



1

TO OUR SHAREHOLDERS

Solutions beyond tomorrow	5
drinktec 2022	25
Letter from the Executive Board	34
The Executive Board	37
Report of the Supervisory Board	38
The Supervisory Board	44
The Krones share	46



SOLUTIONS BEYOND TOMORROW

Krones has developed a future-driven new target picture under the slogan “Solutions beyond tomorrow”. This places the focus on three major challenges facing humanity: **combating climate change, feeding the world** and **responsible use of packaging materials**.



Krones' target picture

At the heart of the target picture are Krones' vision and mission, corporate culture and strategic focus. It provides Krones with support and orientation on the road to a successful future, and helps us to make the most of growth opportunities in our markets. Our target picture is the basis for the development of future-ready, sustainable products and services.

Our vision

Sustainable and affordable beverages, food and essentials for everyone and everywhere. We develop solutions beyond expectations for our customers, humanity and our planet.

Our corporate culture

We shape the future with passion and bold commitment.

As a diverse organisation, we are open to innovation and change, and work together in a spirit of trust and without barriers.

Our strategic focus

Sustainability

Filling and Packaging
Technology

Process Technology

Intralogistics

Service

Digitalisation

Our mission

We lead with innovative solutions to empower our customers, meeting their goals and beyond, making them successful and sustainable. We employ our creative power to preserve nature and safeguard society.

This is how we attract and inspire people to achieve the most ambitious results.

Together, we are creating a tremendous advantage and realising our vision.



1 | 7

Target picture

Our vision

How should Krones evolve in the future and in what direction? What are the key economic and social roles of our business? It is these fundamental questions which we answer with our vision:

Sustainable and affordable beverages, food and essentials for everyone and everywhere.

We develop solutions beyond expectations for our customers, humanity and our planet.



“Krones needs challenging goals in order to keep evolving and be successful. This is why we deliberately made our vision ‘broad’ and all-encompassing.”

Christoph Klenk, CEO

Sustainable and affordable beverages,
food and essentials for
everyone
and everywhere.

Solutions beyond expectations
for our customers, humanity
and our planet.



Our mission

Our mission describes the purpose of our company and the contribution it makes for customers, other stakeholders and the environment:

We lead with innovative solutions to empower our customers, meeting their goals and beyond, making them successful and sustainable.

We employ our creative power to preserve nature and safeguard society.



“Krones’ extensive knowhow in the production and handling of food and beverages, in filling and packaging technology, in intralogistics and in digitalisation forms the basis for successfully implementing our mission.”

*Markus Tischer, Executive Board Member,
International Operations and Services*





1 | 9

Target picture

Our corporate culture

We shape the future with passion and bold commitment.

As a diverse organisation, we are open to innovation and change, and work together in a spirit of trust and without barriers. This is how we attract and inspire people to achieve the most ambitious results. Together, we are creating a tremendous advantage and realising our vision.



“Krones’ greatest asset is not on any financial statement: our unique corporate DNA. This is characterised by team spirit and collaboration. Our approximately 17,000 employees worldwide work together to shape Krones’ successful future.”

