

# KION<sup>+</sup>

GROUP



## We keep the world moving.

## Investor Relations Presentation

July 2024



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1. **Company Overview**
  - I. **KION Group at a Glance**
  - II. Market Development and Business Drivers
  - III. Industrial Trucks & Services
  - IV. Supply Chain Solutions
2. Synergies and Combined Activities
  - I. A New Era in APAC
  - II. Mobile Automation
3. Sustainability / ESG
4. Appendix

# KION Group at a Glance

## One of the world leaders in industrial trucks and supply chain solutions

### Joint Offering

- Industrial trucks
- Automated warehouse solutions
- Services



€10.9bn

€11.4bn

### #1 & #2

#1 in industrial trucks in EMEA<sup>1</sup>  
Global #2 in industrial trucks<sup>2</sup>

€791m / 6.9%

### #1

#1 in supply chain solutions globally<sup>3</sup>

>42,000

Order intake in FY 2023



Revenue in FY 2023



Adj. EBIT and margin in FY 2023

Employees as of Dec 31<sup>st</sup>, 2023

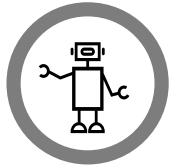


1. Based on units sold in 2022 (source: Interact Analysis, Global Forklift Market 2023) 2. Based on revenue in 2022 (source: Modern Material Handling; Top 20 lift truck suppliers 2022, August 2023)  
3. Based on revenue in 2022 for Dematic - source: Interact Analysis, The Future of Warehouse Automation 2023 (incl. hardware, software and maintenance/servicing provided by systems integrators, excl. airport baggage handling)

# KION Group at a Glance

## A truly global player with a well-balanced portfolio

### Global Footprint



**~2,100**  
sales and service  
locations<sup>1</sup>

Present in  
**>100**  
countries<sup>1</sup>

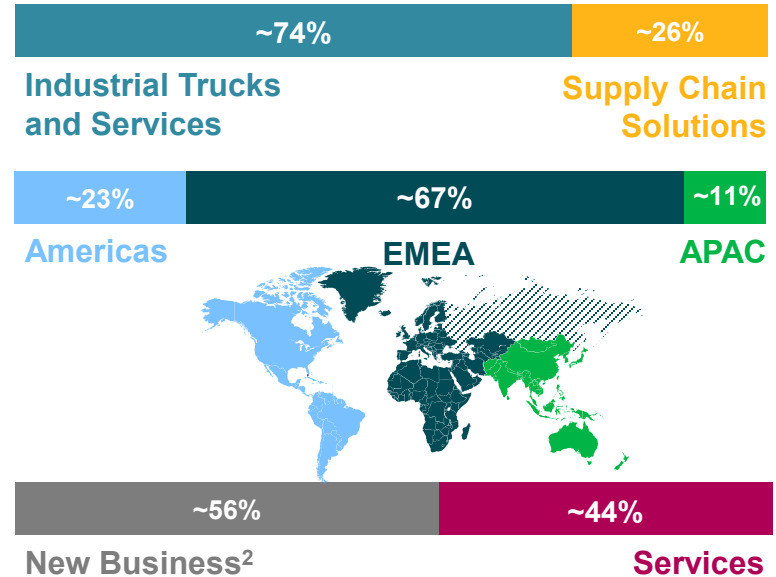


**>1.8m**  
Industrial trucks  
in the field<sup>1</sup>

**Ongoing**  
Lifecycle  
support



### Revenue Split<sup>1,3</sup>



1. Data based on FY 2023 2. New Business comprises ITS new business and business solutions from SCS; Services comprises service business from ITS, SCS, and Corporate Services  
3. Corporate Services account for ~2% of revenue in FY 2023



**Solutions Offering**  
**Broad material handling offering**

From **industrial trucks** to fully **automated warehouses**

Tailor-made **electric, fuel cell and IC-powered** counterbalance and warehouse trucks

Warehouse automation solutions to optimize **material and information flow**

**Full life cycle offering** via a broad range of **services**

# Competitive Landscape

## Market leading positions globally

### Industrial trucks<sup>1</sup>

Toyota Industries

**KION**

Mitsubishi Logisnext

Jungheinrich

Crown

Hyster-Yale



### Automation systems<sup>2</sup>

**KION**

Honeywell  
(Intelligrated)

Toyota Industries  
(Vanderlande / Bastian Solutions)

Daifuku

SSI Schäfer

Knapp

**Broad intralogistics offering**

**Full-line player in intralogistics 4.0**

1. Based on revenue in 2022 (source: Modern Material Handling; Top 20 lift truck suppliers 2022, August 2023) 2. Based on revenue in 2022 for Dematic - source: Interact Analysis, The Future of Warehouse Automation 2023 (incl. hardware, software and maintenance/servicing provided by systems integrators, excl. airport baggage handling)

# KION 2027 Strategy

## Action fields to drive profitable growth towards >10% adj. EBIT margin by 2027

### Multi-branded Go-to market

- Successfully positioned differentiated brands teaming up
- Complete solutions offering and tailored go-to-market

### Region-specific growth plans

- Expansion of sales network in China and North America
- Additional production capacity in China (SCS)
- Production expansion & localization in North America

### Sustainability

- Li-Ion batteries (KBS, Li-Cycle)
- Fuel cell technology
- AI-based energy management (ifesca)
- Products, people, processes

### Automation & Software

- Mobile Automation (AGVs, AMRs)
- Proprietary WMS Dematic iQ
- Cloud innovations (Google)
- Artificial Intelligence (IMOCO, LoadRunner)

### Performance & Agility

- Global value platform
- Subsystems and standards
- Optimized production network

Values, People & Leadership

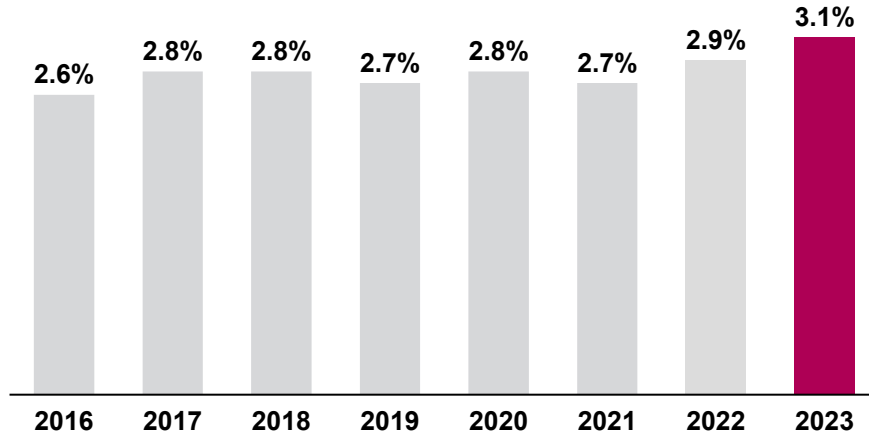


## Development of R&D Spend

Strong R&D commitment with increased spend in clear focus areas

### R&D spend<sup>1</sup>

in % of revenue



Stable R&D spend at KION Group level  
~3% of group revenue

Increased R&D spend for **focus areas**:

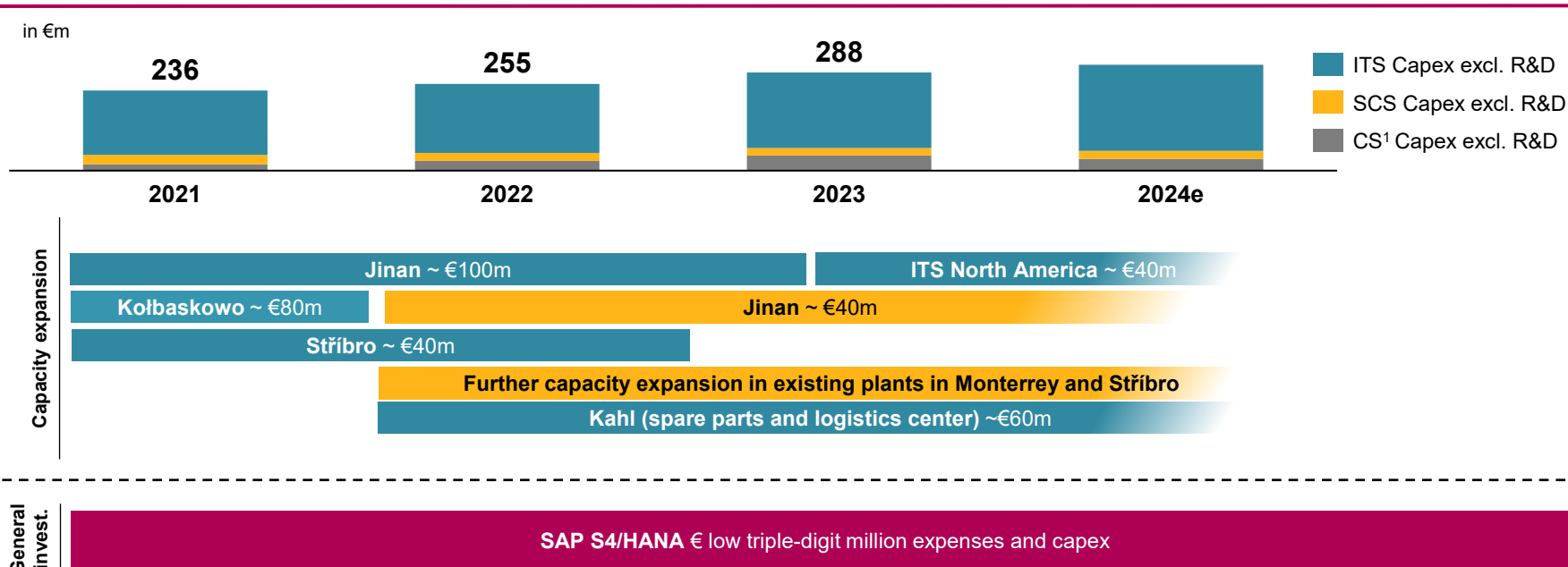
- New platforms and standards
- Sustainability
- Automation & Software

1. R&D expenditures (P&L) + capitalized development costs = R&D spend

# Development of Strategic Investments

## Next growth investments lined up

### Strategic investments excl. R&D and SAP S4/HANA



# Investment Highlights

## Key reasons for an investment in KION Group

### 1 | Attractive markets

Need for intralogistics solutions fueled by **structural trends and demand drivers** e.g., demographics, need for sustainable solutions and faster delivery requirements

### 2 | One of the global leaders

Well positioned to **outperform the material handling market** by driving customer centricity, innovation and **investments into new technologies**

### 3 | Capitalize on attractive areas of growth

Focus on **strategic investments** into regional coverage, manufacturing footprint, product and software portfolio

### 4 | Margin upside potential

Value creation through **integrated intralogistics solutions, agility, scale efficiencies and synergies**

### 5 | Resilient & sustainable business model

Integrated sustainable business model with **high contribution** from the **recurring services business**

# Agenda





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# Megatrends and Expected Market Developments

## Megatrends & demand implications

## Long-term market growth

 <b>E-commerce</b>	➤ Demand for automated warehouse solutions	➤ <b>Warehouse automation market</b>	~ <b>+9%</b> <sup>1</sup>
 <b>Emerging markets</b>	➤ Demand for (value) trucks in Chinese market	➤ <b>Industrial truck market China</b>	~ <b>+7%</b> <sup>1</sup>
 <b>Sustainable solutions</b>	➤ Demand for zero-emission intra-logistics solutions	➤ <b>Market for Li-Ion powered trucks</b>	~ <b>+20%</b> <sup>1</sup>
 <b>Demographic change</b>	➤ Demand for automated and robotic solutions	➤ <b>Mobile automation market</b>	~ <b>+36%</b> <sup>1</sup>

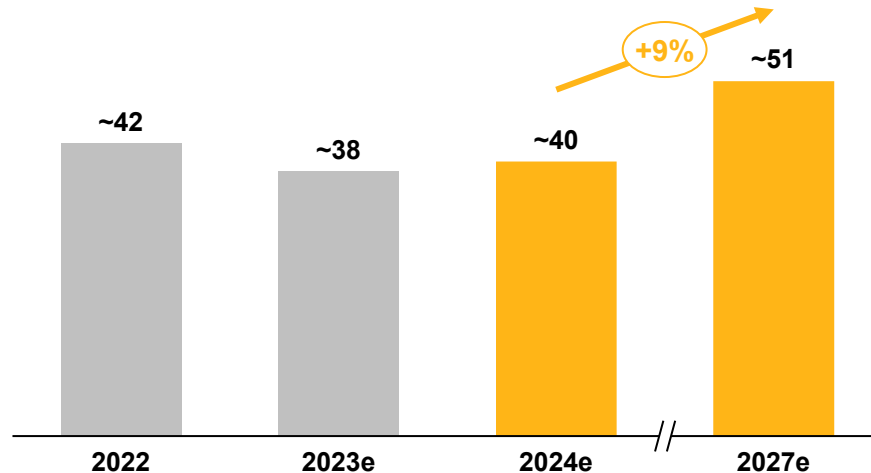
1. CAGR 2023-2027, management assumptions based on internal KION Market Model as of April 2024 and Interact Analysis Mobile Robot Market (November 2023)

# Global Supply Chains Solutions market

## Long-term attractive market after temporary weakness in 2023

### Supply Chain Solutions Market<sup>1</sup>

Revenue estimate in €bn and CAGR in %



1. Based on internal KION market model as of April 2024, including service, supported by Interact Analysis (November 2023)

### Main drivers

#### 2024

Recent challenging market environment expected to continue into 2024. Yet, expected slight growth in 2024 driven by

- Early signs from e-commerce retailers indicating increased demand
- Postponed investment decisions materializing as interest rates are expected to decline especially in the second half of the year
- Solid growth of resilient service business

#### Beyond 2024

Underlying megatrends drive future growth

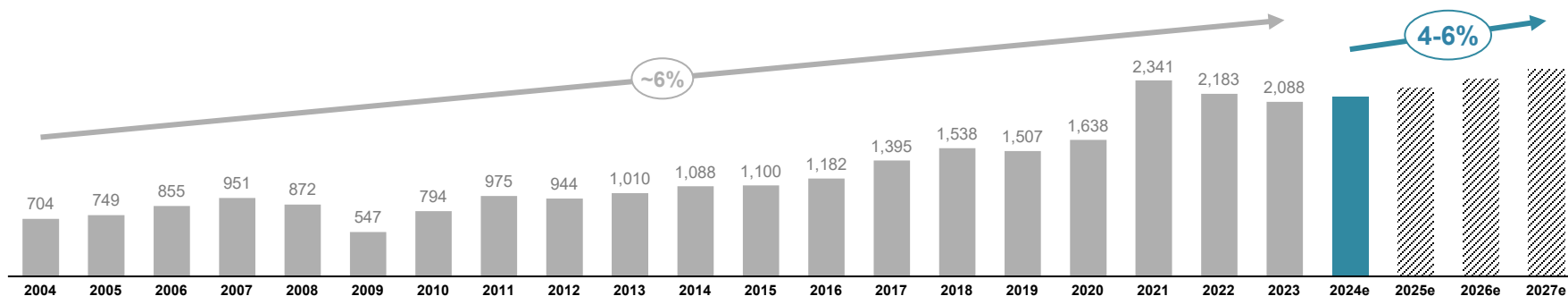
- Automation
- Sustainability
- Urbanization, demographic change, labor and space shortage
- Continued growth in online sales
- Speed of fulfilment and delivery

