the first six months of 2021, consolidated revenue rose by €29.1 million and net income for the period by €0.4 million as a result of the acquisition.

If this business combination had been in place since January 1, 2021, this would have had no other material impact on either the revenue or the net income (loss) reported by the KION Group for the first six months of this year.

The purchase price allocation for the acquisition described above was only provisional as at June 30, 2021 because some details, particularly in the area of leases and short-term rentals, had not yet been fully evaluated. Consequently, the recognition and measurement of rental/leased assets, lease receivables, liabilities from the leasing business, liabilities from the short-term rental business, and deferred taxes should be considered provisional.

The line item 'Acquisition of subsidiaries/other businesses (net of cash acquired)' in the consolidated statement of cash flows contains a net cash outflow of €11.9 million for the acquisition of Jetschke. An advance payment of €2.0 million had already been made in December 2020.

## Accounting policies

These condensed consolidated interim financial statements are based on the interim financial statements of the parent company KION GROUP AG and its consolidated subsidiaries prepared in accordance with the standard accounting policies applicable throughout the KION Group. The accounting policies used in these condensed consolidated interim financial statements, as well as the assumptions, are the same as those used for the year ended December 31, 2020.

## Selected notes to the consolidated income statement

### Revenue

The following tables show revenue from contracts with customers, broken down by sales region, product category, timing of revenue recognition, and segment.

#### Disaggregation of revenue with third parties

in € million	Q2 2021			Total
	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	
<b>EMEA</b>	<b>1,307.6</b>	<b>282.1</b>	<b>1.9</b>	<b>1,591.6</b>
Western Europe	1,136.7	264.6	1.9	1,403.2
Eastern Europe	152.5	15.0	0.0	167.5
Middle East and Africa	18.4	2.6	0.0	21.0
<b>Americas</b>	<b>75.4</b>	<b>630.1</b>	<b>0.0</b>	<b>705.6</b>
North America	32.6	626.4	0.0	659.0
Central and South America	42.8	3.7	0.0	46.5
<b>APAC</b>	<b>215.3</b>	<b>80.3</b>	<b>0.0</b>	<b>295.6</b>
China	157.6	16.8	0.0	174.4
APAC excluding China	57.7	63.5	0.0	121.2
<b>Total revenue</b>	<b>1,598.3</b>	<b>992.5</b>	<b>1.9</b>	<b>2,592.8</b>
New business	766.5			766.5
Service business	831.8			831.8
– Aftersales	423.2			423.2
– Rental business	243.8			243.8
– Used trucks	111.6			111.6
– Other	53.1			53.1
Business solutions		804.3		804.3
Service business		188.3		188.3
Corporate Services			1.9	1.9
<b>Total revenue</b>	<b>1,598.3</b>	<b>992.5</b>	<b>1.9</b>	<b>2,592.8</b>
<b>Timing of revenue recognition</b>				
Products and services transferred at a point in time	1,212.9	77.2	0.0	1,290.0
Products and services transferred over a period of time	385.4	915.4	1.9	1,302.7

## Disaggregation of revenue with third parties

in € million	Q2 2020 <sup>1</sup>			
	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Total
<b>EMEA</b>	<b>1,035.8</b>	<b>178.6</b>	<b>1.5</b>	<b>1,215.9</b>
Western Europe	896.2	168.2	1.5	1,065.9
Eastern Europe	122.8	8.0	0.0	130.7
Middle East and Africa	16.8	2.5	0.0	19.3
<b>Americas</b>	<b>65.8</b>	<b>379.7</b>	<b>0.0</b>	<b>445.5</b>
North America	34.7	378.0	0.0	412.6
Central and South America	31.1	1.7	0.0	32.8
<b>APAC</b>	<b>163.4</b>	<b>74.8</b>	<b>0.0</b>	<b>238.3</b>
China	119.2	22.0	0.0	141.2
APAC excluding China	44.3	52.8	0.0	97.1
<b>Total revenue</b>	<b>1,265.0</b>	<b>633.1</b>	<b>1.5</b>	<b>1,899.6</b>
New business	584.2			584.2
Service business	680.8			680.8
– Aftersales	338.1			338.1
– Rental business	220.1			220.1
– Used trucks	82.7			82.7
– Other	39.9			39.9
Business solutions		475.8		475.8
Service business		157.3		157.3
Corporate Services			1.5	1.5
<b>Total revenue</b>	<b>1,265.0</b>	<b>633.1</b>	<b>1.5</b>	<b>1,899.6</b>
<b>Timing of revenue recognition</b>				
Products and services transferred at a point in time	921.5	67.3	0.0	988.8
Products and services transferred over a period of time	343.5	565.8	1.5	910.8

1 Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. In addition, a definitional adjustment was made in the two product categories of the Supply Chain Solutions segment. The 2020 segment figures have been adjusted accordingly.