*Thomas Ricker, CSO and Head of
Filling and Packaging Technology*



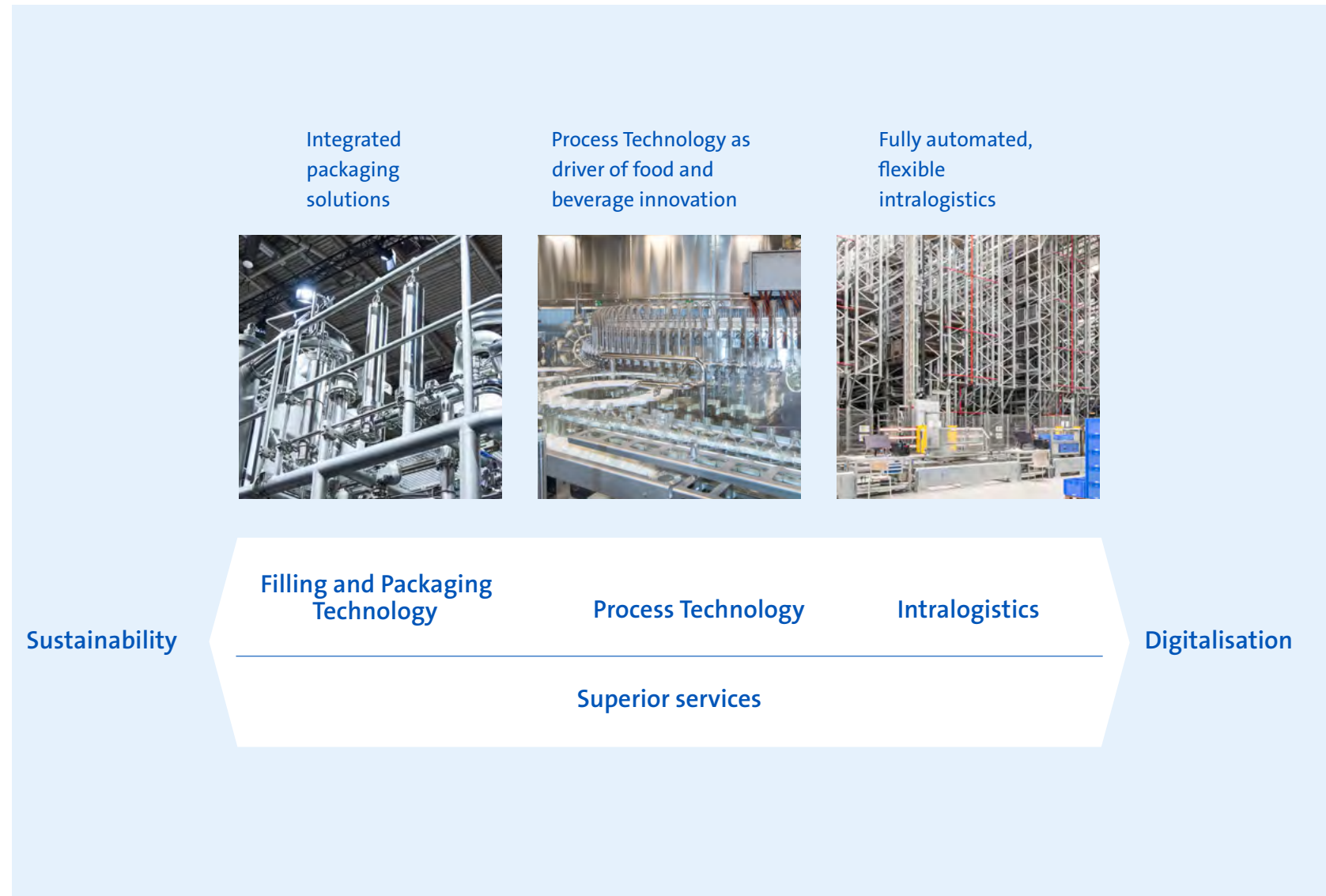


Our strategic focus

To turn the goals and visions in “Solutions beyond tomorrow” into reality, Krones has a clear strategic focus on **sustainability, service quality and digitalisation**. These three focuses also determine the strategic alignment of our business segments. In **Process Technology**, we drive food and beverage innovation. In the core segment, **Filling and Packaging Technology**, we focus on the implementation of integrated packaging solutions, resource efficiency and circularity. Key focuses in **Intralogistics** are fully automated and flexible solutions.

Sustainability is key

Sustainable products will be the biggest innovation and growth driver in the next decade. Demand from our customers for machines, systems and entire lines that save valuable resources and reduce carbon emissions has surged dramatically in recent times. Krones is ideally positioned with its enviro sustainability program (p. 13) and will consolidate and extend its lead with innovative products in all three segments.





1 | 11

Target picture

Digitalisation opens up huge opportunities

Digitalisation is crucial for service quality and sustainable production. Krones has long been driving the digital transformation vigorously forward. Our digitally enabled machines and lines generate a constant stream of production data – the raw material for superior services. Using smart data analysis, we can help customers optimize their production and save valuable resources.

Superior service

Krones' goal is to operate the entire life cycle of our machines and lines as a digital full-service centre. Our software tools continuously analyze production data. Based on this, Krones experts provide data-driven customer support. We offer this data-driven production optimisation on the basis of service-level agreements (SLAs), with continuously increasing levels of automation. In the future, Krones aims to help customers improve performance with a fully digitalised factory “managed by Krones”.





1 | 12

Shaping
sustainability

Krones faces up to the global challenges

Krones provides customers with the means for climate-friendly, circularity-oriented food and beverage production.

Together with our customers, we tackle urgent global challenges:

■ Climate change

Our products enable customers to save energy, water and other resources and meet their climate targets (page 13: enviro).



■ Plastic littering

Krones technologies help reduce the need for plastic in packaging and recycle the plastic used (page 16: PET recycling).



■ Feeding the world

We provide innovative solutions for hygienic beverage filling and help customers produce alternative proteins (page 19).