# Global Industrial Trucks market

## Long-term attractive market returning to slight growth in the course of 2024

### Industrial Trucks Market

(in '000 units)<sup>1</sup>



#### Comments on 2024

- Following two years of normalization back to trend growth in the course of 2024
- Slight growth globally driven by EMEA and APAC with Americas likely further down
- Growth fueled by class 3.1 WH-equipment and E-trucks, while IC trucks likely to decline further

#### Comments beyond 2024

- Trend growth expected to continue until 2027
- Continued shift towards electrification
- Global growth primarily driven by APAC, class 3.1 WH-equipment and E-trucks

1. Source: WITS/FEM (April 2024), estimates for 2024-2027 based on internal KION market model as of April 2024

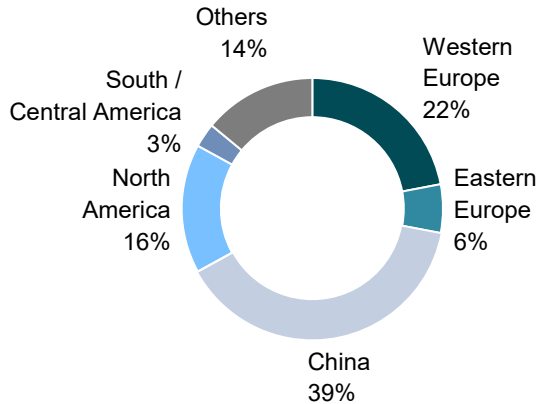


# Forklift Trucks Penetration

## Well positioned to capture momentum in emerging markets

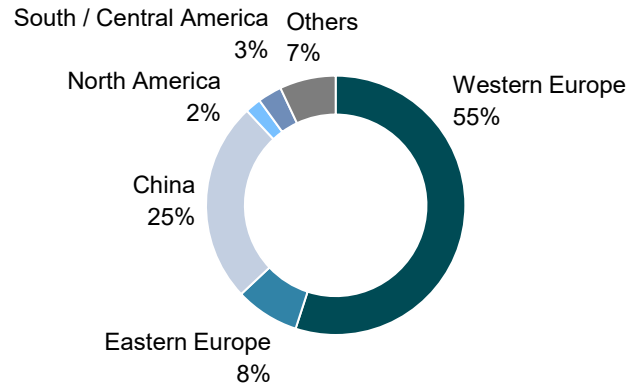
### Regional mix ITS market

Unit order intake split 2023 in %<sup>1</sup>



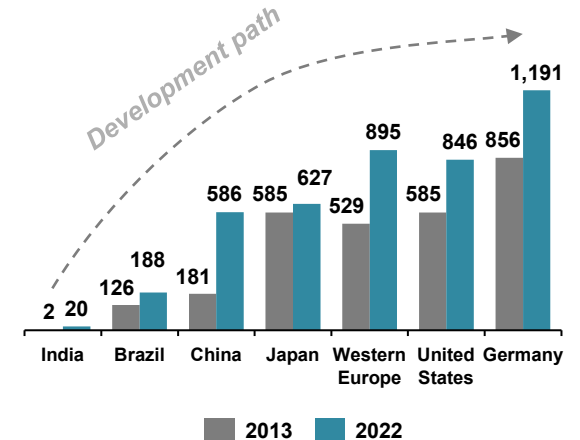
### Regional mix KION ITS

Unit order intake FY 2023 in %<sup>1</sup>



### Development potential

Forklift penetration<sup>2</sup> per 1 million inhabitants 2023 vs 2013



1. Source: WITS/FEM (April 2024, e.g. Market data until December 2023) 2. Number of trucks ordered in 2013 / 2023 – source: WITS/FEM, IMF

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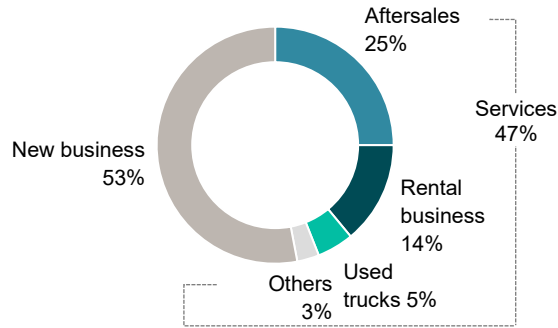
## 3. Sustainability / ESG

## 4. Appendix

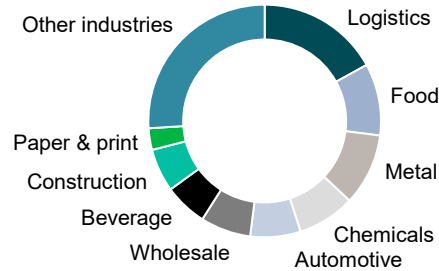
# Industrial Trucks and Services at a Glance

## One of the world leaders in industrial trucks

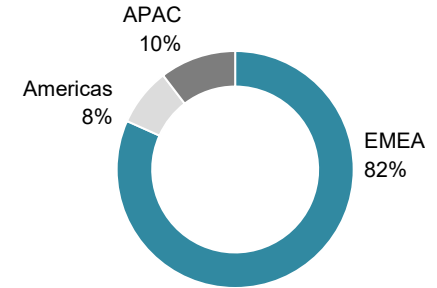
Revenue by product<sup>1</sup>



Truck shipments by industry<sup>2</sup>



Revenue by region<sup>1</sup>



**No. 1<sup>3</sup>**  
in EMEA  
in industrial  
trucks

**No. 2<sup>4</sup>**  
globally  
in industrial  
trucks

**No. 3<sup>5</sup>**  
in China  
in industrial  
trucks

**5**  
established  
brands

**>1.8m** industrial  
truck base<sup>1</sup>  
supports aftersales  
business

**~2,000**  
sales and/or  
service  
locations<sup>1</sup>

Active in  
**>100**  
countries

1. Based on FY 2023 2. Calculation in shipment unit terms for 2023, based on German customers only 3. Based on units sold in 2022 (source: Interact Analysis, Global Forklift Market 2023)  
4. Based on revenue in 2022 (source: Modern Material Handling; Top 20 lift truck suppliers 2022, August 2023) 5. Based on revenue for 2022 - source: Chinaforklift, 2023

# Industrial Trucks and Services at a Glance

## Financial overview

### Key financials

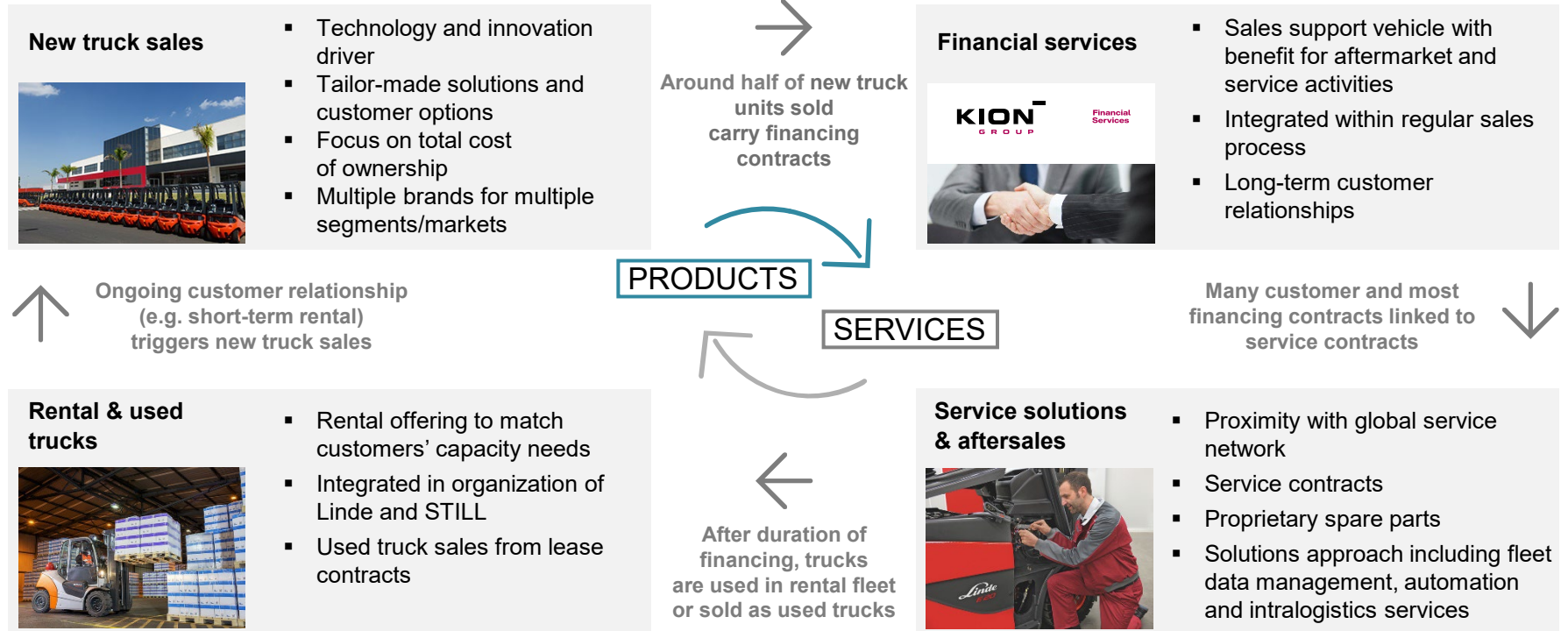
(in €m)	2023	2022	2021	2020	2019	2018	2017
<b>Order intake</b>	<b>7,890</b>	<b>8,426</b>	<b>8,166</b>	<b>5,797</b>	<b>6,330</b>	<b>6,211</b>	<b>5,859</b>
Order book	3,197	3,818	2,878	1,384	1,409	1,501	1,216
<b>Order intake (in '000 units)</b>	<b>241.7</b>	<b>268.2</b>	<b>299.4</b>	<b>198.3</b>	<b>213.7</b>	<b>216.7</b>	<b>201.4</b>
Thereof IC trucks	9%	12%	13%	13%	14%	16%	18%
Thereof E trucks	25%	27%	25%	24%	25%	26%	26%
Thereof electrified WH equipment	66%	61%	62%	63%	61%	58%	56%
<b>Revenue</b>	<b>8,480</b>	<b>7,356</b>	<b>6,514</b>	<b>5,723</b>	<b>6,410</b>	<b>5,922</b>	<b>5,572</b>
Thereof new business	53%	49%	48%	48%	52%	51%	56%
Thereof service business	47%	51%	52%	52%	48%	49%	44%
<b>Adj. EBIT<sup>1</sup></b>	<b>849</b>	<b>420</b>	<b>536</b>	<b>311</b>	<b>695</b>	<b>655</b>	<b>643</b>
Adj. EBIT Margin <sup>1</sup>	10.0%	5.7%	8.2%	5.4%	10.8%	11.1%	11.5%
Number of employees	30,283	28,738	26,149	26,149	26,131	25,533	24,090

1. Adjusted for PPA items and non-recurring items

Note: Key figures for 2017 were restated due to the initial application of IFRS 15 and IFRS 16; 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

# Industrial Trucks and Services

## Integrated business model



# Competitive Strengths

## Three pillars expected to drive profitable growth of KION's ITS segment

### Technology expertise



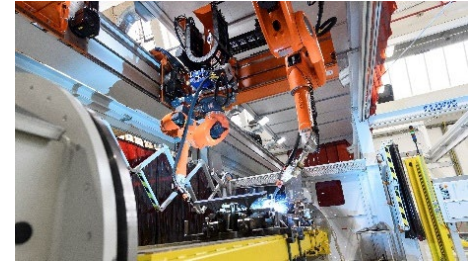
- High operational performance of trucks<sup>1</sup>
- Energy solutions offering
- Safety solutions offering
- Mobile automation

### Resilient services



- Striving to cover the full life cycle with innovative offering
- Expected to grow continuously with resilient services
- Digitalizing customer-facing processes

### Efficiency improvement



- Modularizing products
- Optimizing plant footprint
- Efficient & flexible operations set-up
- Improving sales & services processes

1. Based on a self-conducted test of a typical 2.0 to 3.5 ton Linde industrial truck with equivalent trucks of competitors in 2019, KION estimates that the total operating performance (comprising energy consumption, purchase cost, maintenance and labor cost) of such a Linde industrial truck is better than for an equivalent truck of tested competitors. The testing methodology to compare the energy consumption and productivity (measured as time required per job) of industrial trucks used by KION was certified by TÜV Nord in 2009.

## Competitive Strengths – Technology Expertise

KION's latest truck platforms expected to enable future growth



**Productivity**



**Performance**



**Design to  
Service**



**Efficiency**



**Connectivity**



**Safety**

### **New truck platforms**

with 10 to 15-year lifecycle –  
more derivatives planned for  
next years

### **Digital twin**

allowing new feature sales and  
efficiencies

### **Enablers**

for expansion of market share

### **R&D depreciation**

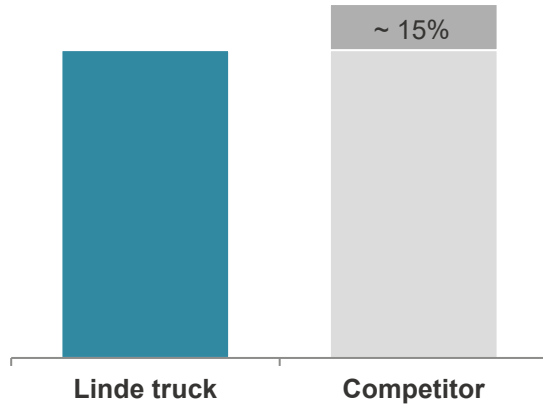
increases due to product  
launches

# Competitive Strengths – Technology Expertise

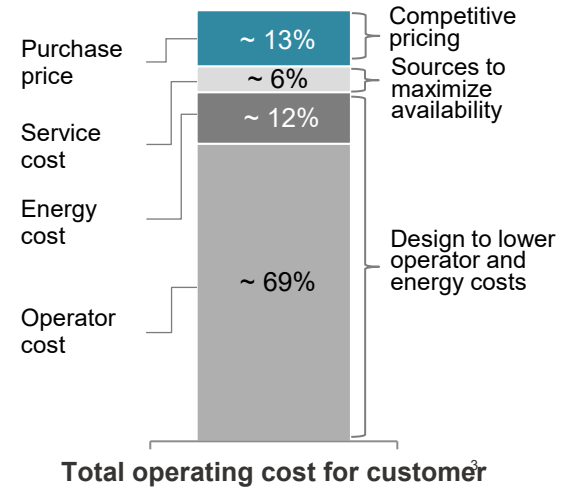
## Premium efficiency and total cost of ownership

### Industrial truck efficiency supports premium pricing<sup>1</sup>

Cost per lorry load cycle<sup>2</sup>



### Industrial truck purchase price only ~ 13% of TCO



1. Application of KION developed methodology to compare the energy consumption and productivity (measured as time required per job) of industrial trucks which has been certified by TÜV (TÜV Nord certified testing methodology used by KION (2009)). Based on a self-conducted test of a typical 2.0 to 3.5 ton Linde industrial truck with equivalent trucks of competitors in 2019, which was based on the certified methodology, KION estimates that the total operating performance (comprising energy consumption, purchase cost, maintenance and labor cost) of such a Linde industrial truck is better than for an equivalent truck of tested competitors 2. Describes a defined transport task for loading and unloading of a lorry 3. Based on Western Europe according to Company estimates