## Disaggregation of revenue with third parties

					Q1 – Q2 2021
in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Total	
<b>EMEA</b>	<b>2,572.1</b>	<b>524.1</b>	<b>4.4</b>	<b>3,100.5</b>	
Western Europe	2,248.9	493.4	4.4	2,746.7	
Eastern Europe	290.5	24.4	0.0	314.9	
Middle East and Africa	32.6	6.2	0.0	38.8	
<b>Americas</b>	<b>143.3</b>	<b>1,181.2</b>	<b>0.0</b>	<b>1,324.4</b>	
North America	62.3	1,176.6	0.0	1,238.9	
Central and South America	81.0	4.6	0.0	85.6	
<b>APAC</b>	<b>399.1</b>	<b>143.8</b>	<b>0.0</b>	<b>542.9</b>	
China	280.3	26.4	0.0	306.8	
APAC excluding China	118.7	117.4	0.0	236.2	
<b>Total revenue</b>	<b>3,114.4</b>	<b>1,849.1</b>	<b>4.4</b>	<b>4,967.9</b>	
New business	1,484.3			1,484.3	
Service business	1,630.1			1,630.1	
– Aftersales	841.9			841.9	
– Rental business	479.5			479.5	
– Used trucks	211.3			211.3	
– Other	97.4			97.4	
Business solutions		1,490.0		1,490.0	
Service business		359.1		359.1	
Corporate Services			4.4	4.4	
<b>Total revenue</b>	<b>3,114.4</b>	<b>1,849.1</b>	<b>4.4</b>	<b>4,967.9</b>	
<b>Timing of revenue recognition</b>					
Products and services transferred at a point in time	2,355.7	149.2	0.0	2,505.0	
Products and services transferred over a period of time	758.7	1,699.8	4.4	2,462.9	

## Disaggregation of revenue with third parties

Q1 – Q2 2020 <sup>1</sup>				
in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Total
<b>EMEA</b>	<b>2,272.2</b>	<b>348.0</b>	<b>3.0</b>	<b>2,623.1</b>
Western Europe	1,981.3	326.6	3.0	2,310.9
Eastern Europe	259.0	13.8	0.0	272.9
Middle East and Africa	31.8	7.6	0.0	39.4
<b>Americas</b>	<b>145.5</b>	<b>749.9</b>	<b>0.0</b>	<b>895.4</b>
North America	79.4	745.1	0.0	824.5
Central and South America	66.1	4.8	0.0	70.9
<b>APAC</b>	<b>293.2</b>	<b>115.5</b>	<b>0.0</b>	<b>408.8</b>
China	197.6	29.8	0.0	227.4
APAC excluding China	95.6	85.7	0.0	181.3
<b>Total revenue</b>	<b>2,710.9</b>	<b>1,213.5</b>	<b>3.0</b>	<b>3,927.3</b>
New business	1,301.8			1,301.8
Service business	1,409.1			1,409.1
– Aftersales	721.4			721.4
– Rental business	446.0			446.0
– Used trucks	164.6			164.6
– Other	77.1			77.1
Business solutions		878.7		878.7
Service business		334.8		334.8
Corporate Services			3.0	3.0
<b>Total revenue</b>	<b>2,710.9</b>	<b>1,213.5</b>	<b>3.0</b>	<b>3,927.3</b>
<b>Timing of revenue recognition</b>				
Products and services transferred at a point in time	2,012.3	136.5	0.0	2,148.8
Products and services transferred over a period of time	698.6	1,077.0	3.0	1,778.5

1 Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. In addition, a definitional adjustment was made in the two product categories of the Supply Chain Solutions segment. The 2020 segment figures have been adjusted accordingly.

## Share of profit (loss) of equity-accounted investments

The share of profit (loss) of equity-accounted investments amounted to a profit of €10.3 million in the reporting period (H1 2020: loss of €3.6 million).

In the prior-year period, this item had included not only the operating profit/loss of the equity-accounted investments but also an impairment loss of €10.7 million recognized on Linde Hydraulics GmbH & Co. KG, Aschaffenburg.

## Net financial expenses

The net financial expenses, representing the balance of financial income and financial expenses, improved by €27.7 million to €19.2 million in the first six months of this year (H1 2020: €46.9 million).

Of this amount, €13.7 million (H1 2020: €14.1 million) was attributable to interest expense on loan liabilities, promissory notes, and bonds.

Interest income from the leasing business totaling €33.0 million (H1 2020: €28.9 million) related to the interest portion of lease payments in which KION Group entities operate as lessors (in the case of leases classified as finance leases). Interest expense from the leasing and short-term rental business amounting to €25.7 million (H1 2020: €27.6 million) related to liabilities from financing the leasing and short-term rental business.

Interest expense on procurement leases amounted to €6.1 million (H1 2020: €7.0 million).

The net loss in respect of the retirement benefit obligation and similar obligations amounted to €4.8 million in the first six months of 2021 (H1 2020: net loss of €7.0 million).

Currency effects had an aggregate adverse impact on net financial expenses of €3.6 million (H1 2020: €7.8 million).

## Income taxes

Income taxes for the current reporting period are recognized on the basis of the expected income tax rate for the full year.

## Selected notes to the consolidated statement of financial position

### Goodwill and other intangible assets

Goodwill amounted to €3,474.3 million as at June 30, 2021 (December 31, 2020: €3,407.6 million). Based on the provisional purchase price allocation, the acquisition of German dealer Hans Joachim Jetschke Industriefahrzeuge (GmbH & Co.) KG resulted in an €8.4 million increase in goodwill. Currency effects of €58.3 million also caused goodwill to increase.

As at June 30, 2021, the value of the brand names stood at €939.4 million and the total carrying amount for technology and development assets at €660.2 million (December 31, 2020: €939.1 million and €656.5 million respectively).

At €554.1 million, sundry other intangible assets were €2.2 million below their carrying amount as at December 31, 2020 of €556.3 million and were primarily in connection with customer relationships.

### Other property, plant and equipment

Other property, plant and equipment totaled €1,329.3 million (December 31, 2020: €1,316.6 million) and included a figure of €489.1 million for right-of-use assets related to procurement leases (December 31, 2020: €492.5 million). Of this figure, €372.0 million was attributable to land and buildings (December 31, 2020: €375.0 million) and €117.1 million to plant & machinery and office furniture & equipment (December 31, 2020: €117.5 million).