Climate change agenda

As part of its 2030 sustainability targets, Krones has set ambitious emission reduction targets along the entire value chain. We aim for an 80% reduction in our own climate footprint (Scope 1 and Scope 2) by 2030, relative to the 2019 baseline. In the same period of time, we will reduce our far higher emissions from the upstream and downstream value chain by 25%.

Our commitment to credibility

Our climate targets have been endorsed as science-based by the Science Based Targets initiative. We committed to developing a net zero emissions target there in the 2022 financial year. We do not currently purchase carbon offsets and have no plans to do so in the coming years.



“For Krones, it is not about obtaining a sustainability certificate, but about making a difference in the world.”

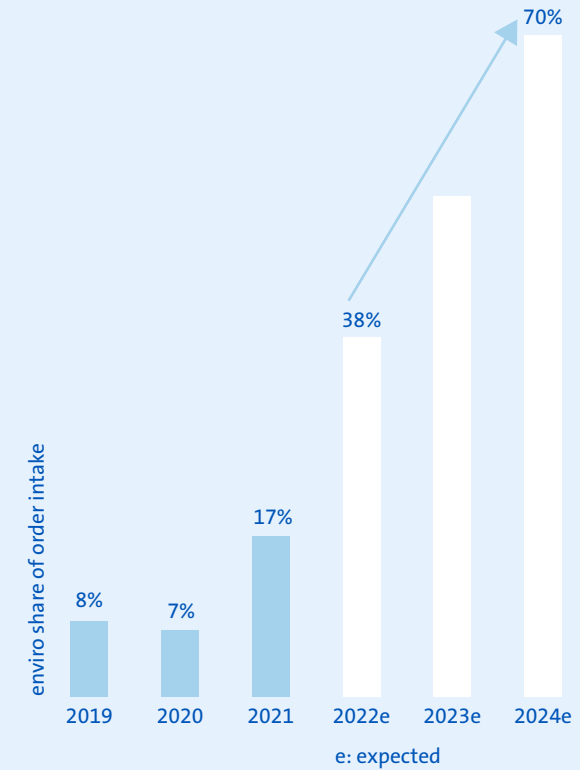
Martina Birk, Head of Sustainability

enviro solutions for sustainable customer production

Krones launched the enviro sustainability programme in 2008. We have dynamically developed enviro since then. Initially, individual machines carried the enviro label. Today, entire systems are certified. Since 2019, in order to minimise the environmental impact of beverage and food packaging, Krones has also assessed innovative packaging solutions according to enviro criteria. Demand from our customers for enviro machines, systems and lines is constantly growing. Krones expects the percentage of enviro machines in its order intake to nearly double from 38% in 2022 to around 70% in 2024.

The rising demand for enviro products is supported by:

- Savings of valuable resources, with minimum energy and media consumption
- Lower operating costs
- Our customers' ambitious carbon emission targets





1 | 14

Filling and
Packaging
Technology

Saving resources and recycling plastics

Filling and Packaging Technology: key drivers

Energy savings and carbon footprint

- Strong demand for technologies to reduce energy and resource consumption

Water reduction

- Saving water is among top management priorities
- Tailor-made process and cleaning cycles for “necessary minimum” consumption

Plastic reduction

- Light-weighting of bottles and caps
- Elimination of plastics in secondary packaging

Circularity

- Functioning circular economy avoids plastic waste

PET recycling

- Prevents the loss of plastic as a valuable resource





1 | 15

Filling and
Packaging
Technology

LitePac Top: simply sustainable

With LitePac Top, Krones offers a plastic-free, sustainable secondary packaging solution for non-returnable PET bottles and cans. LitePac Top uses recyclable cardboard for the secondary packaging instead of energy-intensive shrink wrapping for six-packs. This cuts carbon emissions by around 80%.

VarioPac Pro flexible packer

The LitePac Top concept is implemented on Krones' modular and highly flexible VarioPac Pro packer. An automatic gripper places a cardboard clip below the neck of bottles grouped into a pack. On cans, the clip is placed below the lid seam. The clip holds the beverage containers securely together in the pack. LitePac Top packs are stackable for ease of transportation.