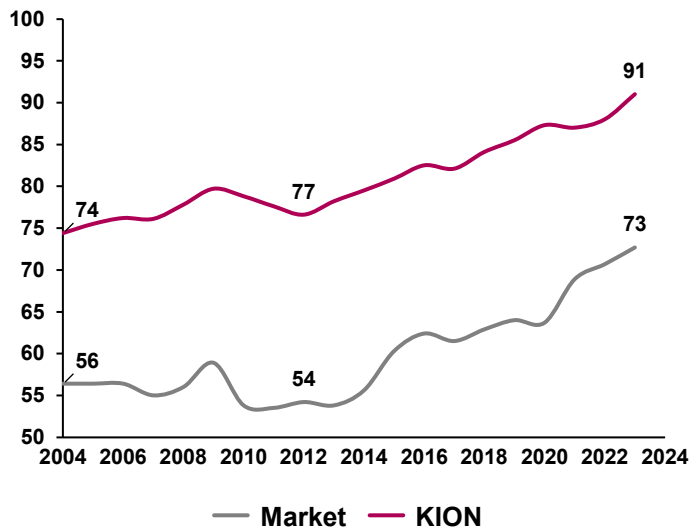
## Focus on Sustainability

# KION is driving electrification and green industrial trucks



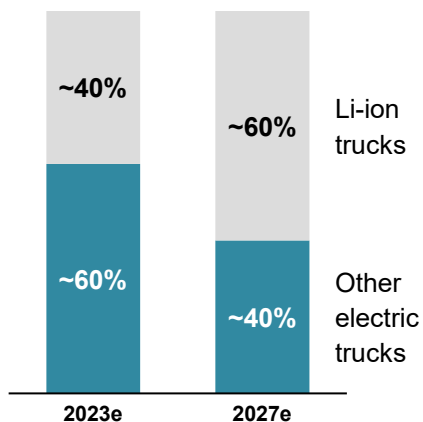
### Electrification of industrial trucks

Global development from 2004 to 2023<sup>1</sup>



### Li-Ion share<sup>1,2</sup>

Estimated market mix by battery technology



### Comments on KION Group development

- Continued and substantial **shift** in global orders **from IC-trucks to more sustainable E-trucks, as well as WH-trucks**
- WH-trucks included in electrified equipment; therefore, the total share of **electrified unit order intake of KION Group was 92% in Q1 2024**

### Comments on market development

- Development expected to continue with Li-Ion batteries to power **~60% of all electric industrial trucks ordered globally by 2027<sup>2</sup>**

1. Order Intake, figures in percent / Source: KION Group; WITS/FEM (April 2024, e.g., Market data until December 2023)  
2. Management expectations – split for electrified CB-trucks and warehouse equipment

## Competitive Strengths – Resilient Services

### Digitalization aims to support customers' productivity and KION's efficiency

#### Remote health monitoring

- Truck stops from wear & tear are reduced
- Repairs and maintenance planned more efficiently

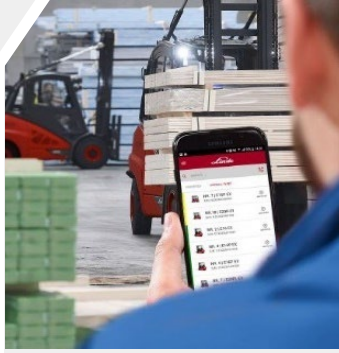


#### Remote technician support

- Efficiency increase through multimedia dialogue of on-site service technician and back-office specialist
- Aims to reduce downtime for customers through improved first-time-fix rate

#### Digital service ordering (app)

- Request service support & monitor status
- Improves convenience and transparency
- Developed inhouse at KION's Digital Campus



#### Expected benefits to customers

- ✓ Less downtime
- ✓ Higher productivity
- ✓ Lower aftersales cost

#### Expected benefits to KION

- ✓ Higher first-time-fix rate
- ✓ Shorter repair time
- ✓ Higher aftersales profitability
- ✓ Higher customer satisfaction

## Summary - Industrial Trucks & Services

Accelerate volume growth and return to double-digit adj. EBIT margin

1

Exposure to **attractive markets** with products and services addressing core needs of customers

2

New business growth expected to be driven by **technology advantages** of new product platforms, safety, energy and automation solutions

3

High contribution from **resilient services** through full life cycle offering enhanced by digitalizing processes

4

**Efficiency improvements**, e.g., R&D, production footprint, operations set-up, sales & service processes

**Harvest on  
investments in a  
highly attractive  
market**

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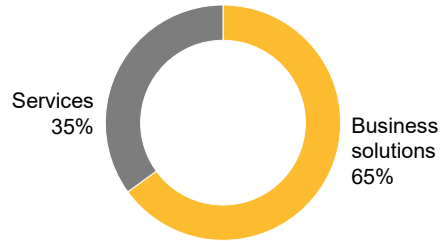
## 3. Sustainability / ESG

## 4. Appendix

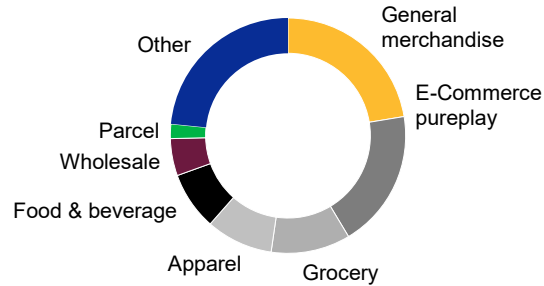
# Supply Chain Solutions at a Glance

## Leading in supply chain solutions

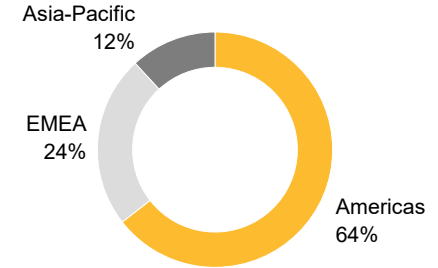
Revenue by product<sup>1</sup>



Revenue by industry<sup>1,2</sup>



Revenue by region<sup>1</sup>



**No. 1<sup>3</sup>**  
globally via  
**DEMATIC**

**~10,700**  
employees<sup>4</sup>

**~1,500**  
employees<sup>4</sup>  
software and AI  
engineers<sup>4</sup>

**~2,000**  
Service  
technicians<sup>4</sup>

**Ongoing**  
Lifecycle  
support

Global  
presence in  
**>35**  
countries<sup>5</sup>

1. Based on FY 2023 financials 2. Based on business solutions revenue 3. Based on revenue in 2022 for Dematic - source: Interact Analysis, The Future of Warehouse Automation 2023 (incl. hardware, software and maintenance/servicing provided by systems integrators, excl. airport baggage handling) 4. Data based on Dec 31, 2023

# Supply Chain Solutions at a Glance

## Financial overview

### Key financials

(in €m)	2023	2022	2021	2020	2019	2018	2017
<b>Order intake</b>	<b>3,032</b>	<b>3,362</b>	<b>4,329</b>	<b>3,654</b>	<b>2,771</b>	<b>2,425</b>	<b>2,099</b>
Order book	3,238	3,327	3,792	3,071	2,232	1,797	1,398
<b>Revenue</b>	<b>2,997</b>	<b>3,807</b>	<b>3,796</b>	<b>2,627</b>	<b>2,379</b>	<b>2,055</b>	<b>2,010</b>
Thereof business solutions	65%	75%	80%	75%	75%	74%	75%
Thereof customer services	35%	25%	20%	25%	25%	26%	25%
<b>Adj. EBIT<sup>1</sup></b>	<b>44</b>	<b>-46</b>	<b>410</b>	<b>278</b>	<b>228</b>	<b>180</b>	<b>189</b>
Adj. EBIT Margin <sup>1</sup>	1.5%	-1.2%	10.8%	10.6%	9.6%	8.8%	9.4%
Number of employees	10,666	11,185	10,977	9,157	7,361	6,799	6,820

1. Adjusted for PPA items and non-recurring items

Note: Key figures for 2017 were restated due to the initial application of IFRS 15 and IFRS 16

## FY 2024 – Change in Presentation of SCS Customer Service Business SCS to follow the ITS methodology

- Since FY2024, SCS customer service business is aligned with methodology applied in ITS
- SCS Customer Services order intake exclude Modernizations & Upgrades and equals revenue (like in ITS)
- Except for modernizations & upgrades, the SCS customer service business will no longer be included in the order book
- The quarterly and FY adjustments on the **order intake** and **order book** for SCS in FY 2022 and FY 2023 are as follows:

(in €m)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Order intake (stated)</b>	843	1,022	614	882	<b>3,362</b>	497	873	872	789	<b>3,032</b>
<b>Order intake adjustment<sup>1</sup></b>	-28	-22	15	-2	<b>-37</b>	-43	8	20	-10	<b>-26</b>
<b>Order intake (pro-forma)</b>	815	1,000	629	880	<b>3,325</b>	454	881	892	779	<b>3,006</b>
<b>Order book (stated)</b>	3,695	3,762	3,477	3,327	<b>3,327</b>	3,000	3,154	3,338	3,238	<b>3,238</b>
<b>Order book adjustment</b>	-294	-322	-317	-302	<b>-302</b>	-338	-331	-314	-317	<b>-317</b>
<b>Order book (pro-forma)</b>	3,401	3,440	3,160	3,025	<b>3,025</b>	2,662	2,823	3,024	2,921	<b>2,921</b>

- There will be no impact on revenue and adj. EBIT

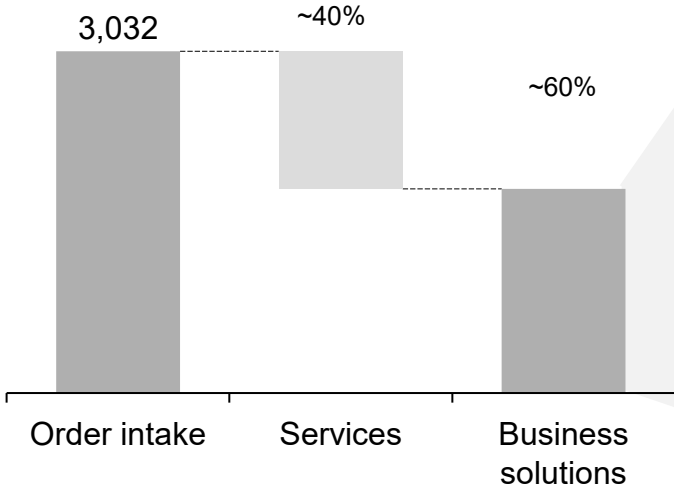
1. Adjustment on order intake is the delta of quarterly order intake less revenue. In FY 2022 and FY 2023, order intake was slightly higher than revenue

# Supply Chain Solutions Order Intake Composition

## Service business and smaller projects provide stability

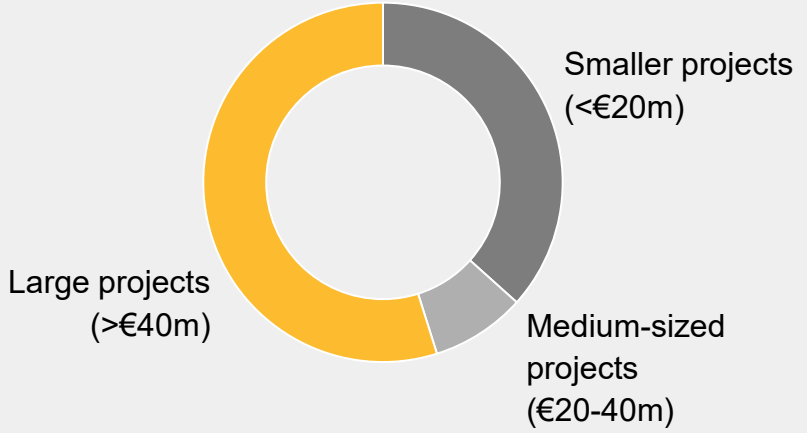
### SCS order intake by product

Total order intake 2023 (in €m)



### SCS orders by project size

Business solutions order intake 2023





# Focus Verticals, Value Drivers and Solutions

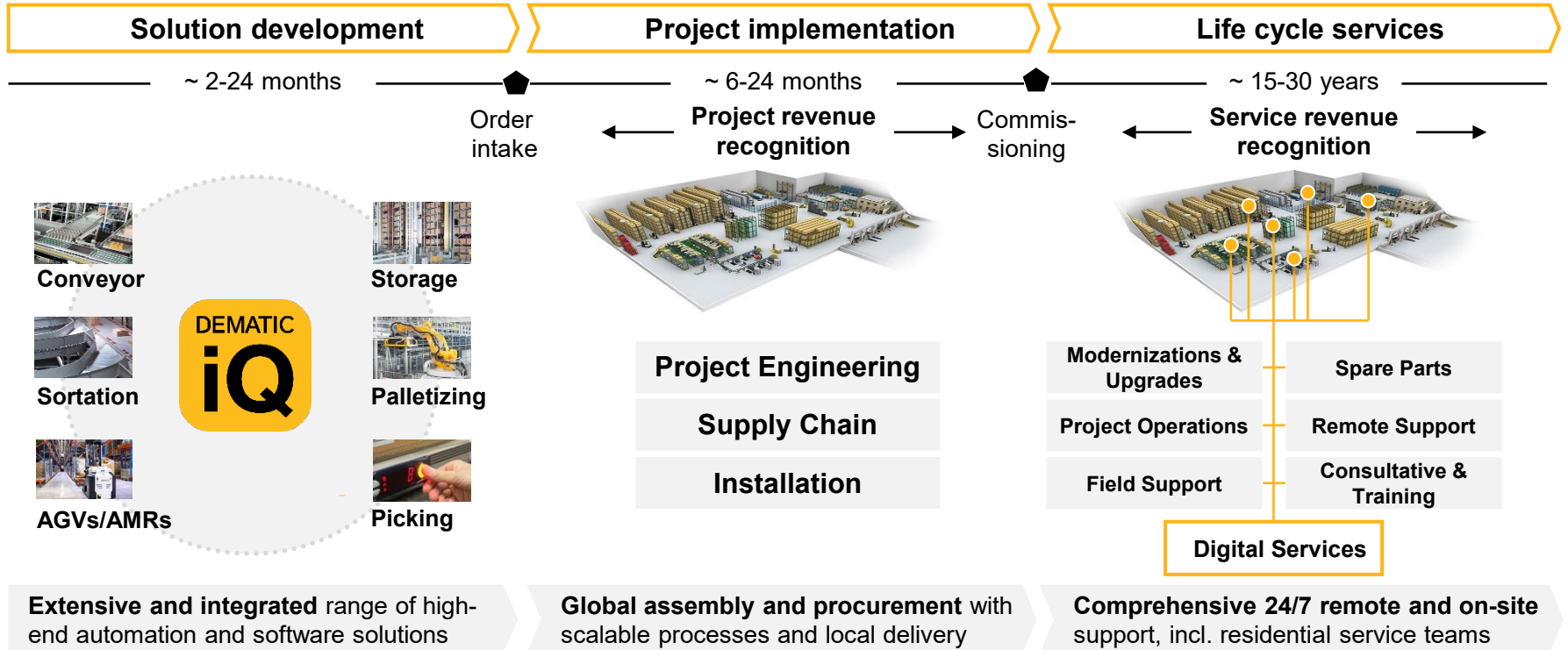
## Purposeful growth in verticals with highest growth potential