### Inventories

The reported inventories break down as follows:

#### Inventories

in € million	Jun. 30, 2021	Dec. 31, 2020
Materials and supplies	334.0	280.5
Work in progress	259.3	162.2
Finished goods and merchandise	687.4	618.7
Advances paid	57.8	39.5
<b>Total inventories</b>	<b>1,338.4</b>	<b>1,101.0</b>

Write-downs of €2.7 million were recognized on inventories in the second quarter of 2021 (Q2 2020: €11.1 million) and of €10.5 million in the first six months of 2021 (H1 2020: €17.3 million). Reversals



of write-downs had to be recognized in the amount of €1.0 million in the second quarter of 2021 (Q2 2020: €2.2 million) and in the amount of €3.8 million in the first six months of 2021 (H1 2020: €4.5 million) because the reasons for the write-downs no longer applied.

## Trade receivables

The trade receivables break down as follows:

### Trade receivables

in € million	Jun. 30, 2021	Dec. 31, 2020
Receivables from third parties	1,216.5	1,165.5
Receivables from third parties measured at fair value through profit or loss (FVPL)	21.2	21.6
Trade receivables from non-consolidated subsidiaries, equity-accounted investments and other investments	51.3	43.4
Valuation allowances for trade receivables	-55.7	-57.9
<b>Total trade receivables</b>	<b>1,233.2</b>	<b>1,172.7</b>

## Equity

As at June 30, 2021, the Company's share capital amounted to €131.2 million, which was unchanged on December 31, 2020 and was fully paid up. It was divided into 131,198,647 no-par-value shares.

The total number of shares outstanding as at June 30, 2021 was 131,086,470 no-par-value shares (December 31, 2020: 131,086,470 no-par-value shares). At the reporting date, KION GROUP AG held 112,177 treasury shares (December 31, 2020: 112,177).

The distribution of a dividend of €0.41 per share to the shareholders of KION GROUP AG resulted in an outflow of funds of €53.7 million in May 2021. In 2020, a dividend of €0.04 per dividend-bearing share – a total of €4.7 million – was decided upon in light of the coronavirus pandemic and the unpredictability of its likely impact. This dividend was paid in July 2020.

## Retirement benefit obligation and similar obligations

For the purposes of the interim report, a qualified estimate of the defined benefit obligation was made on the basis of the change in actuarial parameters in the period under review.

The retirement benefit obligation and similar obligations were lower than they had been at the end of 2020 owing to actuarial gains that resulted from higher discount rates in all three currency areas. The present value of the defined benefit obligation was calculated on the basis of the discount rates shown in the following table.

### Discount rate

	Jun. 30, 2021	Dec. 31, 2020
Germany	1.15%	0.65%
UK	1.75%	1.25%
Other (weighted average)	1.94%	1.59%

The change in estimates relating to defined benefit pension entitlements resulted in a €151.8 million increase in equity as at June 30, 2021 (after deferred taxes). Overall, the net obligation under defined benefit pension plans fell to €1,205.9 million (December 31, 2020: €1,400.0 million). This consisted of €1,275.5 million recognized under the retirement benefit obligation and similar obligations (December 31, 2020: €1,450.3 million) less an amount of €69.6 million (December 31, 2020: €50.4 million) recognized under other non-current assets.

## Financial liabilities

The non-current and current financial liabilities totaling €1,031.4 million (December 31, 2020: €1,194.5 million) included promissory notes amounting to €419.2 million as at June 30, 2021 (December 31, 2020: €590.0 million). The variable-rate tranche of the promissory note that matures in April 2024 and has a nominal value of €167.0 million was repaid ahead of schedule on April 30, 2021.

A corporate bond of €495.0 million (December 31, 2020: €494.5 million) and liabilities to banks of €84.3 million (December 31, 2020: €77.1 million) were also included under financial liabilities.

## Liabilities from leasing business

Non-current and current liabilities from the leasing business totaled €2,942.1 million (December 31, 2020: €2,739.3 million) and could be broken down into a sum of €2,707.0 million (December 31, 2020: €2,483.6 million) that related to the financing of the direct leasing business and a sum of

€235.1 million (December 31, 2020: €255.7 million) that related to repurchase obligations resulting from the indirect leasing business.

### Liabilities from lease business

in € million	Jun. 30, 2021	Dec. 31, 2020
<b>Non-current liabilities from lease business</b>	<b>1,810.1</b>	<b>1,715.1</b>
thereof from sale and leaseback sub-lease transactions	792.7	788.4
thereof from lease facilities	5.6	5.9
thereof from asset-backed securities	842.5	734.2
thereof from repurchase obligations (indirect lease business)	169.4	186.5
<b>Current liabilities from lease business</b>	<b>1,132.0</b>	<b>1,024.2</b>
thereof from sale and leaseback sub-lease transactions	347.2	336.6
thereof from lease facilities <sup>1</sup>	461.0	405.4
thereof from asset-backed securities	258.1	213.1
thereof from repurchase obligations (indirect lease business)	65.7	69.2

<sup>1</sup> Includes liabilities previously reported under liabilities from financial services (other)

Liabilities arising from sale and leaseback sub-lease transactions included liabilities of €168.7 million (December 31, 2020: €242.2 million) that related to sale and leaseback sub-lease transactions entered into up to December 31, 2017.

Liabilities from securitizations included notes of €623.2 million (December 31, 2020: €519.8 million) issued by K-Lift S.A., Luxembourg.

### Liabilities from the short-term rental business

Non-current and current liabilities from the short-term rental business totaled €481.7 million (December 31, 2020: €505.6 million) and related to the financing of industrial trucks for the short-term rental fleet.

Included in this amount were liabilities of €65.2 million (December 31, 2020: €94.2 million) that related to sale and leaseback sub-lease transactions entered into up to December 31, 2017.