1 | 16

Filling and
Packaging
Technology

Avoiding plastic waste with recycling

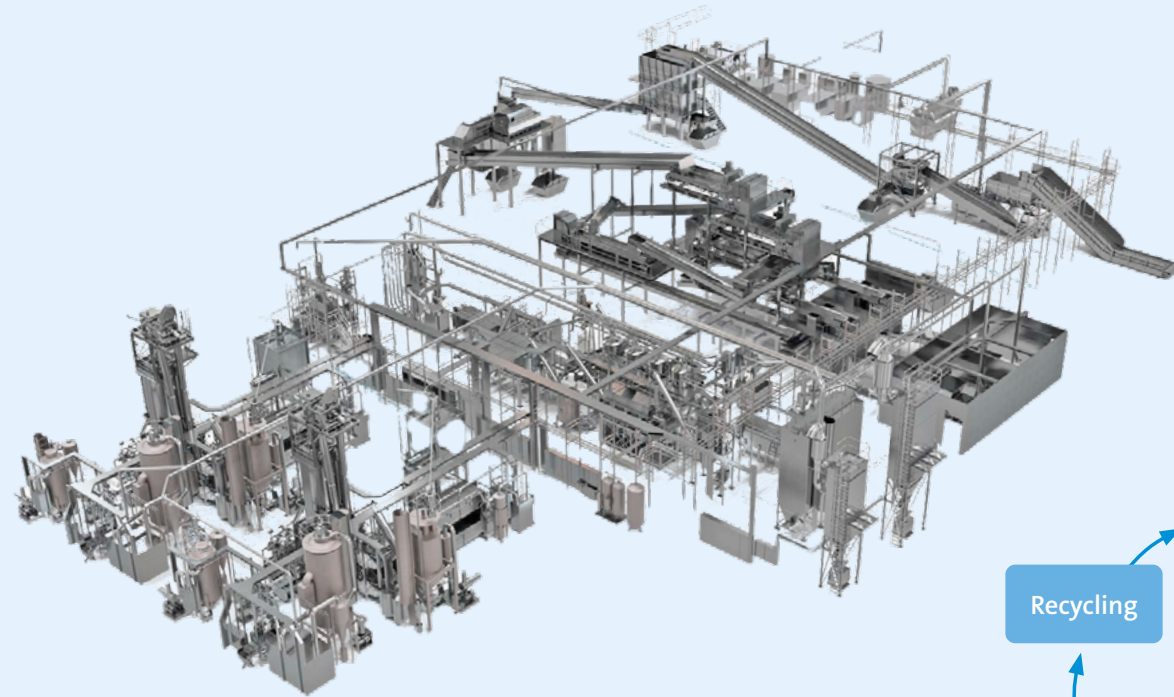
Implementing our mission to preserve nature means that we need to solve the problem of plastic littering. The key to success here lies in a functioning circular economy. Krones is committed to making this work with matching solutions. These range from material-saving packaging design to recycling used plastics.



“Krones was a very early mover in plastics recycling and has developed innovative solutions. Our persistence should pay off, because the market has huge potential.”

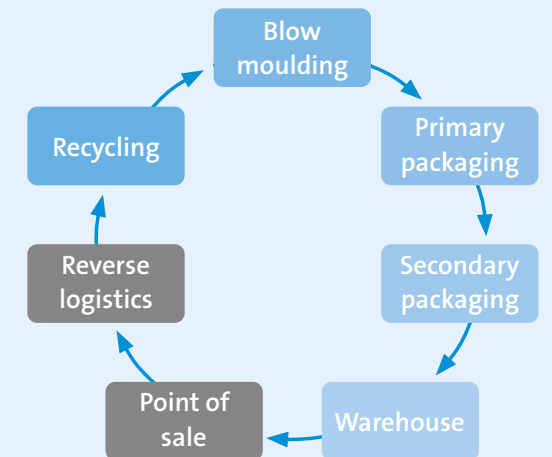
Thomas Ricker, CSO and Head of Filling and Packaging Technology

Recycling and circular economy solutions



Integrated solutions as a USP

With its unique portfolio and expertise, Krones offers packaging and recycling solutions for a range of materials including PET and a variety of other rigid and nonrigid plastics.





1 | 17

Process
Technology

Shaping new technologies

Process Technology: key drivers

Alternative proteins

- Processing plant-based proteins into beverages
- Advanced fermentation for plant-based foods

Water technology

- Water treatment
- Water design

Sustainable energy solutions

- Improving energy efficiency
- Fossil fuel substitution



“We will focus on the rapid-growth key drivers in our new target picture: Alternative proteins, water, and sustainable and energy-efficient solutions.”

