

Press release

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KION Group CEO Riske: “We are now better positioned than ever.”

- **KION Group proves its resilience in 2020**
- **Recently published figures for the first quarter of 2021 reinforce the KION 2027 corporate strategy**
- **Digitalization and automation remain key trends for the future of the industry**
- **Optimism for 2021: KION GROUP AG still on track for growth**
- **Executive Board remuneration and all other proposals of the Supervisory Board and the Executive Board approved by majority**

Frankfurt, May 11, 2021 – At its Annual General Meeting, KION GROUP AG reflected on a financial year in which the Group managed to navigate the coronavirus pandemic in robust shape: “The KION Group has remained on course even through choppy waters. Our structure is resilient and we operate with a focus on the future,” said Gordon Riske, Chief Executive Officer of KION GROUP AG, in his report to shareholders. The encouraging results for the first quarter of 2021, published by the Group at the end of April, provide very solid foundations for the current year. “Our KION 2027 strategy, our resilient financial position, and our flexibility in capitalizing on market potential are paying off,” emphasized Riske. “We are now better positioned than ever and remain on track for growth.”

The CEO paid tribute to the hard work of the Group’s more than 36,000 employees in the last financial year: “The pandemic has also brought tremendous personal challenges and stresses for our employees. I am therefore all the more impressed by the extraordinary commitment of our teams. In a situation unlike anything that anyone of us had ever experienced, we all pulled together.” Riske added that it had been an enormous challenge to keep the Group’s supply chains going in order to ensure that it was ultimately able to deliver to its customers. “And sometimes, we are still having to operate in difficult circumstances when we provide services to our customers, and when we install new systems and bring them on line,” Riske pointed out.

The Company always regards the health and safety of every single employee as its number one priority. In early March 2020, the KION Group developed and implemented

a package of health and safety measures. Riske explained that these measures were adapted continuously to reflect changes in the course of the pandemic and new scientific findings.

Growing demand for material handling technologies

2020 also created opportunities for the KION Group: The boom in e-commerce coupled with automation technology in warehouse logistics boosted growth in the Supply Chain Solutions segment. Software-driven solutions for global supply chains proved to be an important stabilizing factor. The Group's structure with two strong operating segments, Industrial Trucks & Services and Supply Chain Solutions, has proven its worth.

"The challenges were – and still are – immense," said Riske. "And yet we still managed to increase the value of our order intake by 3.6 percent year on year to around €9.4 billion in 2020. That is a new record for the KION Group. And our employees are rightly very proud of that!" Despite the pandemic, the Group continued to invest in bringing new products to market, expanding global production capacity, and developing the sales and service network, in order to ensure that the business is well positioned for the future.

Digitalization and automation are key trends for the future

In his report to shareholders, Gordon Riske also emphasized the significance of industry trends in the fields of automation, digitalization, and energy. "We all see it, every day: The digital transformation and the increasing degree of automation are game changers in intralogistics. The acquisitions of Dematic in 2016 and the software company DAI last year have thus been tremendous additions to our business." Riske expects that the trend toward fully automated warehouses will gather further pace. He explains that rapid, reliable, and efficient supply chains are the backbone of the web economy.

New energy systems were also a particular focus of research and development in the KION Group. From internal combustion engines to various types of electric drive systems and fuel cells – the products of the brand companies Linde Material Handling, STILL, Baoli, Fenwick, and OM, along with Dematic's material handling solutions, offer customers the full range of drive technologies: "Our intelligent trucks, our data management, and our automated storage systems keep supply chains running smoothly all over the world – which is particularly important at the current time as we continue to live with the pandemic," said Riske.

Sustainability is an integral element of the corporate strategy

Aspects of sustainability are having a growing influence on the way in which businesses are operated. In his report, Riske highlighted their importance: "We are taking responsibility." The KION Group further developed its strategy in the past

financial year with a focus on people, products, and processes, as set out in the recently published sustainability report. “We aim to be an employer where people feel motivated and recognized,” said Riske. “Health and safety in the workplace is absolutely fundamental for us.” The KION Group’s products and solutions are highly efficient and could thus improve not only the environmental footprint of customers but also their safety. And last but not least, the Group’s processes have been designed in a way that limits their impact on the climate as much as possible.

Proposals of Supervisory Board and Executive Board approved by majority

The proposals of the Supervisory Board and Executive Board – including the distribution of a dividend of €0.41 per share in 2021 – were approved by a majority of shareholders. With earnings per share of €1.81, this equates to a dividend payout rate of around 25 percent. In 2020, the KION Group had distributed a dividend of just €0.04 per share due to extreme uncertainty in connection with the coronavirus pandemic. In addition, a new remuneration system for Executive Board members was adopted, which conforms with the requirements of the Act Implementing the Second Shareholder Rights’ Directive (‘ARUG II’) and the recommendations of the amended German Corporate Governance Code. For the first time, the remuneration system now also includes sustainability/ESG-related targets, which thus also become a guiding principle for the entire company.

Around 225 shareholders and shareholder representatives watched the virtual Annual General Meeting.

Further information about the Annual General Meeting can be found here:

<https://www.kiongroup.com/en/Investor-Relations/Shareholders-Meeting/>

<https://www.kiongroup.com/en/Investor-Relations/Financial-News/>

The Company

The KION Group is among the world's leading suppliers of industrial trucks and supply chain solutions. Its portfolio encompasses industrial trucks, such as forklift trucks and warehouse trucks, as well as integrated automation technology and software solutions for the optimization of supply chains, including all related services. Across more than 100 countries worldwide, the KION Group's solutions improve the flow of material and information within factories, warehouses, and distribution centers.

The Group, which is included in the MDAX, is the largest manufacturer of industrial trucks in Europe in terms of units sold in 2020. In China, it is still the leading foreign manufacturer (as measured by revenue in 2020) and number three overall. The KION Group is also one of the leading providers of warehouse automation worldwide (as measured by revenue in 2019).

At the end of 2020, more than 1.6 million of the KION Group's industrial trucks and over 6,000 of its installed systems were in use by customers of various sizes and in numerous industries on six continents. The Group currently has in excess of 36,000 employees and generated revenue of €8.3 billion in 2020.

Current KION Group images can be found in our image database at <https://mediacenter.kiongroup.com/categories> and on the websites of our various brands.

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Disclaimer

This release contains forward-looking statements that are subject to various risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to certain factors, e.g. changes in business, economic and competitive conditions (including with respect to further developments in relation to the COVID-19 pandemic), regulatory reforms, results of technical studies, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. We do not undertake any responsibility to update the forward-looking statements in this release.

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