

Press Release

Website: www.kiongroup.com/battery-systems

Electrifying Future: KION Battery Systems Opens Second Production Line for E-Mobility

- **The company, a partnership between KION GROUP AG and BMZ Holding GmbH, produces lithium-ion batteries for industrial trucks at its Karlstein plant**
- **Product offering and production capacities are being expanded**
- **Designed to meet the strong demand for sustainable drive concepts**

Karlstein am Main, April 26, 2022 – KION Battery Systems GmbH (KBS) is expanding its production facility at the Karlstein site and setting the next milestone in its path of growth and innovation in the process. The company, a partnership between KION GROUP AG and BMZ Holding GmbH, has now officially put into operation a second production line for manufacturing 24-volt batteries, used in mobile warehouse handling equipment.

The global intralogistics group and the manufacturer of lithium-ion system solutions set up KION Battery Systems in summer 2019 to produce lithium-ion batteries for industrial trucks. KBS's objective is to sustainably expand its lithium-ion product offering and production capacities for the EMEA region. This should make it possible to optimally meet the rapidly growing demand for lithium-ion battery systems in the intralogistics and warehouse technology industry. This demand is growing continuously, mainly due to the high efficiency of the lithium-ion drive system. The KION Group's electric forklift trucks boast a strong performance that enables it to effortlessly compete with internal combustion forklift trucks, thus offering a sustainable alternative for tackling challenging areas of application – both indoors and outdoors.

“Our modern lithium-ion trucks provide the basis for resource-saving intralogistics. With the addition of a second production line, we are now taking the next vital step towards a sustainable future in our role as one of the leading suppliers,” said Rob Smith, CEO of KION GROUP AG, at the inauguration of the second production line.

Both KION and BMZ have world-leading expertise in the lithium-ion technology sector. In the two-and-a-half years since its foundation, the company has already been manufacturing 48- and 80-volt batteries for counterbalance trucks at its state-of-the-art plant. Now, production is being extended to other industrial trucks. Thanks to the addition of a second production line, the KBS plant now has capacity to produce 30,000 batteries every year.

“KBS gives our brands another important boost to their energy-efficient drive systems and strengthens our position in the area of Li-ion batteries significantly. The partnership with BMZ is

paying off,” summarizes Rob Smith. Particularly fascinated by product innovations, he goes on to explain, “The experts at KBS are currently designing a completely new forklift battery that uses cells developed specifically for KION. This is cutting-edge technology made in Germany.”

Development Site for the Li-ion Technology of Tomorrow

In addition to battery production, the R&D department at KBS is making significant strides forward in developing concepts for reconditioning lithium-ion batteries and transitioning the system into a second or even third life. The development team and other KION experts are looking at the battery’s entire life cycle: from the development of new proprietary battery systems and intelligent load management to reconditioning and ultimately recycling batteries, with the existing possibility to recover up to 95% of the raw materials used.

Founder and Managing Director of BMZ Holding, Sven Bauer, highlights the potential the jointly operated company has to offer: “KBS brings together know-how from two different worlds. KBS stands for the combined forces of pioneering spirit and expertise from two of the world’s leading groups in lithium-ion battery development and intralogistics. Based in the growth market of electrification, our jointly operated company has demonstrated its huge potential over the last two-and-a-half years and has thus become a forward-looking anchor in the BMZ Group within a very short space of time.”

KION Battery Systems currently employs around 80 members of staff in the areas of research, development, and production. Up to 150 jobs will be created at Karlstein in the medium term.

“I’m delighted that the expanded production of sustainable battery systems will create more jobs here in Karlstein,” said Peter Kress, Mayor of the town of Karlstein am Main. “Both KION Battery Systems and BMZ are the leading lithium-ion battery system providers in their sectors, both with an exciting history in development and enormous potential in that area. I would like to see other cutting-edge technology companies in sustainable segments establish themselves here and create skilled jobs as well. Companies just like KION Battery Systems.”

Strategic Focus on Sustainable Drive Concepts

As part of its “KION 2027” strategy, the intralogistics group is also shining a spotlight on energy and energy efficiency, which will be decisive in shaping the flow of materials. The drive technology of tomorrow acts as the focal point of the group’s international research and development activities. Today KION already offers the customers in its portfolio a full range of intralogistics drive technologies, from combustion engines to fuel cells, via lead-acid and li-ion batteries.

Electromobility plays a particularly important role here, given that the KION Group is ultimately one of the leading providers of electrically operated forklift and warehouse trucks. In the past 10 years, the group has sold more than one million electric trucks through its brands. Approximately 87% of all new industrial trucks manufactured by the KION Group are electrically powered.