Bülent Bayraktar, Head of Process Technology





Complete solutions for dairy alternatives

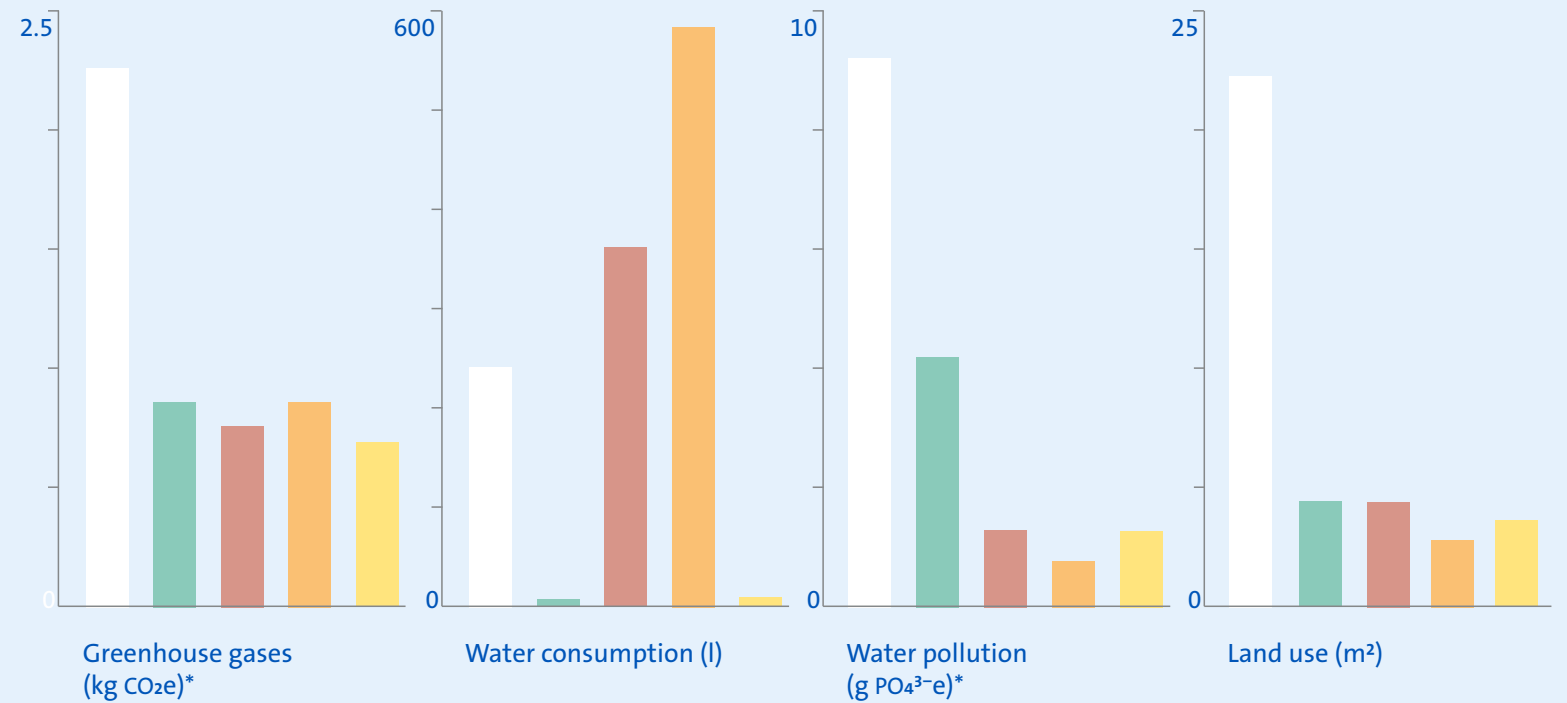
High-volume animal milk consumption has major long-term environmental impacts, including high levels of greenhouse gas emissions and severe water pollution. That is making plant-based dairy alternatives increasingly important.

Krones leverages its existing dairy expertise and already provides the complete range of process technology for the production of dairy alternatives from various plant-based sources (soy, oats, nuts, etc.).

Environmental impact: milk vs. dairy alternatives

■ Cow's milk
 ■ Soy drink
 ■ Almond drink
 ■ Rice drink
 ■ Oat drink

Per kg milk/dairy alternative



Source: Poore, J. & Nemecek, T. Science, 2018; additional unpublished data relates to Europe, except for almond milk (international).
*Greenhouse gas emissions and phosphate load expressed in equivalents.



