

KRONES Aktiengesellschaft, Neutraubling  
Annual general meeting of KRONES AG  
on Wednesday, 5 June 2019, 2:00 pm,  
in the Stadthalle Neutraubling, Regensburger Strasse 9,  
93073 Neutraubling, Germany.

Explanatory report on the disclosures pursuant to Sections  
**315a (1)** and **289a (1)** of the German Commercial Code (HGB)



## Explanatory report on the disclosures pursuant to **Sections 315a (1)** and **289a (1)** of the German Commercial Code (HGB)

### 1. Composition of share capital

Pursuant to Section 4 (1) of the articles of association, KRONES AG's share capital amounts to €40,000,000.00 and is divided into 31,593,072 ordinary bearer shares.

### 2. Voting rights and right of participation in the annual general meeting

Under Section 20 (1) of the articles of association, each share entitles its holder to one vote in the annual general meeting. Unless mandatory provisions of the law stipulate otherwise, resolutions of the annual general meeting are made with a simple majority of the votes cast or, in cases in which the law prescribes a majority of shares in addition to a majority of votes, with a simple majority of the share capital represented in the vote.

Pursuant to Section 18 (1) of the articles of association, only those shareholders who register with the company in writing in German or English and provide proof of their shareholding prior to the annual general meeting are entitled to participate and vote in the annual general meeting. Special verification of the shareholding in text form, issued in German or English by the institution with which the account is held, shall constitute sufficient evidence of the shareholding. The evidence of shareholding must refer to the start of the twenty-first day prior to the annual general meeting.

Pursuant to Section 18 (2) of the articles of association, voting rights can be exercised by proxy. Granting, revocation, and evidence of proxy authorisation must be submitted to the company in text form.

The notice convening the shareholders' meeting may specify a relaxation of this requirement. Section 135 of the German Stock Corporation Act (AktG) remains unaffected.

The Executive Board of the company is not aware of any other restrictions relating to voting rights or the transfer of shares.

### 3. Direct and indirect ownership of company's capital exceeding 10% of voting rights

The company is aware of the following direct and indirect shareholdings in the company's capital that exceed 10% of the voting rights:

Name of shareholder	Total share of voting rights	Of which attributable indirect voting rights pursuant to Section 22 (2) of the Securities Trading Act
Familie Kronseder Konsortium GbR, Neutraubling, Germany	51.61 %	51.61 %

Changes to the shareholdings listed above that are not required to be reported to the company may have occurred since the specified date (January 2019). Because the company's shares are bearer shares, the company is generally only aware of changes in shareholdings if these changes are subject to reporting requirements.

#### 4. Provisions in law and in the articles of association governing the appointment and dismissal of Executive Board members and changes to the articles of association

The appointment and dismissal of Executive Board members is governed by Sections 84 and 85 of the German Stock Corporation Act (AktG). Pursuant to Section 6 (1) of the articles of association, the Executive Board consists of at least two members. Pursuant to Section 6 (2) of the articles of association, determination of the number of Executive Board members, the appointment of regular and deputy members of the Executive Board, the execution of their employment contracts, and revocation of appointments are the responsibility of the Supervisory Board.

Amendments to the articles of association are subject to the provisions of Sections 179 et seq. of the German Stock Corporation Act. Such amendments are to be resolved by the annual general meeting (Section 119 (1) number 5 and Section 179 (1) of the German Stock Corporation Act). The Supervisory Board is authorised to make amendments that affect only the wording of the articles of association (Section 13 of the articles of association).

#### 5. Executive Board authority to issue or buy back shares

Pursuant to Section 4 (4) of the articles of association, the Executive Board may, with the approval of the Supervisory Board, increase the share capital by a total of up to €10 million (authorised capital) through the issuance once or repeatedly of ordinary bearer shares against cash contributions up to and including 15 June 2021.

Shareholders must be granted subscription rights to these shares. The Executive Board may exclude the subscription rights of shareholders, with the approval of the Supervisory Board, for any fractional amounts that may arise.

By resolution of the annual general meeting of 13 June 2018, the Executive Board is authorised to buy treasury shares totalling up to 10% of the current share capital at the time that this resolution is adopted or – if lower – the share capital at the time this authorisation is exercised, with the approval of the Supervisory Board up to and including 12 June 2023.

By resolution of the annual general meeting of 13 June 2018, the Executive Board is authorised to use treasury shares that are purchased under the above authorisation pursuant to Section 71 (1) number 8 of the German Stock Corporation Act (AktG) for any lawful purpose, including selling them through a stock exchange or by way of an offer addressed to all shareholders or any of the following:

- 1) The shares can be cancelled without the cancellation or its execution requiring a further resolution by the annual general meeting.
- 2) They can be offered and transferred to third parties in return for contributions in kind, in particular in connection with business combinations or the acquisition of companies, operations, parts of companies, or interests in companies. The aforementioned shares may also be used to end or settle valuation proceedings under company law (gesellschaftsrechtliche Spruchverfahren) relating to affiliated companies.
- 3) They can be sold to third parties in exchange for cash payment at a price not substantially below the stock exchange price of the company's shares at the time of the sale within the meaning of Sections 71 (1) number 8 sentence 5 and 186 (3) sentence 4 of the German Stock Corporation Act (AktG).
- 4) They can be used to service duties or rights to acquire shares in the company under or in connection with convertible bonds or bonds with warrants issued by the company and its group companies or profit-sharing rights with conversion rights or warrants.

The shareholders' subscription rights on these treasury shares shall be excluded insofar as these shares are used as described under 2) through 4) above in accordance with the above authorisation or to the extent necessary in order to avoid fractional amounts if the treasury shares are to be sold by way of an offer addressed to all shareholders.

#### 6. Agreements relating to a change or acquisition of control

KRONES AG has not made any material agreements containing special provisions relating to a change or acquisition of control following a takeover offer.

#### 7. Agreements with members of the Executive Board or company employees relating to compensation in the event of a takeover offer

The company has not made any agreements with members of the Executive Board or company employees relating to compensation in the event of a takeover offer.

Neutraubling, 25 March 2019

KRONES AG  
The Executive Board



Christoph Klenk  
CEO



Michael Andersen  
CFO



Thomas Ricker



Markus Tischer



Ralf Goldbrunner