### Contract balances

Contract assets rose by €158.5 million to €330.6 million as at June 30, 2021 (December 31, 2020: €172.1 million). The assets mainly related to work under project business contracts that has not yet been invoiced.

Of the contract liabilities, €429.1 million was attributable to project business contracts with a net debit balance due to customers as at the reporting date (December 31, 2020: €439.2 million) and €132.9 million to prepayments received from customers (December 31, 2020: €111.6 million). The contract liabilities related to services that are still to be provided but for which payments from customers have been received.

## Other financial liabilities

Non-current and current other financial liabilities totaled €641.4 million (December 31, 2020: €646.9 million) and included a figure of €523.0 million for liabilities from procurement leases (December 31, 2020: €527.0 million).

## Other disclosures

### Consolidated statement of cash flows

Free cash flow – the sum of cash flow from operating activities (€437.7 million; H1 2020: minus €2.6 million) and investing activities (minus €136.3 million; H1 2020: minus €217.0 million) – amounted to €301.5 million in the first six months of 2021 (H1 2020: minus €219.6 million).

### Contingent liabilities and other financial obligations

As at June 30, 2021, contingent liabilities included guarantees and indemnities of €122.1 million (December 31, 2020: €103.3 million).

The other financial commitments totaling €192.5 million (December 31, 2020: €176.7 million) included purchase commitments of €115.3 million under long-term license and maintenance agreements (December 31, 2020: €117.9 million), commitments of €75.9 million for capital expenditure on non-current assets (December 31, 2020: €57.6 million), and future payment commitments of €1.3 million to related parties (December 31, 2020: €1.3 million).

## Information on financial instruments

The carrying amounts and fair values of financial assets and liabilities in accordance with IFRS 7 are shown in the following table.

### Carrying amounts and fair values broken down by class

in € million	Jun. 30, 2021		Dec. 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Lease receivables <sup>1</sup>	1,714.3	1,715.2	1,595.3	1,599.0
Trade receivables	1,233.2	1,233.2	1,172.7	1,172.7
Other financial assets	156.5	156.5	152.9	152.9
thereof financial investments	39.1	39.1	37.5	37.5
thereof financial receivables	22.7	22.7	18.2	18.2
thereof other financial investments	25.5	25.5	23.7	23.7
thereof sundry financial assets	57.6	57.6	56.0	56.0
thereof derivative financial instruments	11.6	11.6	17.5	17.5
Cash and cash equivalents	313.8	313.8	314.4	314.4
<b>Financial liabilities</b>				
Financial liabilities	1,031.4	1,072.2	1,194.5	1,208.0
thereof promissory notes	419.2	427.5	590.0	597.6
thereof bonds	495.0	527.6	494.5	500.4
thereof liabilities to banks	84.3	84.3	77.1	77.1
thereof sundry financial liabilities	32.8	32.8	32.9	32.9
Liabilities from lease business	2,773.4	2,791.2	2,497.0	2,512.8
Liabilities from lease business <sup>1</sup>	168.7	170.0	242.2	244.2
Liabilities from short-term rental business	416.5	422.4	411.4	416.9
Liabilities from short-term rental business <sup>1</sup>	65.2	65.8	94.2	95.0
Trade payables	1,284.0	1,284.0	910.5	910.5
Other financial liabilities	641.4	647.0	646.9	656.1
thereof liabilities from procurement leases <sup>1</sup>	523.0	528.6	527.0	536.3
thereof sundry other financial liabilities and liabilities from accrued interest	99.7	99.7	103.2	103.2
thereof derivative financial instruments	18.7	18.7	16.6	16.6

<sup>1</sup> as defined by IFRS 16

## Fair value measurement

The following tables show the assignment of fair values to the individual levels as defined by IFRS 13 for financial instruments measured at fair value.

### Financial instruments measured at fair value

in € million	Fair Value Hierarchy			Jun. 30, 2021
	Level 1	Level 2	Level 3	
<b>Financial assets</b>				<b>97.3</b>
thereof financial investments	2.5		36.6	39.1
thereof other financial investments		25.5		25.5
thereof trade receivables		21.2		21.2
thereof derivative financial instruments		11.6		11.6
<b>Financial liabilities</b>				<b>18.7</b>
thereof derivative financial instruments		18.7		18.7

### Financial instruments measured at fair value

in € million	Fair Value Hierarchy			Dec. 31, 2020
	Level 1	Level 2	Level 3	
<b>Financial assets</b>				<b>100.4</b>
thereof financial investments	2.5		35.0	37.5
thereof other financial investments		23.7		23.7
thereof trade receivables		21.6		21.6
thereof derivative financial instruments		17.5		17.5
<b>Financial liabilities</b>				<b>16.6</b>
thereof derivative financial instruments		16.6		16.6

Level 1 comprised the financial investment in Balyo SA, for which the fair value was calculated using prices quoted in an active market.

The fair value of other financial investments was determined using prices quoted in an active market and other observable inputs. They were assigned to Level 2.

Trade receivables, which are recognized at fair value through profit or loss, were assigned to Level 2. Their fair value was calculated using the transaction price achievable in an active market. The biggest influence on the transaction price is the default risk of the counterparty.

Derivatives (currency forwards and interest-rate swaps) were also classified as Level 2. Their fair value was determined using appropriate valuation methods on the basis of the observable market information at the reporting date. The default risk for the Group and for the counterparty was taken into account on the basis of gross figures. The fair value of the currency forwards was calculated using the discounting method and applying forward rates as at the reporting date. The fair value of interest-rate swaps was calculated as the present value of the future cash flows. Both contractually agreed payments and forward interest rates were used to calculate the cash flows, which were then discounted on the basis of a yield curve that is observable in the market. In order to eliminate default risk to the greatest possible extent, the KION Group only enters into derivatives with investment-grade counterparties.