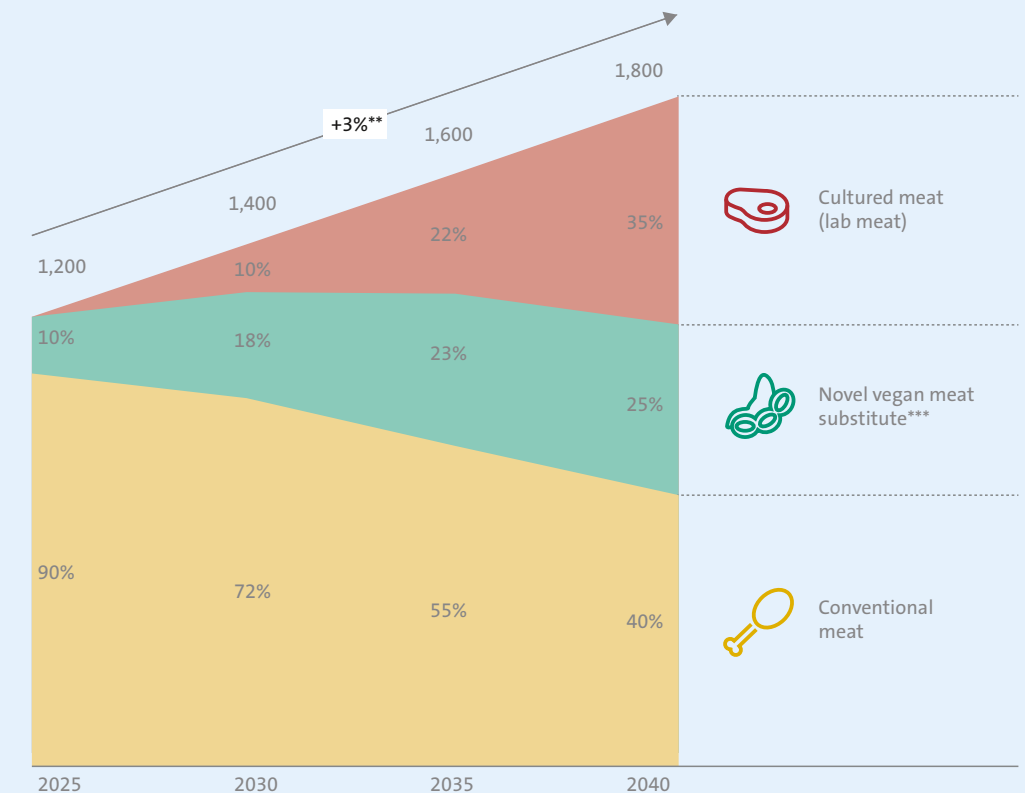
Tackling climate change with alternative proteins

With a growing world population and increasing prosperity, meat consumption has risen sharply in recent decades – with negative climate impacts. Livestock farming consumes enormous amounts of feed and water and causes extremely high carbon emissions. Offering people high-quality vegetable proteins as an alternative to animal protein therefore represents a significant contribution by Krones to combating climate change.

Krones opens up new markets with fermentation expertise

In the production of alternative proteins, the company benefits from many years of high-level expertise in beverage and beer production. Alongside general process engineering knowhow, the company is helped in particular here by its knowledge of how to control biological conversion processes such as fermentation. Purely plant-based proteins can thus be obtained by adding bacteria and yeasts.

Global meat market forecast (us\$ billion, global)*



*Figures rounded to the nearest hundred billion.

**Average annual growth rate

Sources: United Nations, World Bank, expert interviews, A.T. Kearney analysis

***Vegan meat substitute consumption is expected to grow at an average annual rate of 9% from 2025 to 2040. This growth rate is higher than for total meat consumption by a factor of 3.



Brewnomic: the energy self-sufficient and climate-neutral brewery

Brewing beer is very energy-intensive. The individual machines and lines of Krones' Brewnomic solution can significantly reduce energy consumption. The potential savings are so large that the brewery can even become energy self-sufficient by recycling residual materials from brewing.

An ingenious solution – how does it work?

By using innovative Brewnomic modules such as the Equitherm energy recovery system, the Stromboli wort boiling system, the Dynafill bottle filler and the Linaflex pasteuriser, the average thermal energy requirement is significantly reduced from 14.5 kWh per hectolitre of beer to just 5.9 kWh per hectolitre.