	Share of total market revenue 2023 (%) <sup>1</sup>	Value drivers	SCS solutions (selected solutions only)	Selected clients <sup>5</sup>								
SCS focused growth verticals	General Merchandise 18%	E-commerce and growth of digital channels	Speed of fulfillment & delivery	Decentralized supply chains	Warehouse Management Software	Flexible Fulfillment Center	Micro-Fulfillment	AMR-based <sup>2</sup> Fulfillment	mPick / GTP <sup>3</sup>	Walmart*	BEST BUY	FAMILY DOLLAR
	Apparel 8%		Speed of fulfillment & delivery	Decentralized supply chains	Warehouse Management Software	Flexible Fulfillment Center	Micro-Fulfillment	AMR-based <sup>2</sup> Fulfillment	Pouch / GOH <sup>4</sup>	H&M	ZARA	NIKE
	Food & Beverage 11%	Urbanization	Speed to consumer	Intelligent Control Tower	Flexible Mixed Case Fulfillment	Chilled / Freezer Environments	Pallet Automated Storage / Retrieval Systems (AS/RS)	AutoStore	ANHEUSER-BUSCH	pepsi	TESCO	AMERICOLA
	Grocery 15%	Speed of fulfillment & delivery	Decentralized supply chains	Intelligent Control Tower	Flexible Mixed Case Fulfillment	Micro-Fulfillment	Pallet Automated Storage / Retrieval Systems (AS/RS)	AutoStore	ALDI			
Further SCS active verticals	Durable	Healthcare	Non-Durable Manufacturing	Parcel	Third-Party Logistics	Wholesale / B2B						

1. Business Solutions Market 2. Autonomous Mobile Robot 3. Modular Pick / Goods to Person 4. Garment on Hanger  
 5. Some customers feature in multiple verticals as they operate warehouses for different verticals  
 Source: Management assumptions based on internal KION Market Model as of April 2024

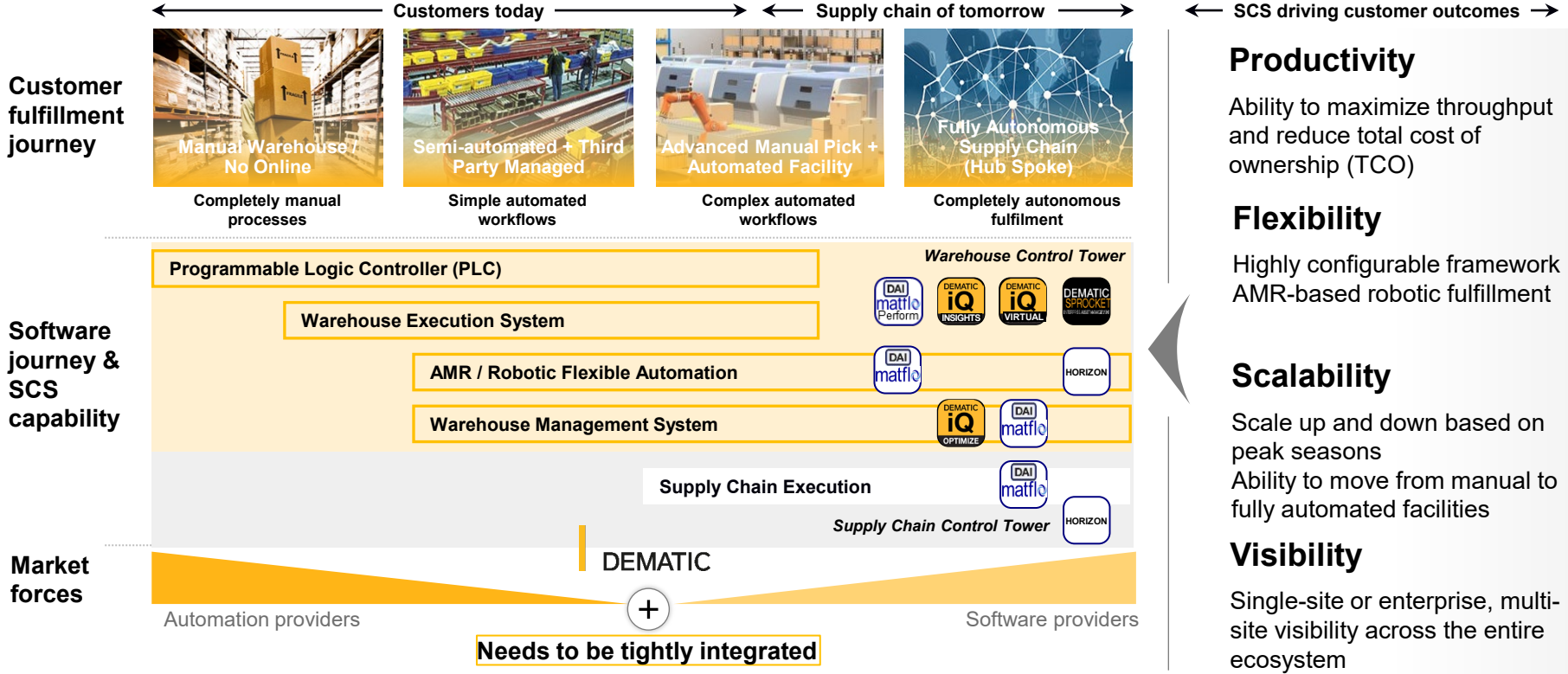
# Supply Chain Solutions – Typical Project Timeline

Solution development and project implementation typically last 24 months and more



# Software-defined Automation Journey and Capabilities

## SCS enables the autonomous supply chain of the future



# Software Vision and Footprint

## Software is core to SCS's portfolio and value proposition

### SCS's digital vision

To provide vertical **ecosystem based highly intelligent solutions** that combine our software / digital capabilities with automation & robotics technology to deliver **increased productivity flexibility, reliability, and throughput** to customer globally

### Software expertise

>1,300

Software engineers

>200

AI<sup>1</sup> / R&D, cybersecurity experts

>500

Software clients worldwide

>100

Sites with remote monitoring

>99.98%

Client retention rate

### Select software customers



### What we deliver

(Value proposition)

increased product throughput

increased labor productivity

increased hardware availability

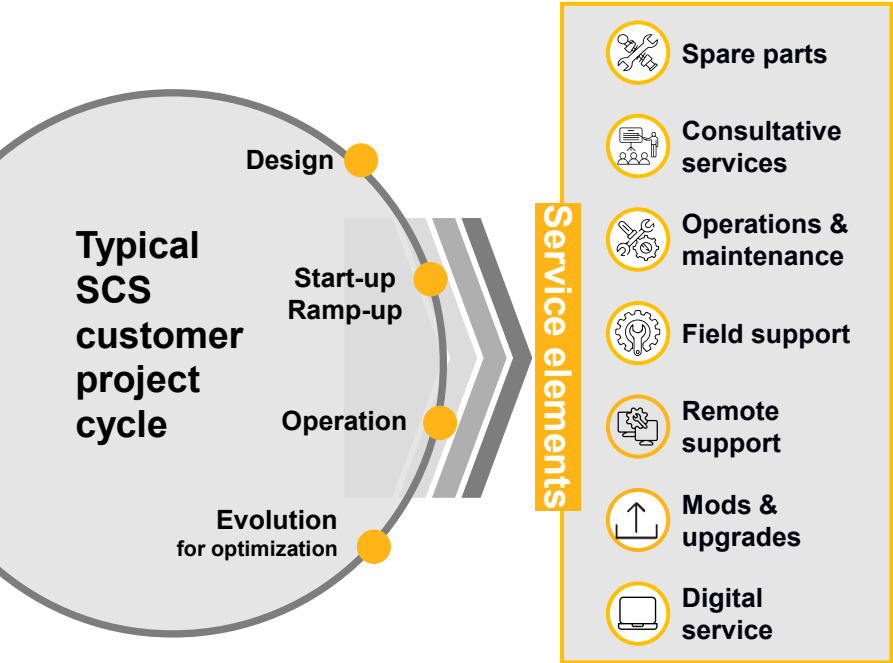
reduction in response & repair times

1. Artificial intelligence

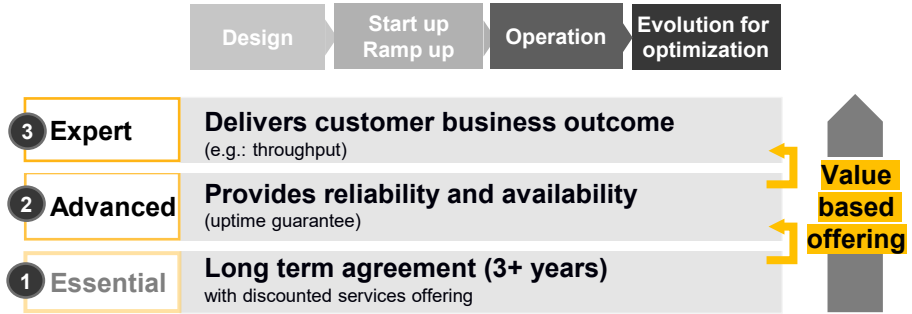
# Lifecycle-based Service Approach

## Reducing total cost of ownership & driving value-based service offering

### Customer intimacy across project journey (20+ years)



### Driving business outcomes with combined offerings



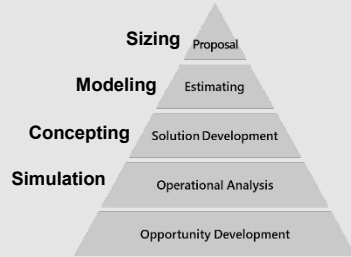
### Service revenue target

- Plan to **outpace market growth**
- Ability to **bundle with business solutions** to up-sell / cross-up

# Dematic Execution Excellence

## Regionalization and standardization expected to drive speed, growth & profitability

### Upfront engagement



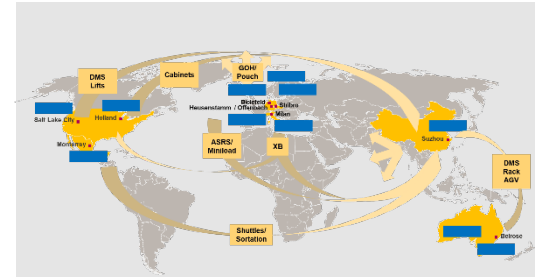
Extensive upfront customer engagement in **simulating and concepting** the right solution

### Standardized solutions



Integrated range of various **automation and software solutions (pre-configured)**

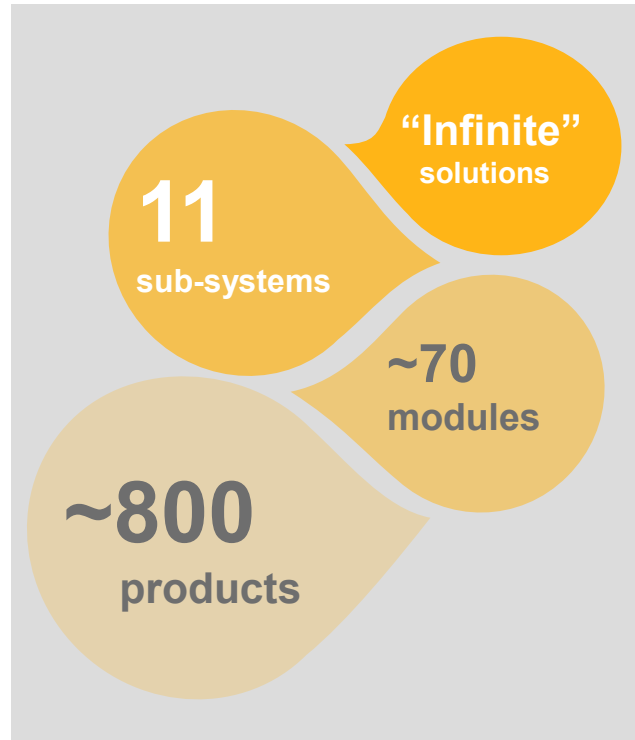
### Regionalized fulfillment



**Rapid on-site readiness** by delivering products from regional sources

## Standardization and Execution Benefits

Standardization is key to improve profitability and speed



### Benefits of standards:

#### Scalability

Standardization helps to reduce manufacturing costs and production times

#### Faster execution

Selling more standard solutions reduces planning and installation times

#### Enhanced usability

Similar solutions across different customer locations is beneficial to quality, efficiency, operational control and maintenance

#### Sustainability

Less waste when integrating on site, driving higher efficiency products

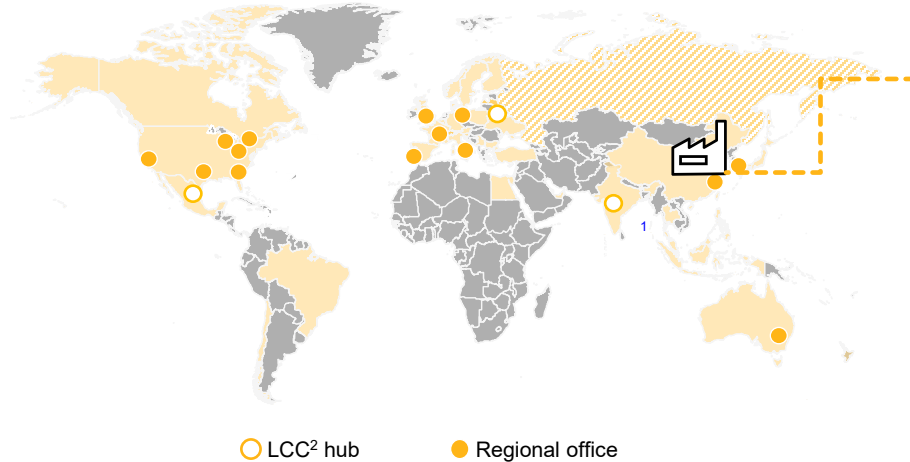
### Increasing standards:

Aim to increase the share of standard products to **~40%** of SCS order intake

# Emerging Markets Footprint

## Driving cost leverage through low-cost country presence

### Bettering global cost position and scale



### Expanding engineering & software support and increasing manufacturing capacity in low-cost countries

### Additional SCS APAC plant in China

- Creating a **new manufacturing facility** at Jinan
- Will become the **largest SCS plant** (28,000 m<sup>2</sup>) in China
- **Regionalized manufacturing footprint** with high-complex mix (Suzhou, China) with a low-complex mix plant (Jinan, China)
- **Value added products** such as conveyors, DMS<sup>3</sup> racks and AGVs both for APAC market and overseas

### Engineering & software efficiency

- Increasing technical support through **hub and spoke model** for software and project engineering
- Sourcing from developing markets to **drive global cost position**

1. Acquisition in India subject to regulatory approval    2. Low-cost country    3. Dematic Multishuttle



## Customer Example: Dematic and Groupe Robert

First fully automated cold storage facility of its kind in Third Party Logistics (3PL)

### Solution:

One of the tallest Automated Storage and Retrieval Systems (AS/RS) to support fulfillment of **fresh** and **frozen** products from **high-density cold storage**



**60,000 pallets**

**30,000** in fresh

**30,000** in frozen  
temperatures down to

**-28°C (-18°F)**

### Benefits:

Doubling of capacity in frozen and 30 to 40% more in the chilled environment

**40m (130ft) tall cranes**

## Customer Example: AMR Solution for Radial Europe

### AMRs to move pallets and totes, enhancing warehouse processes

#### Solution:

largest AMR project to process e-commerce orders for apparel products

#### Benefits:

improving efficiency (improved services and lower costs for customers), increasing flexibility, ensuring future scalability