Level 3 essentially comprised the financial investment in Shanghai Quicktron Intelligent Technology Co., Ltd. and Zhejiang EP Equipment Co., Ltd. The fair value was determined using appropriate valuation methods that drew on observable inputs to the greatest possible extent.

If events or changes in circumstances make it necessary to reclassify financial instruments to a different level, this is done at the end of a reporting period.

## Variable remuneration

### KEEP Employee Equity Program

As at June 30, 2021, KION Group employees held options on a total of 40,172 no-par-value shares (December 31, 2020: 40,529). The total number of bonus shares granted therefore declined by 357 forfeited bonus shares in the first six months of 2021. A pro rata expense of €0.3 million was recognized for bonus shares in the first half of 2021 (H1 2020: €0.4 million).

### 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. At the beginning of the performance period on January 1, 2021, the managers were allocated a total of 205,142 phantom shares for this tranche. The allocation was based on a particular percentage of each manager's individual gross annual remuneration at the time of grant.

In March 2021, the 2018 tranche was paid 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 this share-based remuneration was €29.2 million as at June 30, 2021 (December 31, 2020: €17.3 million). Of this amount, €18.2 million related to the 2019 tranche (December 31, 2020: €9.4 million), €8.6 million to the 2020 tranche (December 31, 2020: €4.4 million), and €2.4 million to the 2021 tranche. As at December 31, 2020, there had also been an amount of €3.5 million relating to the 2018 tranche.



## 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. At the beginning of the performance period on January 1, 2021, the Executive Board members were allocated a total of 85,081 phantom shares for this tranche 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.

In connection with the arrangement of the KfW liquidity line, the Executive Board forewent its variable remuneration for 2020 (2018 tranche).

The total carrying amount for liabilities in connection with this share-based remuneration was €11.8 million as at June 30, 2021 (December 31, 2020: €5.2 million). Of this amount, €7.4 million related to the 2019 tranche (December 31, 2020: €3.8 million), €2.9 million to the 2020 tranche (December 31, 2020: €1.4 million), and €1.5 million to the 2021 tranche.

## Segment report

The Executive Board, as the chief operating decision-maker (CODM), manages the KION Group on the basis of the following segments: Industrial Trucks & Services, Supply Chain Solutions, and Corporate Services. The segments have been defined in accordance with the KION Group's organizational and strategic focus.

The KPIs used to manage the segments are order intake, revenue, and adjusted EBIT. Segment reporting therefore includes a reconciliation of externally reported consolidated earnings before interest and tax (EBIT) – including effects from purchase price allocations and non-recurring items – to the adjusted EBIT for the segments.

Since January 1, 2021, the Industrial Trucks & Services segment has consisted of three Operating Units: KION ITS EMEA, KION ITS APAC, and KION ITS Americas. As part of this reorganization and based on the internal management structure, the logistics services companies were transferred from the Corporate Services segment to the Industrial Trucks & Services operating segment.

The following tables show information on the KION Group's operating segments for the second quarter of 2021 and 2020 and for the first half of 2021 and 2020.

## Segment report Q2 2021

in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Consoli- dation / Reconci- liation	Total
Revenue from external customers	1,598.3	992.5	1.9	–	2,592.8
Intersegment revenue	2.7	4.0	39.7	–46.4	–
Total revenue	1,601.0	996.5	41.6	–46.4	2,592.8
<b>Earnings before tax</b>	<b>137.6</b>	<b>96.9</b>	<b>–0.6</b>	<b>–21.8</b>	<b>212.1</b>
Net financial expenses	–2.2	–6.6	–0.3	–	–9.2
<b>EBIT</b>	<b>139.8</b>	<b>103.6</b>	<b>–0.2</b>	<b>–21.8</b>	<b>221.3</b>
+ Non-recurring items	7.4	1.6	–3.9	–	5.0
+ PPA items	0.5	20.4	0.0	–	20.9
<b>= Adjusted EBIT</b>	<b>147.6</b>	<b>125.5</b>	<b>–4.2</b>	<b>–21.8</b>	<b>247.2</b>
Capital expenditure <sup>1</sup>	45.9	15.3	4.1	–	65.3
Amortization and depreciation <sup>2</sup>	34.2	10.1	3.6	–	47.9
Order intake	2,220.7	1,038.9	41.6	–45.9	3,255.4

1 Capital expenditure including capitalized development costs, excluding right-of-use assets

2 On intangible assets and property, plant and equipment (excluding right-of-use assets and PPA items)

**Segment report Q2 2020<sup>1</sup>**

in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Consoli- dation / Reconci- liation	Total
Revenue from external customers	1,265.0	633.1	1.5	–	1,899.6
Intersegment revenue	2.5	1.5	38.3	–42.4	–
Total revenue	1,267.5	634.6	39.8	–42.4	1,899.6
<b>Earnings before tax</b>	<b>–14.5</b>	<b>23.7</b>	<b>12.7</b>	<b>–25.6</b>	<b>–3.7</b>
Net financial expenses	–11.2	–7.3	–2.8	–	–21.2
<b>EBIT</b>	<b>–3.4</b>	<b>31.0</b>	<b>15.5</b>	<b>–25.6</b>	<b>17.5</b>
+ Non-recurring items	20.0	–0.1	0.7	–	20.6
+ PPA items	0.2	22.5	0.0	–	22.7
<b>= Adjusted EBIT</b>	<b>16.8</b>	<b>53.4</b>	<b>16.1</b>	<b>–25.6</b>	<b>60.7</b>
Capital expenditure <sup>2</sup>	33.0	12.0	4.1	–	49.0
Amortization and depreciation <sup>3</sup>	33.2	10.7	4.0	–	47.9
Order intake	1,264.8	1,057.6	39.8	–42.8	2,319.3

1 Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. The segment figures and Consolidation / Reconciliation 2020 have been adjusted accordingly.