Brewer's grains as an energy source

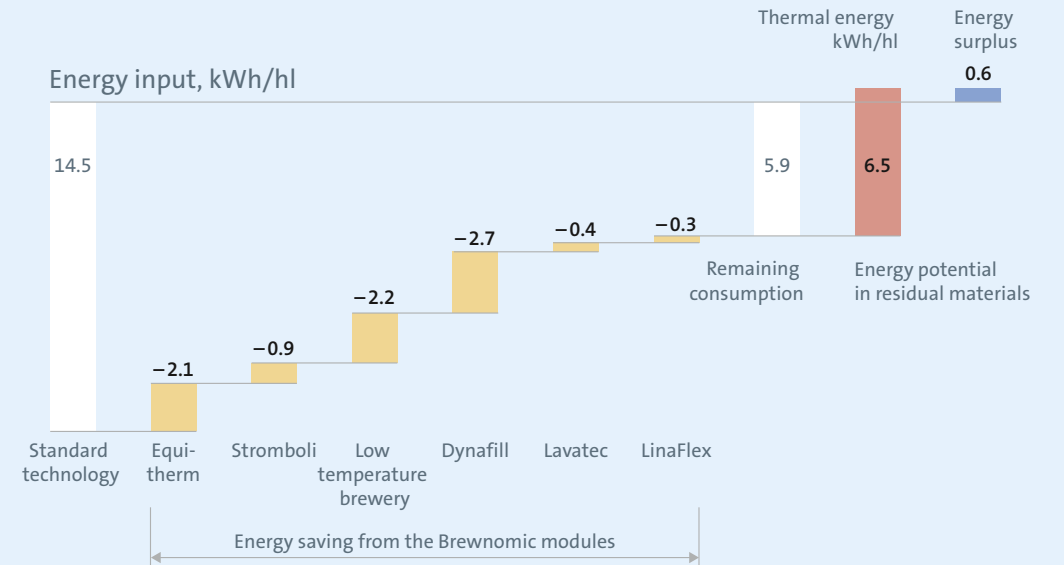
Brewer's grains, an important by-product of the brewing process, contain 6.5 kWh of energy per hl of beer, more than is needed for the entire brewing process. This energy is extracted from the brewer's grains in a biogas plant. As brewer's grains are of biological origin (cereals), a full-scale Brewnomic brewery is not only energy self-sufficient, but also carbon and climate neutral.

Valuable proteins as a "waste" product

But that's not all: brewer's grains also contain valuable proteins, which can be extracted using Krones technology prior to energy recovery. The proteins extracted from the brewer's grains are used as an input for producing foods such as vegan meat substitutes.

Brewnomic: the sustainable brewing solution from Krones

Thermal energy consumption
(example figures, depending on implemented solution)



By using the Brewnomic modules, the thermal energy input can be significantly reduced from 14.5 kWh/hl to 5.9 kWh/hl. If the residual materials are recycled (a gain of 6.5 kWh/hl), Brewnomic even generates an energy surplus of 0.6 kWh/hl.