**26,000 m<sup>2</sup>**

(4 football pitches)

**299 AMRs**

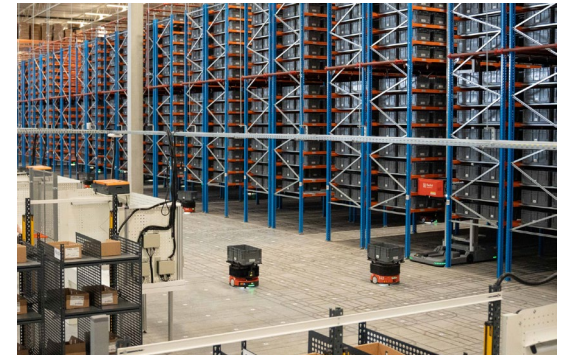
Pallet-to-picker  
Bin-to-picker  
Order-shelf-transport

**65,000**

tote storage locations

**45**

pick- and pack stations



# Customer example: Holistic Solution for Landmark Group

## Largest and the most sophisticated distribution center in the Middle East

### Highly Intelligent & networked solution



**74,000**

boxes processed  
per day



**2,200**

stores fulfilled



**3**

Continents

### Best-in-class automation and robotics technology



**36k**

pallet storage  
locations



**371k**

tote storage  
locations



**1,200**

multishuttles



**220**

workstations

### Sophisticated integration, executed with excellence



**250**

SCS employees  
on site



**1,800**

tons of steel  
used



**860**


shipment  
containers




**11.3 km**

conveyor

Source: <https://www.landmarkgroup.com/int/en/home>, 2021



The largest retail group in the Middle East, Africa, and India, with a growing presence across Southeast Asia



**16 brands, 3 continents, 2,200 stores**


## Summary: Supply Chain Solutions

Growth and ambition to return to double digit adj. EBIT margins

1 Solid long-term market fundamentals expected to drive **strong growth of warehouse automation market**

2 **Capture market growth in promising verticals** through an ecosystem based on intelligent and connected automation solutions

3 Target to lead with **software and robotic technology** embedded into automation solutions across the offering

4 **Standardization and execution excellence** and focusing on **emerging markets** to drive global cost position

**Profitable  
growth  
with focus on  
adj. EBIT**

# Agenda

1. Company Overview
  - I. KION Group at a Glance
  - II. Market Development and Business Drivers
  - III. Industrial Trucks & Services
  - IV. Supply Chain Solutions
2. **Synergies and Combined Activities**
  - I. **A New Era in APAC**
  - II. Mobile Automation
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# A New Era in APAC

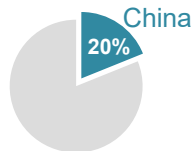
## Strategic investments to capture significant upside potential in China

### Growth in China



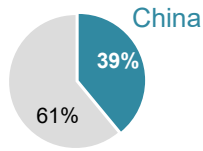
- China is the **single largest forklift market<sup>2</sup>** with significant **growth potential**
- KION is the **leading foreign player<sup>1</sup>** in China with **longstanding experience in operation since 1993**
- **Comprehensive growth strategy** including development of **new products**, **expansion of the local sales network**, and a **value segment industrial truck plant**

Global GDP 2023<sup>2</sup>



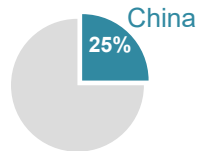
**Second largest economy**

Industrial Truck Market 10/2023<sup>3</sup>



**Single largest forklift market**

KION FY 2023<sup>3</sup>



**Significant upside potential**

### Strategic Rationale

- Growing value segment /electrification
- Ensure production capacity
- Increase market coverage

1. Based on revenue for 2022 - source: Chinaforklift, 2023 2. Source: Oxford Economics 2024 3. Based on unit order intake FY 2023 - source: WITS/FEM as of October 2023 (WITS from February 2023)

## A New Era in APAC

### Value segment production plant and R&D center

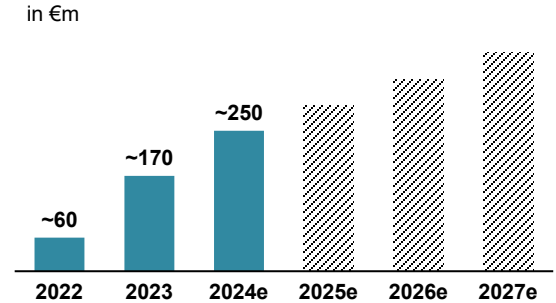
#### Value segment plant

- **Production capacity** of 40,000 units for future growth
- Located in **Jinan**
- **223,000 m<sup>2</sup>** – equivalent to more than 31 soccer fields
- **Capex ~ €100m**
- **Production started** in December 2021
- **Joint venture** between KION (95%) and Weichai (5%)

#### R&D Center

- **Future “Global Center of Excellence for Value”** for counterbalance products
- **Complementing current APAC R&D centers** in Xiamen, Jingjiang and Pune

#### Revenue potential



# KION Group Global Value Platform

## Multi-brand platform targeting the value segment



### Key features

Production located at value segment plant in **Jinan, China** and local derivatives produced in the **Americas**

**Multi-brand** product platform for Baoli, Linde Material Handling and STILL

**Modular platform** for IC- and E-trucks

Various truck configurations **from eco to value**

### Strategic importance

Covering the strongly growing **value segment** and strategic positioning versus **Chinese competition**



## Important Features of the Value Platform

### Using modular platform and scaling drives price competitiveness

#### Winning selling proposition

- Increased **price competitiveness** through **modular platform**
- **Reduced service time** versus Chinese competitors<sup>1</sup>
- Optimized **price-performance ratio** for value customers

#### Vast product variety

- Basis for more than **50 new products**
- Including **Li-Ion series** with battery variants for all brands

#### Current status

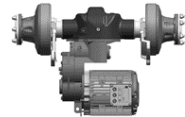
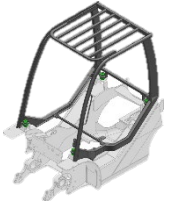
- Production started in **December 2021**
- **35 models** launched in the 2.0t & 2.5t category during 2022-2023
- **Global** roll-out in 2023 with local production in Latin America
- **7 models** to be launched in 2024 with local production in North America

1. Based on internal benchmarking

Truck architecture **using modular components**

**Produce common modules** for masts, chassis and overhead guard, ensuring **best product cost and quality**

**Source standard modules** such as engines under joint sourcing to get the **best cost to volume ratio**



# Agenda

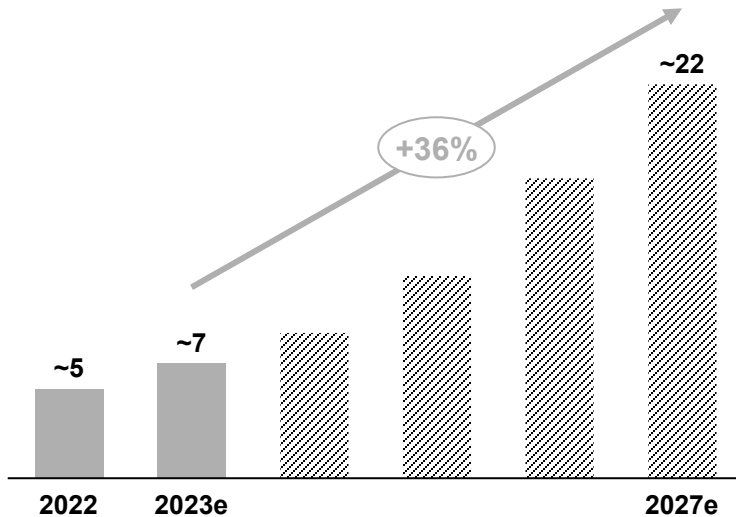
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# Global Mobile Automation market

## Market for mobile automation expected to reach ~ €22bn by 2027

### Total market size<sup>1</sup>

(Revenue in €bn and expected CAGR)



### KION Group

**One of the leaders** in mobile automation<sup>2</sup>

**FY 2023 revenue** +30% to ~€200m

**KION ensures end-to-end solution offerings** by developing mobile automation solutions for all KION brands

Strategic partnerships with **Fraunhofer IML**, **Quicktron** and **idealworks** ensure and strengthen future readiness of mobile automation portfolio

**Megatrends** like **labor shortage** and increasing **supply chain efficiency targets** support growth even in economically strained times

1. Market for mobile automation is comprised of mobile robots (AGVs and AMRs) and contains hardware, software, commissioning and aftersales estimations  
2. Based on internal KION market model as of April 2024, supported by Interact Analysis (November 2023)

## Key Mobile Automation Drivers

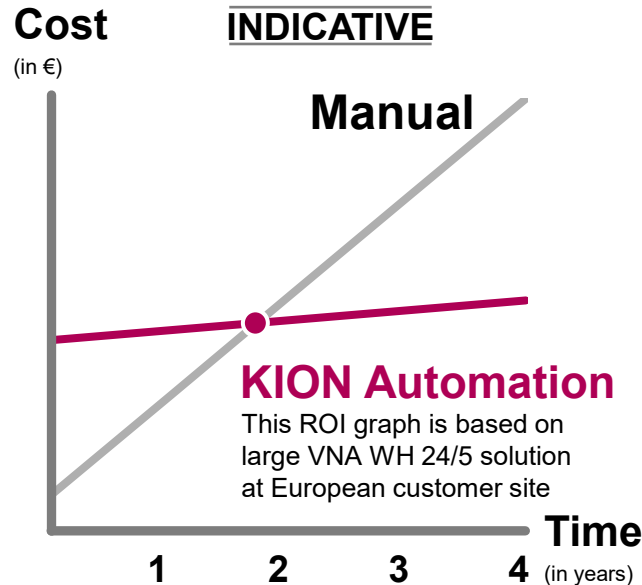
Our mobile automation solutions offer highly-attractive ROI potentials

Mobile Automation Drivers

Attractive ROI Potential

Further Customer Benefits

- Lack of warehouse workforce
- Cost and performance
- Meeting end customer demands



- ✓ Lower product damage
- ✓ Higher process stability
- ✓ Higher process transparency
- ✓ Higher flexibility

# Mobile Automation – Solution Offerings

We are able to offer a broad range of solutions



## Bespoke Solution

- Extensive range of fully customized AGVs

### Production:

Mobile Automation Factories

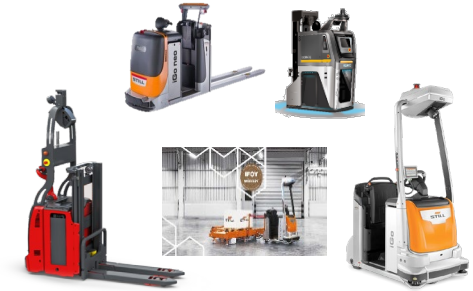


## Small Batch Solution

- Built in batches / quasi-standard
- High number of customer options

### Production:

Mobile Automation Factories



## Serial Solution

- Basis of every robotics solution: tried and tested standard trucks

### Production:

ITS Factories

**We aim to leverage our global production and sales & services network to capture growth**

# Industrializing Production of Mobile Automation Solutions

## Taking the necessary steps for anticipated strong market growth



Pallet stacker

- **Automated production** started in early 2022 in Châtellerault, France
- **Substantial reduction in production time** achieved
- Also successful in highly competitive **Chinese market**



AMR

- **AMRs** with integrated **Quicktron** technology for payloads up to 1.5t
- **AMRs** with **idealworks** technology avoiding obstacles through innovative natural feature navigation (SLAM) for payloads up to 1.0t
- Dedicated **research and production facilities** for AMRs in Xiamen, China



LoadRunner

- Development of high-speed, small-sized, **AI-assisted AGVs** in collaboration with Fraunhofer IML
- Sortation of **~10,000 parcels per hour** by just 60 prototype vehicles – in line with standard sorting systems – currently being tested with DPD Germany
- Common development by KION Group and IML to achieve **market launch by 2025**

**Mobile Automation as binding element between ITS and SCS**

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# Sustainability Topics and Targets

## KION sets itself ambitious sustainability targets

Excerpt

### 2023 KION Group Sustainability Report<sup>1,3</sup>

Dimension	Action field	Targets and indicators, [target year]	Status 2023	Status 2022
People	Occupational health and safety	Reduction of accident frequency rate <sup>2</sup> by 5 % per annum (based on the annual upper limit, long-term: no occupational accidents), [per annum]	5.2	5.9
		100 % ISO 45001 certification rate <sup>3</sup> (all sites), [2024]	89 %	80 %
	Talent	Increase in employee satisfaction to an engagement score of at least 75 and a participation rate of at least 80 %, as measured by an annual, global employee survey <sup>4</sup> , [2026]	Engagement score: 74 Participation rate: 80 %	Engagement score: 74 Participation rate: 77 %
Products	Product and solution safety	No cases of non-compliance with KION Group minimum employment standards, [ongoing]	0 cases, target achieved	0 cases, target achieved
		ITS segment: Average number of selected safety features per industrial truck <sup>2</sup> increased to 4, [2027]	3.4	3.3
	Product and climate and energy	SCS segment: Mitigating risks of noise pollution by offering quieter and safer solutions: 20 % of Dematic's solution portfolio targeted to operate under 85 dB(A), [2027]	•	•
		ITS segment: Strive for an electric-focused portfolio incl. battery and fuel cell-driven products by increasing the share of electric-powered vehicles sold annually <sup>2</sup> to 90%, [2027]	91.1 %	88.1 %
Climate and energy	Absolute reduction in GHG emissions (Scope 1, 2, 3) in metric tons of CO <sub>2</sub> e compared with 2021 <sup>1</sup> Near-term [2030]: Scope 1+2 by 4.2 % Scope 3 by 2.5 % per year (linear) Long-term [before 2050]:	-2.2 %	-4.2 %	
		-26.5 %	-10.0 %	



Excerpt

### Selected sustainability targets<sup>1</sup>

People



**Occupational Health & Safety:**  
Reduce accident frequency rate by 5% p.a.  
**100% ISO 45001<sup>2</sup> certification rate by 2024**

Products



ITS & SCS: Development towards an **electric-focused portfolio**, target to reach 90% share of electrified new trucks and to increase charging efficiency of electric vehicles by 2027

Processes



**Net zero emissions latest by 2050<sup>3</sup>**  
**100% ISO 14001<sup>4</sup> certification rate by 2024**

→ Access our full report [here](#)

1. KION Group Sustainability Report 2023, p. 6-7 2. vs 89% / 80% achieved in 2023 / 2022 based on all locations / employees 3. Absolute reduction in GHG emissions (Scope 1, 2, 3) in metric tons of CO<sub>2</sub>e compared with 2021; KION GROUP AG formally committed to SBTi on 06 July 2023 4. Vs. 90% / 81% achieved in 2023 / 2022 based on all locations / employees