2 Capital expenditure including capitalized development costs, excluding right-of-use assets

3 On intangible assets and property, plant and equipment (excluding right-of-use assets and PPA items)

## Segment report Q1 – Q2 2021

in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Consoli- dation / Reconci- liation	Total
Revenue from external customers	3,114.4	1,849.1	4.4	–	4,967.9
Intersegment revenue	5.3	8.1	80.9	–94.3	–
Total revenue	3,119.7	1,857.2	85.3	–94.3	4,967.9
<b>Earnings before tax</b>	<b>263.2</b>	<b>170.0</b>	<b>–14.2</b>	<b>–23.4</b>	<b>395.6</b>
Net financial expenses	–7.7	–14.1	2.6	–	–19.2
<b>EBIT</b>	<b>270.9</b>	<b>184.1</b>	<b>–16.8</b>	<b>–23.4</b>	<b>414.8</b>
+ Non-recurring items	6.9	2.2	–3.6	–	5.5
+ PPA items	0.8	41.0	0.0	–	41.8
<b>= Adjusted EBIT</b>	<b>278.6</b>	<b>227.3</b>	<b>–20.4</b>	<b>–23.4</b>	<b>462.2</b>
Segment assets	11,223.5	5,624.7	1,918.9	–3,998.0	14,769.1
Segment liabilities	7,901.0	2,615.0	3,489.8	–3,997.7	10,008.1
Capital expenditure <sup>1</sup>	89.0	26.8	7.5	–	123.3
Amortization and depreciation <sup>2</sup>	68.7	20.6	7.0	–	96.3
Order intake	4,021.1	1,868.8	85.3	–93.5	5,881.7
Order book	2,264.6	3,150.3	–	–5.9	5,409.0
Number of employees <sup>3</sup>	26,550	10,190	978	–	37,718

1 Capital expenditure including capitalized development costs, excluding right-of-use assets

2 On intangible assets and property, plant and equipment (excluding right-of-use assets and PPA items)

3 Number of employees (full-time equivalents) as at Jun. 30, 2021; allocation according to the contractual relationships

## Segment report Q1 – Q2 2020<sup>1</sup>

in € million	Industrial Trucks & Services	Supply Chain Solutions	Corporate Services	Consoli- dation / Reconci- liation	Total
Revenue from external customers	2,710.9	1,213.5	3.0	–	3,927.3
Intersegment revenue	3.9	2.4	76.2	–82.5	–
Total revenue	2,714.8	1,215.8	79.2	–82.5	3,927.3
<b>Earnings before tax</b>	<b>69.7</b>	<b>53.3</b>	<b>–6.4</b>	<b>–25.8</b>	<b>90.8</b>
Net financial expenses	–24.7	–13.5	–8.8	–	–46.9
<b>EBIT</b>	<b>94.4</b>	<b>66.7</b>	<b>2.4</b>	<b>–25.8</b>	<b>137.6</b>
+ Non-recurring items	20.0	1.0	1.3	–	22.3
+ PPA items	0.4	44.4	0.0	–	44.8
<b>= Adjusted EBIT</b>	<b>114.8</b>	<b>112.1</b>	<b>3.7</b>	<b>–25.8</b>	<b>204.8</b>
Segment assets	10,444.7	5,392.7	1,965.3	–3,780.2	14,022.6
Segment liabilities	7,532.1	2,448.9	4,310.5	–3,780.0	10,511.5
Capital expenditure <sup>2</sup>	98.7	22.4	9.0	–	130.0
Amortization and depreciation <sup>3</sup>	65.4	20.2	8.0	–	93.6
Order intake	2,663.4	1,743.9	79.2	–86.4	4,400.1
Order book	1,276.0	2,713.9	–	–15.5	3,974.4
Number of employees <sup>4</sup>	26,399	8,271	908	–	35,578

1 Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. The segment figures and Consolidation / Reconciliation 2020 have been adjusted accordingly.

2 Capital expenditure including capitalized development costs, excluding right-of-use assets

3 On intangible assets and property, plant and equipment (excluding right-of-use assets and PPA items)

4 Number of employees (full-time equivalents) as at Jun. 30, 2020; allocation according to the contractual relationships

In the first six months of 2021, revenue of €897.4 million (H1 2020: €434.1 million) was generated from one single external customer and predominantly in the Supply Chain Solutions segment.

Non-recurring items amounted to an expense of €5.5 million in the first six months of 2021. They were mainly attributable to the Industrial Trucks & Services segment and related in part to the capacity and structural program. The expense for the prior-year period of €22.3 million had included an impairment charge on the stake held in Linde Hydraulics GmbH & Co. KG, the effects of restructuring the sales organization in the United Kingdom, and other items.

## Related party disclosures

In addition to its relationship with subsidiaries included in the condensed consolidated interim financial statements, the KION Group has direct or indirect business relationships with a number of non-consolidated subsidiaries, associates and joint ventures, and other related parties in the course of its ordinary business activities. The related parties that are solely or jointly controlled by the KION Group or over which significant influence can be exercised are included in the list of shareholdings as at December 31, 2020.