BMZ was founded 28 years ago by the current managing director and has played a leading role in the further development of lithium-ion technology since its creation. With its extensive supply chain,

the BMZ Group is excellently positioned on the international stage and, thanks to long-standing working relationships with cell manufacturers, strives to offer customers sophisticated, high-quality products, including robust logistics concepts.

Lithium-Ion Batteries: Highly Efficient Technology With Many Advantages

The advanced batteries offer many advantages, making them a more sustainable and more cost-efficient alternative drive system. The lithium-ion batteries have a much greater power density and level of efficiency compared to lead-acid batteries, for example. The batteries are not only smaller, but also help cut energy costs by up to 30% while offering the same performance. What's more, there's no need to replace the batteries nor do they require servicing. Lithium-ion batteries can be recharged anytime when not in use, making them perfect for multi-shift operation. When it comes to sustainability the batteries really come into their own because they don't give off any emissions when running. Their cleanliness makes them particularly suitable for sectors that have high hygiene requirements, e.g., in the food or pharmaceutical sectors. The benefits of the latest generation of batteries are clear for all to see and they offer the same level of performance as internal combustion forklift trucks, even in hard, multi-shift applications with heavy loads, such as in the construction materials sector.

The Companies

The **KION Group** is one of the world's leading providers of industrial trucks and supply chain solutions. Its full spectrum of services includes industrial trucks, such as forklift trucks and warehouse trucks, as well as integrated automation technologies and software solutions for the optimization of supply chains—including all related services. The KION Group's solutions ensure the smooth flow of materials and information in customers' warehouses, production plants, and distribution centers in over 100 countries.

The MDAX listed group is the largest manufacturer of industrial trucks in Europe based on the number of units sold in 2021. Based on revenue for the year 2020, the KION Group is the leading overseas manufacturer in China, and including domestic manufacturers, the third-largest supplier there. The KION Group is also one of the world's leading warehouse automation providers, based on 2020 revenue.

At the end of 2021, more than 1.6 million industrial trucks and over 8,000 installed systems from the KION Group were in use by customers from all manner of sectors and of varying sizes on six continents. The group currently has around 40,000 employees and generated revenue of approx. EUR 10.3 billion in the 2021 financial year.

The **BMZ Group** is a global player in the development and production of cross-sector lithium-ion system solutions. It offers products along the entire value-added chain, from the cell and the battery all the way through to second life and disposal. Besides supplying markets such as medical, garden, and power tools as well as industrial applications, the BMZ Group also primarily

regards itself as THE GREEN ENERGY SYSTEM PROVIDER. With the manufacture of home and industrial storage for photovoltaic systems as well as batteries for electromobility, BMZ produces the core equipment of the infrastructure needed for the energy and transport revolution. With a view to the growing threat of climate change and its impact, this is proof that BMZ takes its social, economic, and environmental responsibility seriously. The Group's headquarters are in Germany, and it has further production facilities in China, Poland, and the USA, as well as subsidiaries in Japan, the UK, and France. It also has research and development sites across the globe. Over 1,800 employees work for the BMZ Group.

You can access up-to-date image material for the KION Group and KION Battery Systems via our image database <https://mediacenter.kiongroup.com/categories> as well as on our respective brands' websites.

(fgr)

Disclaimer

This communication and the information contained herein are for informational purposes only and do not constitute a prospectus or an offer of securities for sale in the United States or any other jurisdiction, or a solicitation of an offer to buy securities in the United States or any other jurisdiction.

This release contains forward-looking statements that are subject to various risks and uncertainties. Future results may deviate significantly from the results currently expected, and due to various risk factors and uncertainties such as changes in the business, economic, or competitor situation (including with regard to further developments concerning the coronavirus pandemic), changes in legislation, outcomes of technical studies, exchange rate fluctuations, uncertainties regarding litigation or investigative proceedings, and the availability of financial resources. We do not assume any responsibility for updating the forward-looking statements contained in this release.

Further information for media

KION Group

Frank Grodzki

External Communication & Group Newsroom Manager

Telephone +49 (0)69 201 107 496

Cell +49 (0)151 65 26 29 16

frank.grodzki@kiongroup.com

Page 5

Christopher Spies
Corporate Communications Manager
Cell +49 (0)151 14 06 52 27
christopher.spies@kiongroup.com

BMZ

Christiane Landgraf
Marketing Consultant & Press Officer
Telephone +49 (0)6188 9956 7774
christiane.landgraf@bmz-group.com

Further information for investors (KION Group)

Sebastian Ubert
Vice President Investor Relations
Telephone +49 (0)69 201 107 329
sebastian.ubert@kiongroup.com

Fabian Giese
Senior Manager Investor Relations
Telephone +49 (0)69 201 107 491
fabian.giese@kiongroup.com