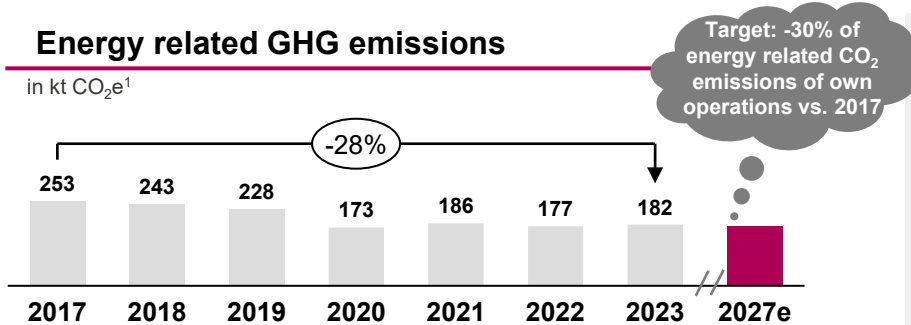


# Sustainability Topics and Targets

## Targeting net zero emissions by 2050 at the latest

### Energy related GHG emissions

in kt CO<sub>2</sub>e<sup>1</sup>



### 2030 targets<sup>2</sup>

- Reduction of scope 1 & 2 emissions by -4.2% per year
- Reduction of scope 3 emissions by -2.5% per year

### 2050 targets<sup>2</sup>

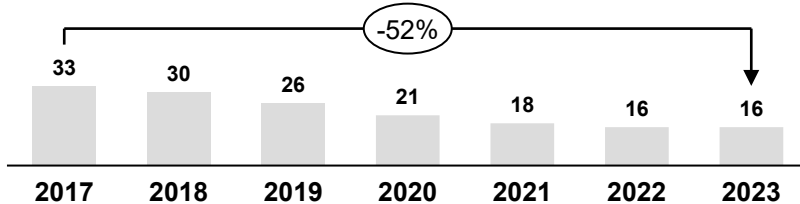
- Reduction of 100% CO<sub>2</sub> emissions from scope 1, 2 and 3

### Levers for emission reductions include

- Reduction of energy consumption
- Substituting energy sources with carbon-neutral alternatives
- Optimization of lighting and heating systems
- Use of renewable electricity at the majority of production sites

### Energy related GHG per €m of revenue

in t CO<sub>2</sub>e / €m of revenue<sup>1</sup>



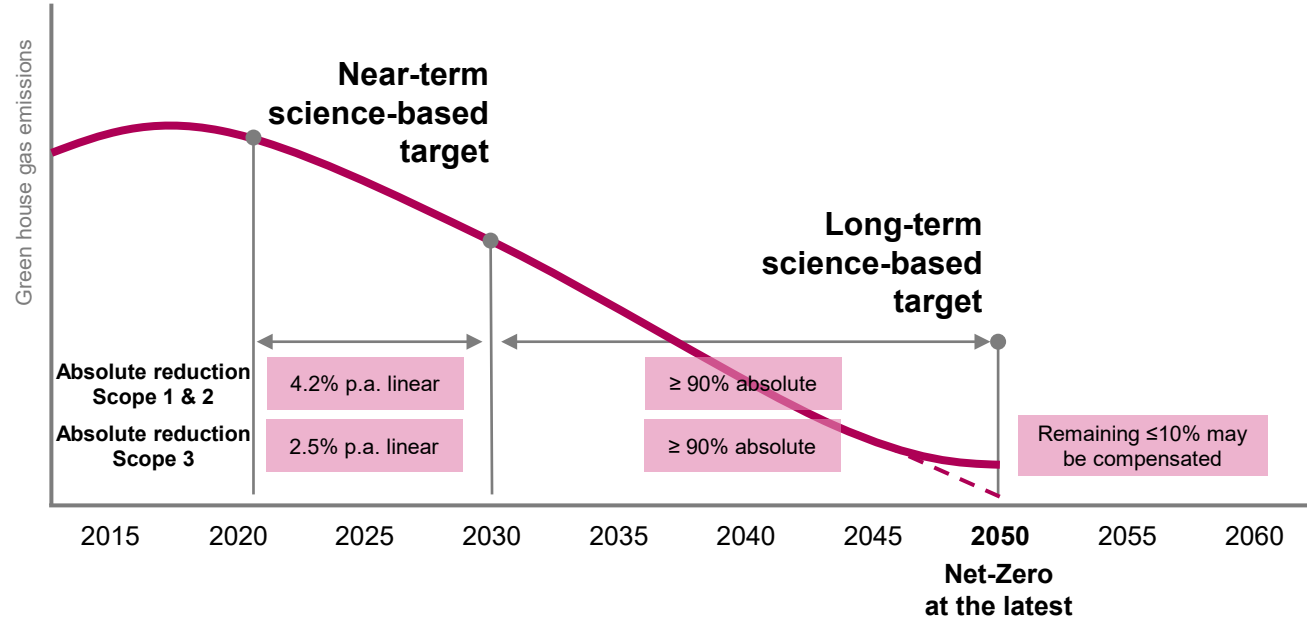
1. KION Group Sustainability Report 2023, Scope 1, 2, 3.3 market-based 2. The Boards of KION GROUP AG formally committed to SBTi on 06 July 2023

# Sustainability Topics and Targets

## KION commits to Net-Zero and to the Science Based Targets initiative

### SBTi path to 1.5°C Net-Zero (schematic)

- Near-term path: linear
- Long-Term: **Net-Zero by 2050 at the latest**, multiple paths possible



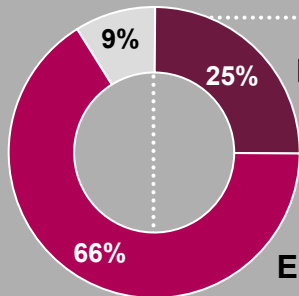
# Products | Product Electrification & Efficiency

## Combining electrification & efficiency focus enables client emission reduction



### Electrified product portfolio<sup>1</sup>

IC-trucks



E-trucks

**91%**  
electrified  
order intake

Electric WH-trucks

100%

Supply Chain  
Solutions

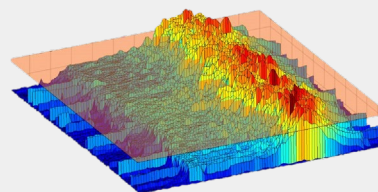
**100%**  
electrified  
solutions



### Energy efficient solutions

#### Linde X20 – X35

E-truck series with minimized energy consumption yet IC-truck equivalent performance<sup>2</sup>

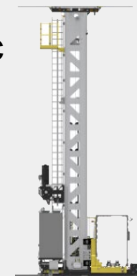


#### Ifesca Energy Management

Smart charging solution to reduce peak power demand

#### Dematic UL1200

Increased energy efficiency by 40%<sup>3</sup>



1. Based on order intake FY 2023. 2. Based on self-conducted test of Li-Ion powered Linde industrial truck X25 with equivalent diesel-powered Linde industrial truck H25D (both with load capacity of 2.5t) in 2021; KION estimates that total operating performance (productivity measured in time per cycle) of both industrial truck models is comparable. Testing methodology by KION was certified by TÜV Nord in 2009. 3. Internal assessment of Dematic UL1200 SRM and standard technology.

## Longevity, efficient resource use and health & safety as key parameters

### Using trucks & resources efficiently

Up to **99%** recyclability<sup>1</sup> of trucks ensured through ecological, modular design

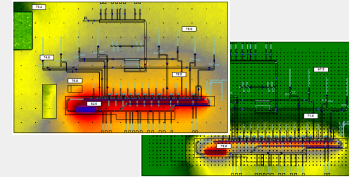
**1 in 5** trucks sold by ITS in 2023 was a used truck<sup>2</sup>

Almost **100%** of counterbalance weights in EU made from scrap metal<sup>1</sup>

**1<sup>st</sup> to 3<sup>rd</sup>** life truck lifecycle management from sourcing to recycling

### Health & Safety at customer site

#### Noise abatement



#### Dematic Quiet Flow Solution

- **3 – 15 dB(A) reduction** via solution-based approach<sup>3</sup>
- Integration in new & retrofit applications

#### Ergonomics



#### STILL iGo Neo

- Multi-level safety, **ergonomic design**
- Up to **75%<sup>4</sup> less** mounting and dismounting

1. Linde Material Handling Sustainability Report 2021 2. KION Group Sustainability Report 2023 3. Based on test results from laboratory and on-site product testing  
4. Based on internal calculation and on-site testing – target to achieve that 20% of Dematic's solution portfolio operates under 85 dB(A)

# People | Occupational Health & Safety and Board Remuneration

## Promoting employee health & safety and strengthening board ESG focus

### Achievements 2023 (selected)<sup>1</sup>

**89%** of Occupational Health & Safety Management Systems at all sites certified<sup>2</sup>

**98%** of all employees trained in Occupational Health & Safety

**~12%** Decrease in LTIFR<sup>3</sup> compared to 2022 (target -5.0% p.a.)

### ESG-linked board remuneration

ESG-linked board remuneration introduced in 2021 with dedicated **target criteria**:

Occupational Health & Safety:  
**Lost Time Injury Frequency Rate (LTIFR)**

Environmental Management System:  
**ISO 14001 and ISO 45001 certification**

ESG performance:  
**S&P Global Corporate Sustainability Assessment**

Employer attractiveness:  
**Employee Survey Score**

1. KION Group Sustainability Report 2023, p. 5-7 2. ISO 45001, 100% target by 2024

3. Lost time injury frequency rate: Occupational accidents of active employees with one or more working days lost per million hours worked

### Transparency along the supply chain

ecovadis



### Sustainable supply chain initiative

-  **Rating:** assessment & validation of 21 ESG factors incl. environment, ethics & sustainable procurement
-  **Target:** EcoVadis or equivalent rating available for 100% of strategic and high-risk suppliers by 2023<sup>1</sup>
-  **Future requirements:** Minimum EcoVadis score mandatory for all suppliers by 2027<sup>1</sup>

The KION Group Principles of Supplier Conduct comprise the expectation that all **suppliers respect human rights and uphold international social standards**, including the **ban on child and forced labor** in accordance with International Labour Organization (ILO) conventions, as well as the enforcement of statutory minimum **health and safety standards**

1. KION Group Sustainability Report 2023

# KION Selected ESG Achievements

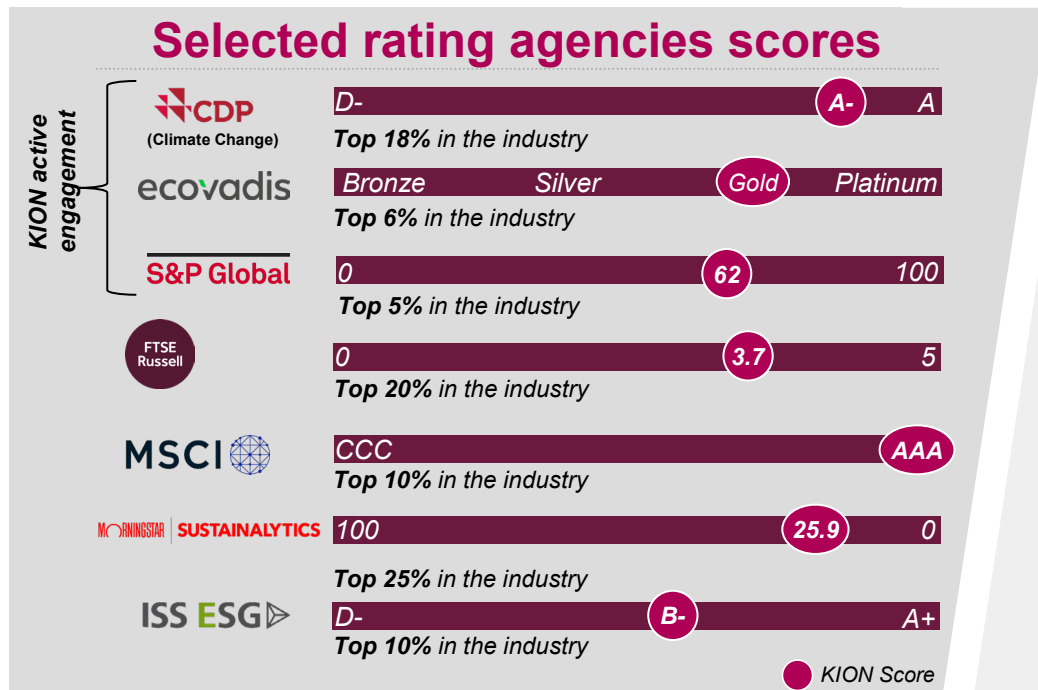
ESG performance constantly improved over the last 5 years...

Description		Performance 2023 vs 2018	Description		Performance 2023 vs 2018	
<b>Revenues</b>		<b>+43%</b>	<b>Employees</b>		<b>+28%</b>	
<b>E</b>	<b>Emission intensity</b> GHG emissions Scope 1, 2 & 3 Market-based/Revenues	<b>-48%</b>	<b>S</b>	<b>Diversity</b> % of female employees	<b>+2</b> Percentage Points	
	<b>Water intensity</b> Total water consumption/ Revenues	<b>-24%</b>		<b>LTIFR</b> Lost Time Injury Frequency Rate	<b>-52%</b>	
	<b>Waste intensity</b> Total waste produced/Revenues	<b>-20%</b>		<b>G</b>	<b>ESG-linked incentive</b> Variable remuneration linked to ESG criteria	<b>Yes</b> from 2020
	<b>Energy intensity</b> Total energy consumption/Revenues	<b>-33%</b>			<b>Supplier assessment</b> EcoVadis to assess suppliers (currently applied to share of suppliers)	<b>Yes</b> from 2018

Source: KION Sustainability reports 2018, 2019, 2020, 2021, 2022, 2023

# Sustainability

## ESG Rating agencies recognize KION leadership in sustainability



### Key highlights

- Environment**  
**Strong Environmental position** with good performance in resource management and production of low carbon products (e.g., E-trucks)
- Social**  
**Strong Social position** with good performance in product responsibility and human rights
- Governance**  
**Strong Governance position**, mainly due to good management systems and governance processes

“ KION Group product portfolio [...] may position the company well to tap the increasing demand for clean technology solutions, relative to peers ”

MSCI Analysts

Note: KION Group is also a member of DAX® 50 ESG (since March 2020), FTSE4Good Index Series (since June 2019) and STOXX® Europe Sustainability (since Dec. 2017)



# Agenda

1. Company Overview
  - I. KION Group at a Glance
  - II. Market Development and Business Drivers
  - III. Industrial Trucks & Services
  - IV. Supply Chain Solutions
2. Synergies and Combined Activities
  - I. A New Era in APAC
  - II. Mobile Automation
3. Sustainability / ESG
4. **Appendix**