Another related party is Weichai Power Co., Ltd., Weifang, People's Republic of China, which indirectly held a 45.2 percent stake in KION GROUP AG via Weichai Power (Luxembourg) Holding S.à r.l., Luxembourg ('Weichai Power') as at June 30, 2021 (December 31, 2020: 45.2 percent). The distribution of a dividend of €0.41 per share to Weichai Power resulted in an outflow of funds from KION GROUP AG of €24.3 million. In 2020, a dividend of €0.04 per dividend-bearing share was decided upon and Weichai Power's share of €2.1 million was paid in July 2020.

The revenue that the KION Group generated in the second quarter of 2021 and in the first half of 2021 from selling goods and services to related parties is shown in the following table along with the receivables that were outstanding at the reporting date.

### Related party disclosures: receivables and sales

in € million	Receivables		Sales of goods and services			
	Jun. 30, 2021	Dec. 31, 2020	Q2 2021	Q2 2020	Q1 – Q2 2021	Q1 – Q2 2020
Non-consolidated subsidiaries	16.5	16.6	5.6	6.3	11.9	12.0
Associates (equity-accounted)	31.6	29.6	32.1	29.6	65.3	70.1
Joint ventures (equity-accounted)	7.4	1.4	11.3	7.0	20.8	17.1
Other related parties <sup>1</sup>	21.4	15.9	9.2	5.5	17.6	10.8
<b>Total</b>	<b>77.0</b>	<b>63.5</b>	<b>58.2</b>	<b>48.4</b>	<b>115.6</b>	<b>109.9</b>

<sup>1</sup> The figures for 'other related parties' include transactions with Weichai Power and its affiliated companies

The goods and services obtained from related parties in the second quarter of 2021 and in the first half of 2021 are shown in the following table along with the liabilities that were outstanding at the reporting date.

### Related party disclosures: liabilities and purchases

in € million	Liabilities		Purchases of goods and services			
	Jun. 30, 2021	Dec. 31, 2020	Q2 2021	Q2 2020	Q1 – Q2 2021	Q1 – Q2 2020
Non-consolidated subsidiaries	9.3	9.1	5.6	1.8	11.2	6.4
Associates (equity-accounted)	13.5	7.1	24.1	29.1	52.9	51.1
Joint ventures (equity-accounted)	91.2	89.1	12.1	22.6	30.7	35.7
Other related parties <sup>1</sup>	13.0	2.2	18.6	10.8	32.3	19.2
<b>Total</b>	<b>127.1</b>	<b>107.6</b>	<b>60.3</b>	<b>64.4</b>	<b>127.1</b>	<b>112.4</b>

<sup>1</sup> The figures for 'other related parties' include transactions with Weichai Power and its affiliated companies

The exemption for government-related entities was applied. There were no transactions that were significant, either individually or taken together, between the KION Group and companies with which the KION Group is closely associated solely because of its relationship with Shandong Heavy Industry Group Co., Ltd, Jinan, People's Republic of China.

## Material events after the reporting date

On July 13, 2021, KION Group entered into an agreement with the sellers to acquire 49.0 percent of the share capital and voting rights in a leading provider of warehouse and supply chain automation in India. The plan set out in the agreement is for the KION Group to then acquire the remaining 51.0 percent of the shares in two further tranches by 2025.

The KION Group's total investment over time is expected to amount to a high double digit million euro amount.

Completion of the transaction is subject to approval by the authorities in India.

Frankfurt am Main, July 28, 2021

The Executive Board



Gordon Riske



Anke Groth



Hasan Dandashly



Andreas Krininger



Dr. Henry Puhl



Ching Pong Quek



# Review report

To the KION GROUP AG, Frankfurt am Main

We have reviewed the condensed interim consolidated financial statements of the KION GROUP AG, Frankfurt am Main, comprising the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and selected explanatory notes, together with the interim group management report of the KION GROUP AG, Frankfurt am Main, for the period from 1 January to 30 June 2021, that are part of the semi annual financial report pursuant to § 115 WpHG (Wertpapierhandelsgesetz: German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with those International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review such that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with those IFRSs applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statements audit. Since, in accordance with our engagement, we have not performed a financial statements audit, we cannot issue an auditor's report.

Based on our review no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements of the KION GROUP AG, Frankfurt am Main, have not been prepared, in material respects, in accordance with those IFRSs applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Frankfurt am Main, July 28, 2021

## **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 interim financial reporting, the condensed consolidated interim financial statements give a true and fair view of the financial position and financial performance of the Group, and the interim group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Frankfurt am Main, July 28, 2021