## Executive Board of KION Group

More than 60 years of experience in Supply Chain Solutions und Material Handling



**Rob Smith**  
CEO

Since 01/2022

With KION since 01/2022  
Appointed until 12/2029

Nationality: American/  
German  
Born in 1965



**Christian Harm**  
CFO

Since 07/2023

With KION since 08/2003  
Appointed until 07/2026

Nationality: Austrian  
Born in 1968



**Valeria Gargiulo**  
CPSO<sup>1</sup>

Since 05/2023

With KION since 05/2023  
Appointed until 04/2026

Nationality: Argentinian/  
Italian  
Born in 1972



**Andreas Krinninger**  
President  
KION ITS EMEA  
Since 01/2021

With KION since 11/2011  
Appointed until 12/2028

Nationality: Austrian  
Born in 1967



**Mike Larsson**  
President KION SCS &  
KION ITS Americas  
Since 01/2024

With KION since 02/2021  
Appointed until 12/2026

Nationality: Swedish/  
American  
Born in 1965



**Ching Pong Quek**  
CTO & President  
KION ITS Asia Pacific  
Since 01/2013

With KION since 01/2006  
Appointed until 06/2025

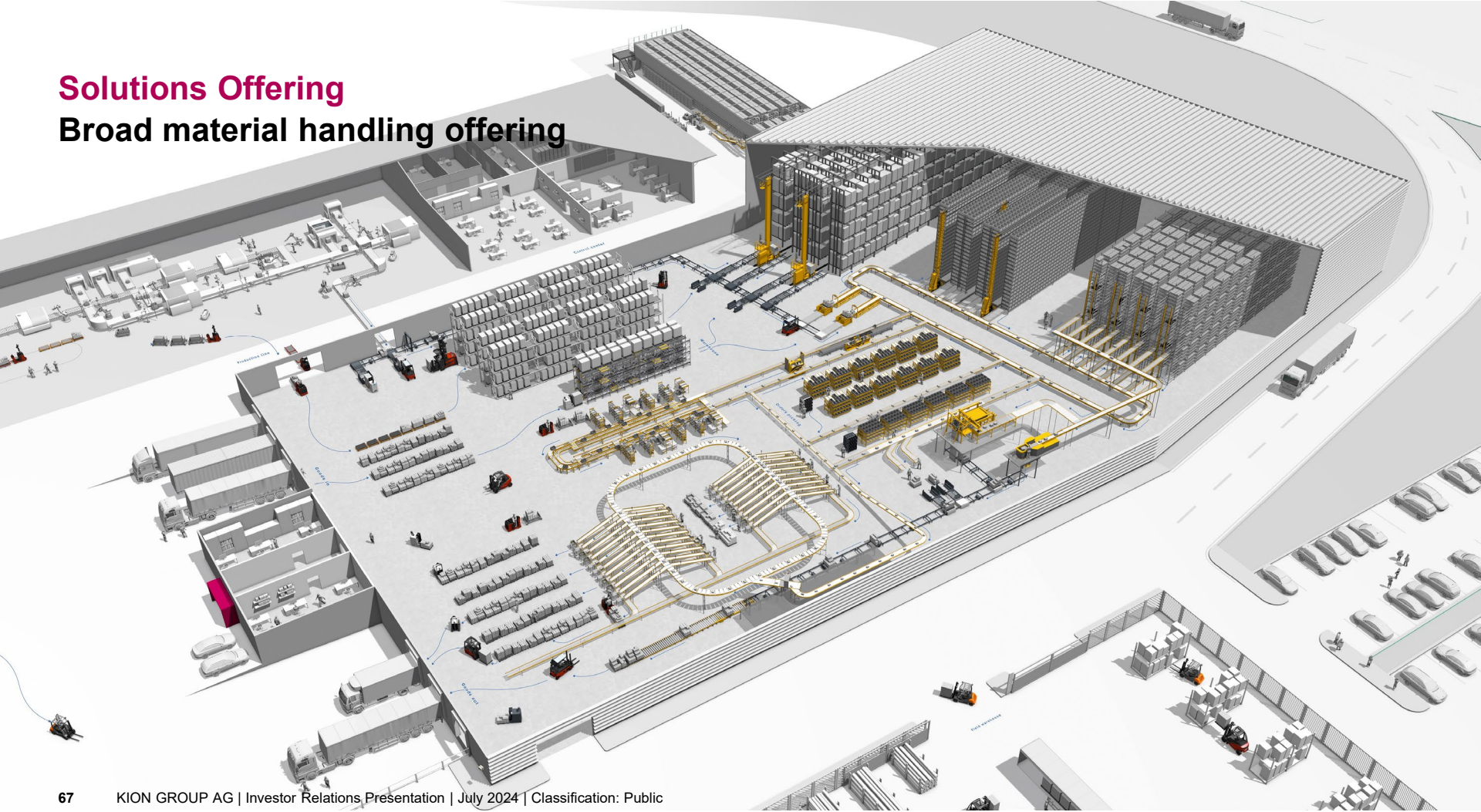
Nationality: Malaysian  
Born in 1967

→ Further details can be found on the [KION Group website](#)

1. Chief People and Sustainability Officer

# Solutions Offering

## Broad material handling offering



# Industrial Trucks

## Range of products serving customer needs worldwide

Examples

### Internal combustion (IC) counterbalance trucks (Cl. 4/5)

- Mainly used outside



### Electric (E) counterbalance trucks (Cl. 1)

- Mainly used inside



### Warehouse technology: rider trucks (Cl. 2)

- Faster transportation of loads
- Specially designed for warehouse requirements



### Warehouse technology: pedestrian trucks (Cl. 3)

- Transportation of loads at a walking pace



### Tractors (Cl. 6)

- Industrial processes, train stations, airports



### Automated and autonomous vehicles

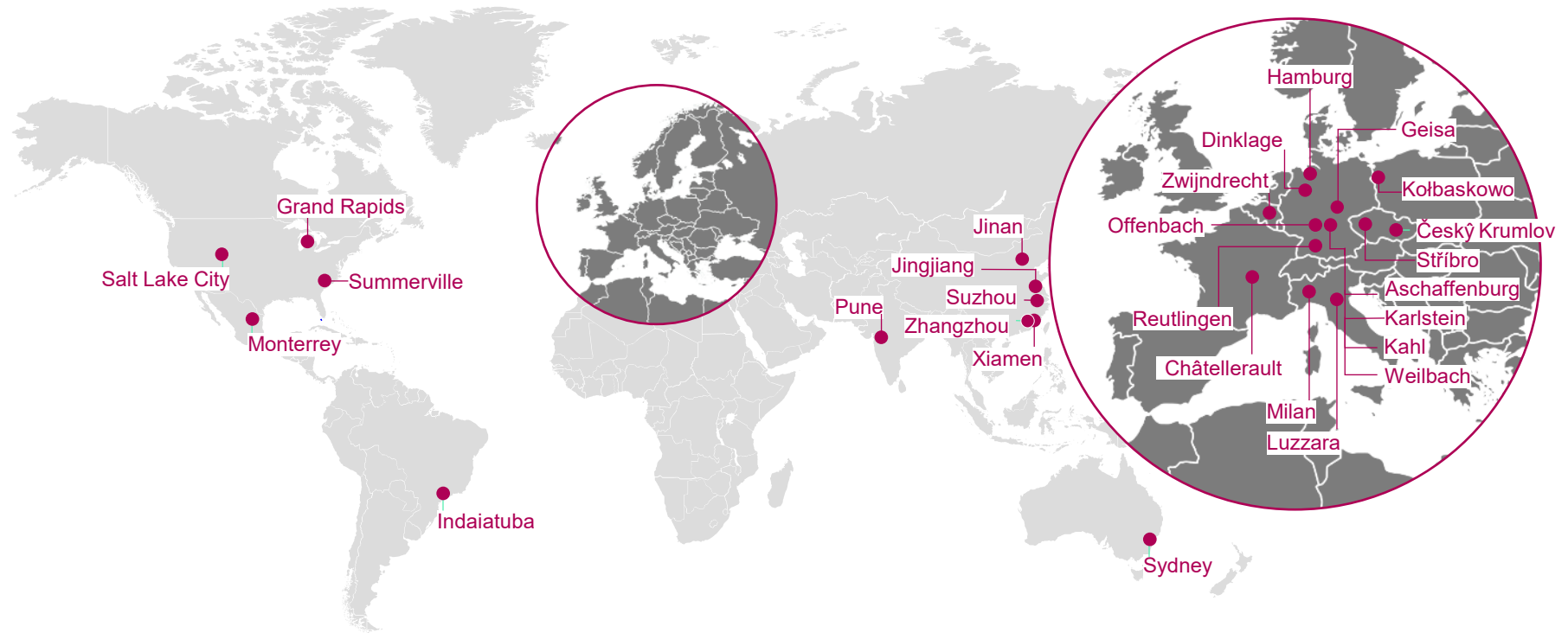
- Warehouse & distribution solutions
- Automated guided vehicle solutions



Note: The products shown are a selection from KION Group's comprehensive product range

# Global Manufacturing Network

## Production facilities for Industrial Trucks and Supply Chain Solutions



## KION Group at a Glance

Strong global sales and service network for a global customer base<sup>1</sup>

### Americas

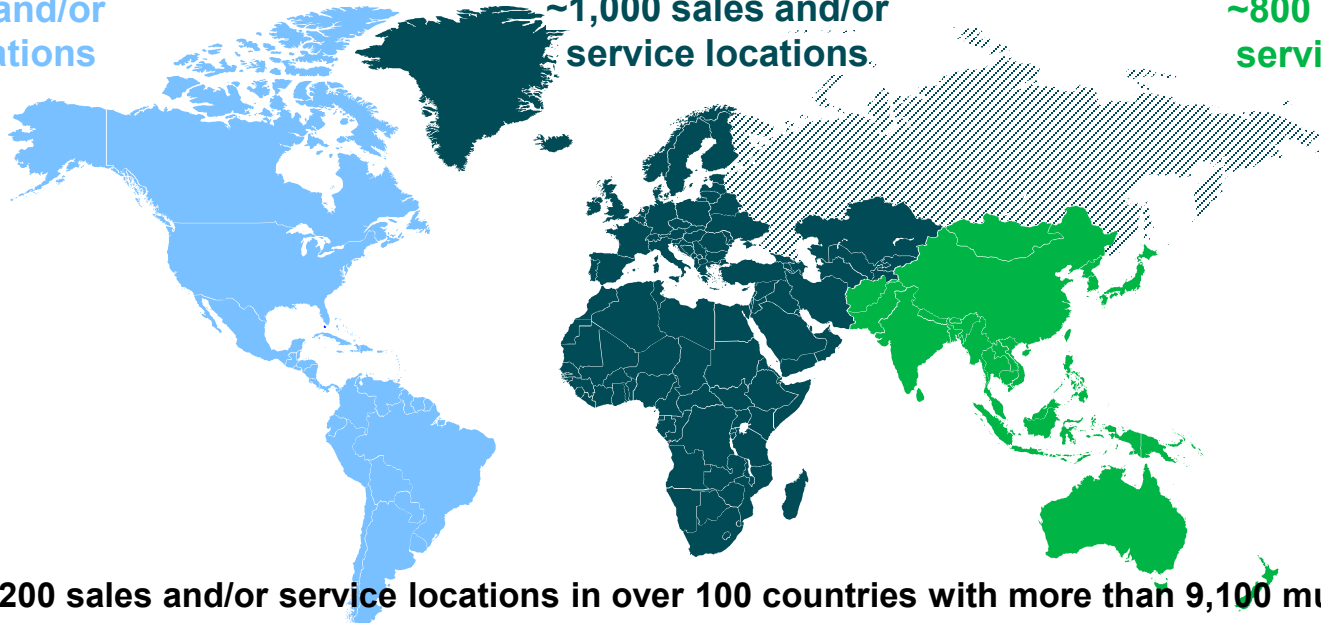
~400 sales and/or  
service locations

### EMEA

~1,000 sales and/or  
service locations

### Asia Pacific (APAC)

~800 sales and/or  
service locations



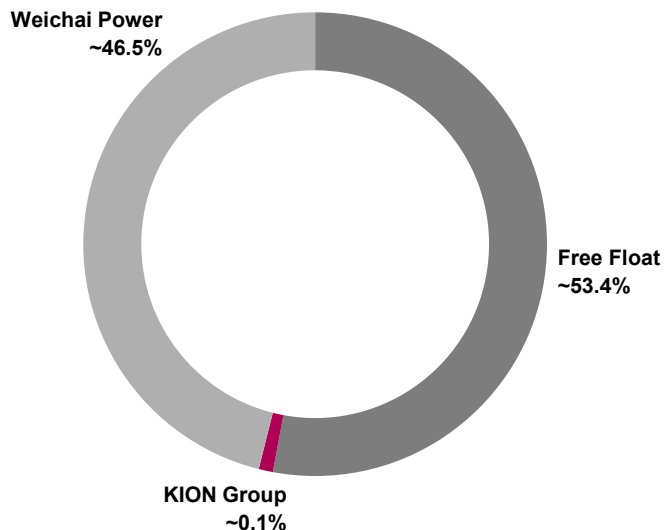
**Almost 2,200 sales and/or service locations in over 100 countries with more than 9,100 multi-skilled internal industrial trucks service staff and more than 2,100 systems engineers**

1. All numbers as of December 2023

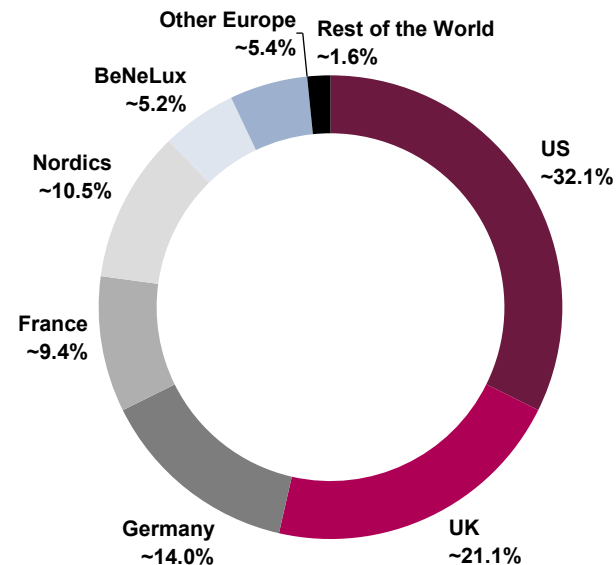
# KION Shareholder Structure

## US and UK represent majority of free float investors

### Shareholder Structure end of March 2024



### Free float by country end of March 2024<sup>1</sup>

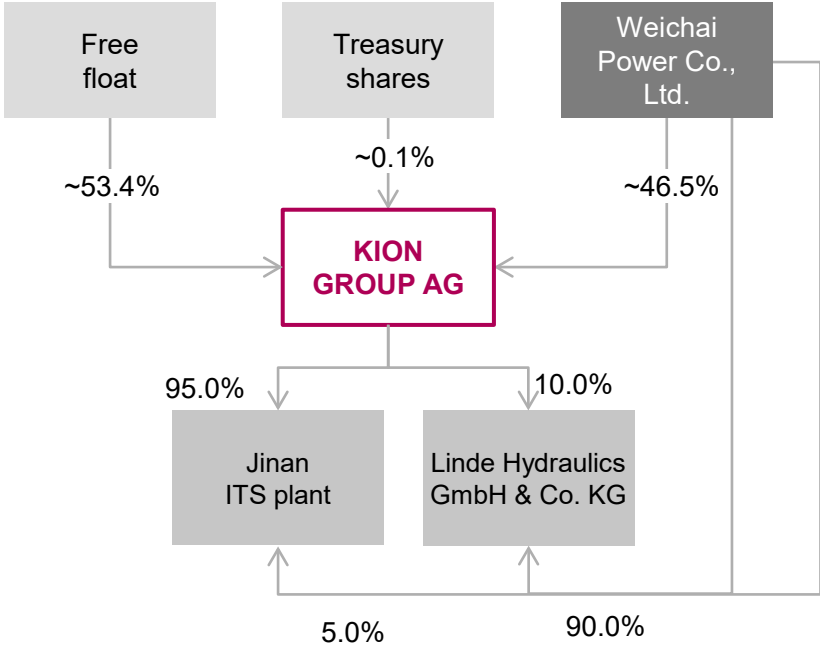


1. Based on 56,204,894 free float shares or 80% of 70,087,264 free float shares (Share-ID March 2024)

# Ownership Structure and Weichai Power Partnership

## Weichai Power is KION's strategic anchor shareholder

### Current ownership structure



### Weichai Power partnership

- KION investment**
  - Strategic anchor shareholder
  - Held 30% pre-IPO
  - Stepped up from 45.2% to 46.5% in Q4 22
- Linde Hydraulics**
  - Partner and strategic supplier for hydraulic components
  - Captive demand
- Co-operation**
  - Taking advantage of Weichai's customer base
  - Utilization of established relationships and dealership network of Weichai Power in China
  - Supply of components (e.g., Li-Ion batteries)
  - Weichai with 5% stake in JV for Jinan ITS plant