The Executive Board



Gordon Riske



Anke Groth



Hasan Dandashly



Andreas Krinninger



Dr. Henry Puhl



Ching Pong Quek

# Quarterly information

## Quarterly information<sup>1</sup>

in € million	Q2 2021	Q1 2021	Q4 2020 <sup>2</sup>	Q3 2020 <sup>2</sup>	Q2 2020 <sup>2</sup>	Q1 2020 <sup>2</sup>
<b>Order intake</b>	<b>3,255.4</b>	<b>2,626.3</b>	<b>2,727.1</b>	<b>2,315.3</b>	<b>2,319.3</b>	<b>2,080.8</b>
Industrial Trucks & Services	2,220.7	1,800.4	1,707.1	1,426.3	1,264.8	1,398.7
Supply Chain Solutions	1,038.9	829.8	1,022.9	887.6	1,057.6	686.3
<b>Total revenue</b>	<b>2,592.8</b>	<b>2,375.1</b>	<b>2,341.4</b>	<b>2,072.9</b>	<b>1,899.6</b>	<b>2,027.7</b>
Industrial Trucks & Services	1,601.0	1,518.7	1,598.3	1,410.3	1,267.5	1,447.3
Supply Chain Solutions	996.5	860.7	747.3	664.0	634.6	581.2
<b>Gross profit (adjusted)</b>	<b>659.3</b>	<b>624.8</b>	<b>573.0</b>	<b>543.8</b>	<b>429.5</b>	<b>553.3</b>
Industrial Trucks & Services	444.0	433.3	395.5	391.8	296.0	407.4
Supply Chain Solutions	214.9	188.1	176.6	148.3	131.9	144.7
<b>Selling expenses and administrative expenses (adjusted)</b>	<b>-380.7</b>	<b>-372.6</b>	<b>-344.0</b>	<b>-344.4</b>	<b>-333.7</b>	<b>-365.3</b>
Industrial Trucks & Services	-277.9	-279.1	-256.7	-262.4	-253.2	-279.4
Supply Chain Solutions	-78.0	-73.0	-73.3	-69.2	-67.6	-71.5
<b>Research and development costs (adjusted)</b>	<b>-45.7</b>	<b>-40.5</b>	<b>-40.6</b>	<b>-35.7</b>	<b>-39.5</b>	<b>-38.1</b>
Industrial Trucks & Services	-32.8	-28.5	-29.7	-27.6	-30.3	-28.2
Supply Chain Solutions	-11.6	-10.6	-12.0	-9.5	-10.4	-10.6
<b>Other costs (adjusted)</b>	<b>14.4</b>	<b>3.3</b>	<b>-5.4</b>	<b>-4.6</b>	<b>4.5</b>	<b>-5.9</b>
Industrial Trucks & Services	14.3	5.3	-7.1	-7.3	4.3	-1.8
Supply Chain Solutions	0.2	-2.8	2.2	2.3	-0.5	-3.9
<b>Adjusted EBIT</b>	<b>247.2</b>	<b>215.0</b>	<b>183.0</b>	<b>159.1</b>	<b>60.7</b>	<b>144.0</b>
Industrial Trucks & Services	147.6	131.0	102.0	94.6	16.8	98.0
Supply Chain Solutions	125.5	101.7	93.5	71.9	53.4	58.7
<b>Adjusted EBIT margin</b>	<b>9.5%</b>	<b>9.1%</b>	<b>7.8%</b>	<b>7.7%</b>	<b>3.2%</b>	<b>7.1%</b>
Industrial Trucks & Services	9.2%	8.6%	6.4%	6.7%	1.3%	6.8%
Supply Chain Solutions	12.6%	11.8%	12.5%	10.8%	8.4%	10.1%
<b>Adjusted EBITDA</b>	<b>457.7</b>	<b>421.9</b>	<b>396.8</b>	<b>367.3</b>	<b>268.4</b>	<b>351.0</b>
Industrial Trucks & Services	335.6	315.2	292.7	279.0	200.5	282.6
Supply Chain Solutions	141.5	118.0	109.4	87.5	70.2	74.0
<b>Adjusted EBITDA margin</b>	<b>17.7%</b>	<b>17.8%</b>	<b>16.9%</b>	<b>17.7%</b>	<b>14.1%</b>	<b>17.3%</b>
Industrial Trucks & Services	21.0%	20.8%	18.3%	19.8%	15.8%	19.5%
Supply Chain Solutions	14.2%	13.7%	14.6%	13.2%	11.1%	12.7%

1 Adjusted figures include adjustments for PPA items and non-recurring items

2 Effective January 1, 2021, the logistics service companies were transferred from the Corporate Services segment to the Industrial Trucks & Services segment. The 2020 segment figures have been adjusted accordingly.

## Disclaimer

### Forward-looking statements

This interim report contains forward-looking statements that relate to the current plans, objectives, forecasts and estimates of the management of KION GROUP AG. These statements only take into account information that was available up to and including the date that this interim report was prepared. The management of KION GROUP AG makes no guarantee that these forward-looking statements will prove to be right. The future development of KION GROUP AG and its subsidiaries and the results that are actually achieved are subject to a variety of risks and uncertainties that could cause actual events or results to differ significantly from those reflected in the forward-looking statements. Many of these factors are beyond the control of KION GROUP AG and its subsidiaries and therefore cannot be precisely predicted. Such factors include, but are not limited to, changes in economic conditions (including those triggered by the coronavirus pandemic) and the competitive situation, changes in national and international law, interest-rate or exchange-rate fluctuations, legal disputes and investigations, and the availability of funds. These and other risks and uncertainties are set forth in the 2020 group management report, which has been combined with the Company's management report, and in this interim report. However, other factors could also have an adverse effect on our business performance and our results. KION GROUP AG neither assumes any separate obligation to update forward-looking statements or to change such statements to reflect events or developments that occur after the publication of this interim report, nor does it intend to do so.

### Rounding

Certain numbers in this interim report have been rounded to the nearest whole number. There may therefore be discrepancies between the actual totals of the individual amounts in the tables and the totals shown as well as between the numbers in the tables and the numbers given in the corresponding analyses in the text of the interim report. All percentage changes and key figures were calculated using the underlying data in thousands of euros (€ thousand).

## Financial calendar

### October 26, 2021

Quarterly statement for the period ended September 30, 2021 (Q3 2021), conference call for analysts

### November 3, 2021

Event for investors and analysts

### March 3, 2022

Publication of 2021 annual report, financial statements press conference, and conference call for analysts

### April 28, 2022

Quarterly statement for the period ended March 31, 2022 (Q1 2022), conference call for analysts

Subject to change without notice

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This annual report is available in German and English at [www.kiongroup.com](http://www.kiongroup.com). The content of the German version is authoritative.



[kiongroup.com/ir](http://kiongroup.com/ir)

We keep

the world moving.

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