# Key Financials

## Group figures by year

(in €m)	2023	2022	2021	2020	2019	2018	2017 <sup>8</sup>	2016 <sup>6</sup>	2015	2014	2013	2012 <sup>1</sup>
<b>Order intake</b>	<b>10,876</b>	<b>11,708</b>	<b>12,482</b>	<b>9,443</b>	<b>9,112</b>	<b>8,657</b>	<b>7,979</b>	<b>5,833</b>	<b>5,216</b>	<b>4,771<sup>5</sup></b>	<b>4,489</b>	<b>4,590</b>
<b>Revenue</b>	<b>11,434</b>	<b>11,136</b>	<b>10,294</b>	<b>8,342</b>	<b>8,807</b>	<b>7,996</b>	<b>7,598</b>	<b>5,587</b>	<b>5,098</b>	<b>4,678</b>	<b>4,495</b>	<b>4,560</b>
Adj. EBITDA <sup>2</sup>	1,749	1,219	1,697	1,384	1,658	1,555	1,496	932	850	780	722	701
Adj. EBITDA margin <sup>2</sup>	15.3%	10.9%	16.5%	16.6%	18.8%	19.4%	19.7%	16.7%	16.7%	16.7%	16.1%	15.4%
<b>Adj. EBIT<sup>2</sup></b>	<b>791</b>	<b>292</b>	<b>842</b>	<b>547</b>	<b>851</b>	<b>790</b>	<b>777</b>	<b>537</b>	<b>483</b>	<b>443</b>	<b>417</b>	<b>408</b>
Adj. EBIT margin <sup>2</sup>	6.9%	2.6%	8.2%	6.6%	9.7%	9.9%	10.2%	9.6%	9.5%	9.5%	9.3%	9.0%
Net income	314	106	568	211	445	402	423 <sup>7</sup>	246	221	178	138	161
Dividend per share (€)	0.70	0.19	1.50	0.41	0.04	1.20	0.99	0.80	0.77	0.55	0.35	–
<b>ROCE</b>	<b>7.7%</b>	<b>2.9%</b>	<b>9.1%</b>	<b>6.2%</b>	<b>9.7%</b>	<b>9.3%</b>	<b>9.3%</b>	<b>6.9%</b>	<b>11.9%</b>	<b>11.4%</b>	<b>–</b>	<b>–</b>
Capital expenditures <sup>3</sup>	443	383	334	284	287	258	218	167	143	133	126	155
Total R&D spending	351	321	273	235	237	222	212	147	131	120	114	120
R&D spend in % of revenue	3.1%	2.9%	2.7%	2.8%	2.7%	2.8%	2.8%	2.6%	2.6%	2.6%	2.5%	2.6%
<b>Free cash flow</b>	<b>715</b>	<b>-716</b>	<b>544</b>	<b>121</b>	<b>568</b>	<b>520</b>	<b>474</b>	<b>-1,850</b>	<b>333</b>	<b>306</b>	<b>196</b>	<b>514</b>
Net financial debt	1,211	1,671	568	880	1,609	1,870	2,096	2,903	573	811	979	1,790
Employees <sup>4</sup>	42,325	41,149	39,602	36,207	34,604	33,128	31,608	30,544	23,506	22,669	22,273	21,215

1. Key figures for 2012 were adjusted due to the retrospective application of IAS 19R (2011); Order intake, Revenue, adjusted EBIT and adjusted EBITDA were aligned due to the sale of the Hydraulic Business  
2. Adjusted for PPA items and non-recurring items 3. Incl. capitalized R&D costs, excl. leased and rental assets 4. Full-time employees incl. apprentices and trainees as of Dec, 31 5. Order intake for FY 2014 adjusted to new presentation 6. Dematic consolidated for 2 months 7. Incl. one-off non-cash effect resulting from the remeasurement of deferred taxes in connection with the corporate tax rate reduction approved in the US 8. Key figures for 2017 were restated due to the initial application of IFRS 15 and IFRS 16

## FY 2024 Outlook

### Outlook confirmed across all KPIs

(in €m)	KION Group			Industrial Trucks & Services		Supply Chain Solutions	
	FY 2023 Actuals	FY 2024 Outlook		FY 2023 Actuals	FY 2024 Outlook	FY 2023 Actuals	FY 2024 Outlook
<b>Revenue</b> <i>change yoy:</i>	11,434	11,200 – 12,000 <i>-2% to +5%</i>	>	8,480	8,500 – 9,000 <i>+0% to +6%</i>	2,997	2,700 – 3,000 <i>-10% to +0%</i>
<b>Adj. EBIT</b> <i>change yoy:</i>	791	790 – 940 <i>-0% to +19%</i>	>	849	850 – 950 <i>+0% to +12%</i>	44	60 – 120 <i>+36% to +173%</i>
<b>FCF</b> <i>change yoy:</i>	715	550 – 670 <i>-23% to -6%</i>					
<b>ROCE (%)</b> <i>change yoy:</i>	7.7	7.4 – 8.8 <i>-30bp to +110bp</i>					

- **ITS:** slight growth in revenue and FY margin above 10% adj. EBIT margin
- SCS:** lower revenue reflecting prior year order patterns; slight improvement in margins due to lower number of legacy projects in execution as well as benefits from measures to improve costs base

All predictions for the business performance of the Group and the operating segments in the remainder of the year continue to be subject to uncertainty in view of the development of the macroeconomic environment and lingering uncertainty in the sales and supply markets.

## FY 2024 Expectation – Housekeeping Items

### Non-recurring items<sup>1</sup>

... between **-€10m to -€20m**

### PPA

... around **-€90m to -€95m**

### Net financial expenses

... between **-€170m to -€200m**

### Tax rate

... effective tax rate to be between **29% and 34%**

### Operating Capex<sup>2</sup>

... between **-€400m to -€450m**

### R&D spending<sup>3</sup>

... around **3%** of group revenue

### Dividend policy

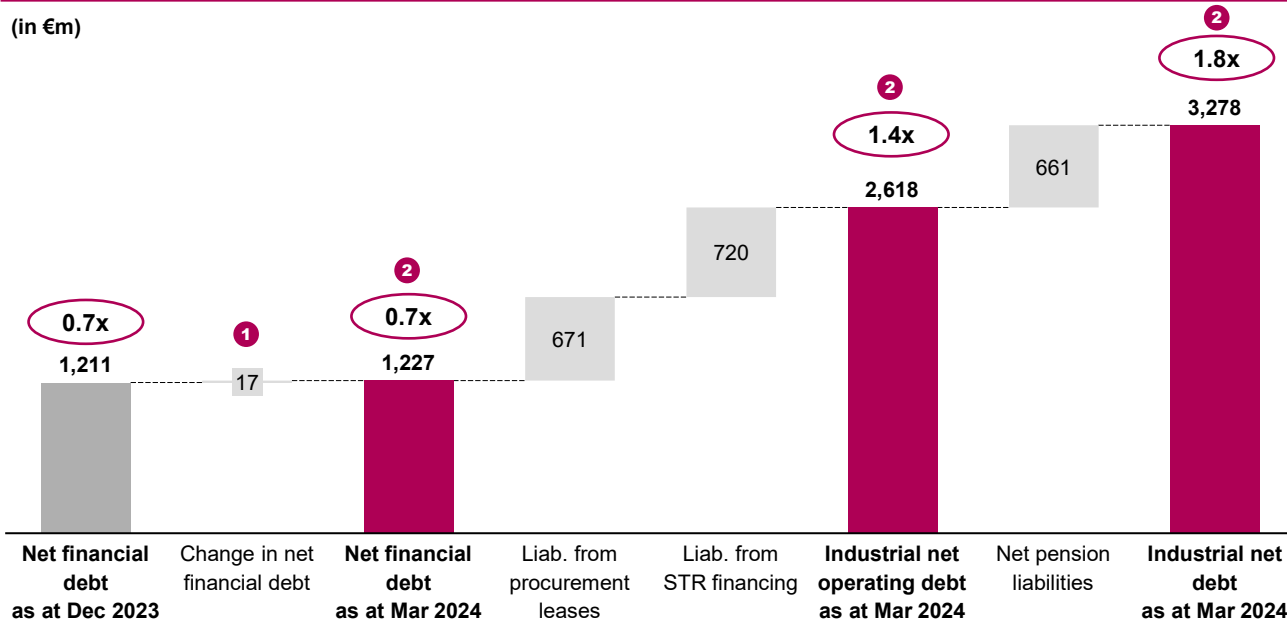
... **25% to 40%** of consolidated net income,  
subject to availability of distributable profit

1. Refers to NRIs on EBIT 2. Includes capitalized development costs and spending on property, plant, and equipment and on intangible assets (excluding right-of-use assets)  
3. includes R&D expenditure and capitalized development costs Please see disclaimer on last page regarding forward-looking statements

# Net Debt

## Higher LTM adj. EBITDA leads to further improved leverage ratios

### Indebtedness and leverage<sup>1</sup> ratios as at 31 March 2024



### Comments

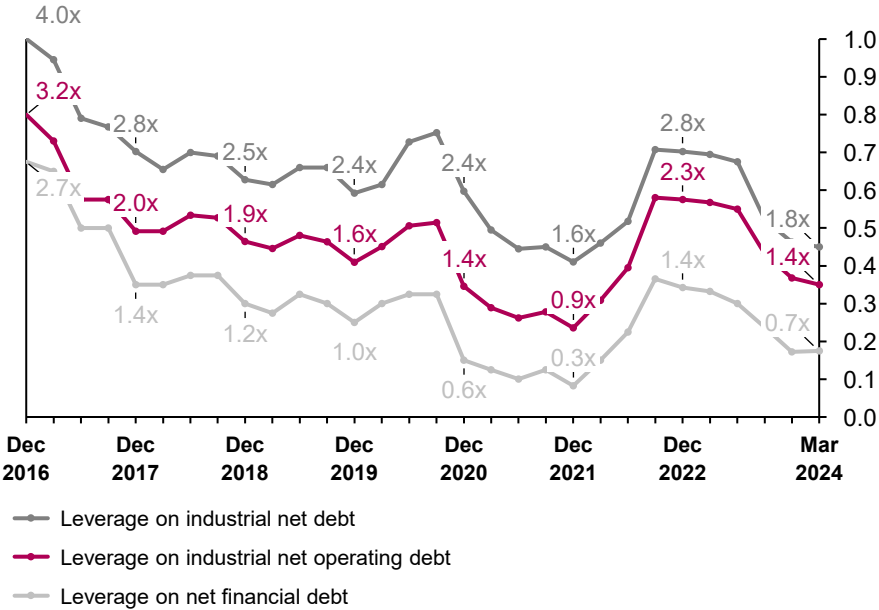
- 1 Marginal increase in net debt despite positive FCF due to reduction of on balance sheet factoring
- 2 **Leverage ratios** improved further sequentially in Q1 24 despite a slight increase in net debt, driven by €85m incremental higher LTM adj. EBITDA  
  
Leverage ratios on INOD and IND **improved by 0.1x** qoq

1. Leverage based on LTM adj. EBITDA of €1,833m (Dec. 2023: €1,749m)

# Leverage Development and Maturity Profile

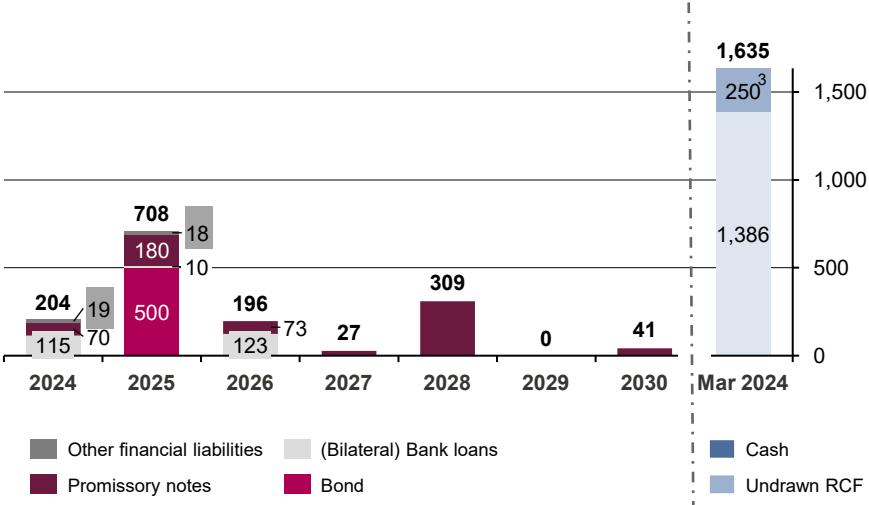
## Leverage ratios improved further in Q1 2024

### Leverage development<sup>1,2</sup>



### Maturity profile and free liquidity

as at 31 March 2024 (in €m)



1. Leverage ratios before Dec 2017 were not restated for IFRS 15 and IFRS 16 2. Leverage based on adj. LTM EBITDA 3. Total cash and cash equivalents amount to €251m

# Credit Ratings and Refinancing Tools

## Refinancing tools

### Debt Issuance Program (EMTN)

Program size €3bn

### Bonds issued under the Debt Issuance Program

Volume €500m

Issue Date Sep 2020

Maturity Date Sep 2025

Coupon 1.625%

### Commercial Paper Program

Program size €750m

### ESG-linked revolving credit facility (maturity Q4 2027)

Size ~€1.4bn

## Corporate credit ratings

Agency	Rating	Outlook	Last Update
Fitch Ratings (long-term)	BBB	Stable	28 May 2024
Fitch Ratings (short-term)	F2		28 May 2024
Standard & Poor's	BBB-	Negative	01 Feb 2024

## ESG-linked RCF details

Bonus-malus interest rate adjustment

- **+/- 2.5 basis points** interest rate adjustment based on **ESG performance**
- **First** testing in 2023 (based on KION Group Sustainability Report 2022)

Three performance criteria

- **Lost Time Injury Frequency Rate**
- **Share of electrified trucks**
- **Greenhouse gas emissions**

# Financial Calendar

<b>Date</b>	<b>Event</b>
04 September 2024	KION @ Jefferies Industrial Conference, New York, USA
04 September 2024	KION @ Commerzbank and ODDO BHF Corporate Conference, Frankfurt, Germany
06 September 2024	KION @ Morgan Stanley Industrials CEO Conference, London, UK
12 September 2024	KION @ UBS Quo Vadis Industrial Tour, virtual
23 September 2024	KION @ GS/Berenberg German Corporate Conference 2024, Munich, Germany
24 September 2024	KION @ Baader Investment Conference, Munich, Germany
<b>30 October 2024</b>	<b>Quarterly statement for the period ended 30 September 2024 (Q3 2024) and analyst call</b>

Subject to change without notice

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