Efficient and flexible solutions provide added value for customers

Intralogistics segment: key drivers

Energy efficiency improvements

- Up to 40% energy saving

Enhanced occupational safety and health

- Automation means up to 50% fewer workplace accidents

Smart logistics solutions

- Up to 20% saving on logistics costs

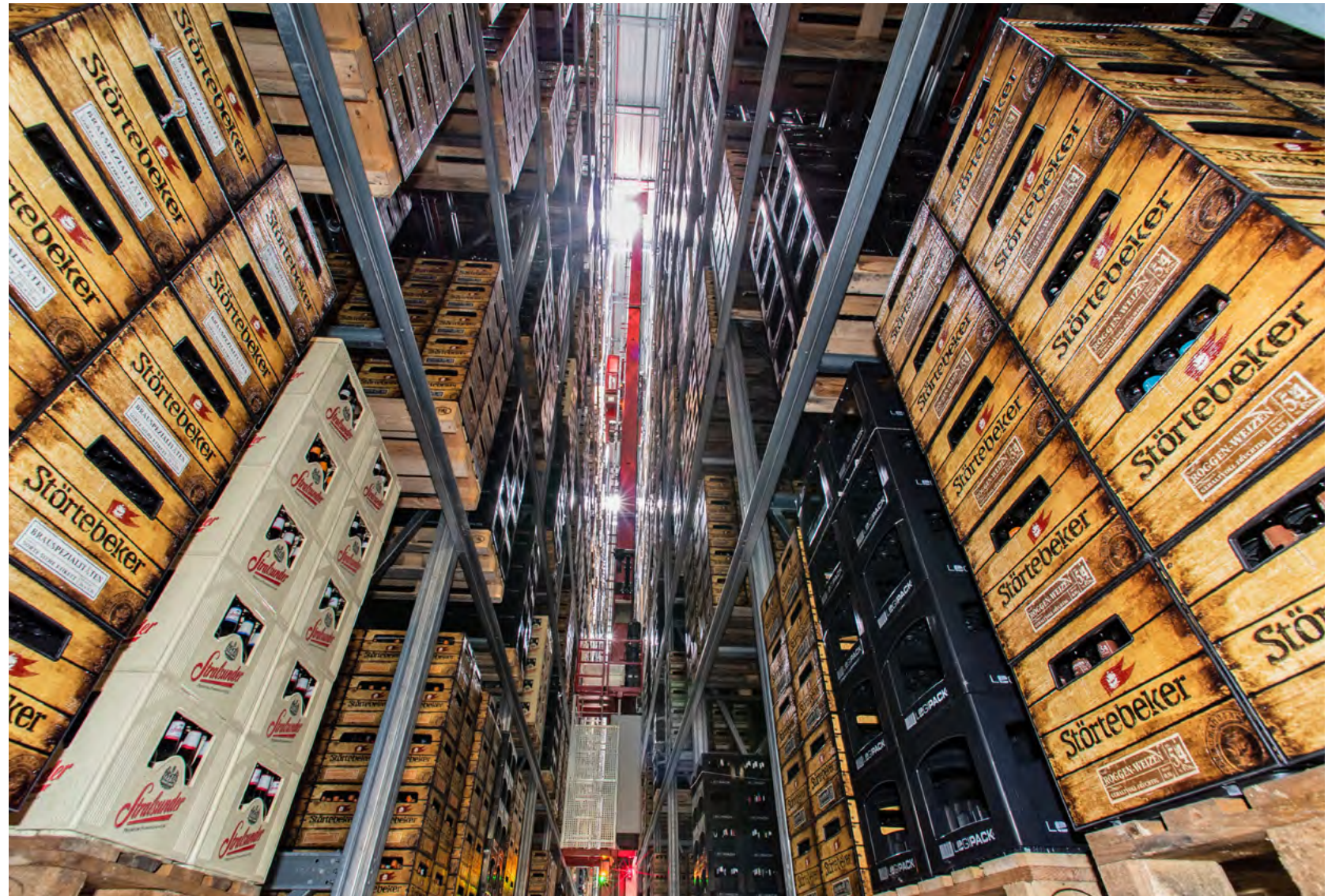
Handling increased complexity

- Rapid increase in number of different product types and forms of packaging



“Our intralogistics and automation solutions enable customers to manage and streamline even the most complex material flows.”

Luigi Panzetti, CEO System Logistics





Digitalisation for superior service

Service and digitalisation are a key part of Krones' strategic focus across all three segments.

Digitalisation enables even more efficient service and better performance

Digital services depend on digital line data. This is why all new Krones lines have been supplied as Connected Lines as a standard feature since 2020. This means that data generated by the machine can be accessed



“Combining our capabilities in digitalisation, machine engineering and lifecycle service enables us to develop unique solutions for customers.”

Markus Tischer, Executive Board Member, International Operations and Services

online and shared with us. Over 30% of our customers already make use of this, on a steeply rising trend.

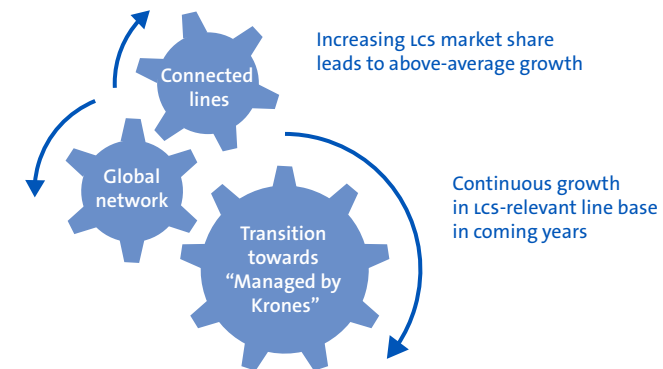
Data analysis for targeted customer support

In the future, we will be connected to our lines 24/7, enabling us to provide even more efficient service. We continuously monitor and analyse production data. This allows Krones experts to identify weak spots and blockages at an early stage, for example, and to provide the customer with specific support. Customers can then operate their lines even more efficiently and sustainably.

Service-based business models

Krones' goal is to evolve from a machine and line manufacturer to a manager of beverage plants – from “Built by Krones” to “Managed by Krones”. This more service-based business model will be implemented by means of service level agreements (SLAs). Under an SLA, Krones

guarantees the customer a specific service level. At the highest level, we guarantee the customer an agreed performance level for the line, provided that our support recommendations are followed. In return, the customer pays Krones a regular service fee based on the service level.





Global network for customer proximity

The travel restrictions during the Covid pandemic demonstrated the importance of our dense global network of production and service units. We were thus able to help our customers on the spot with service engineers and spare parts, even during this difficult time.

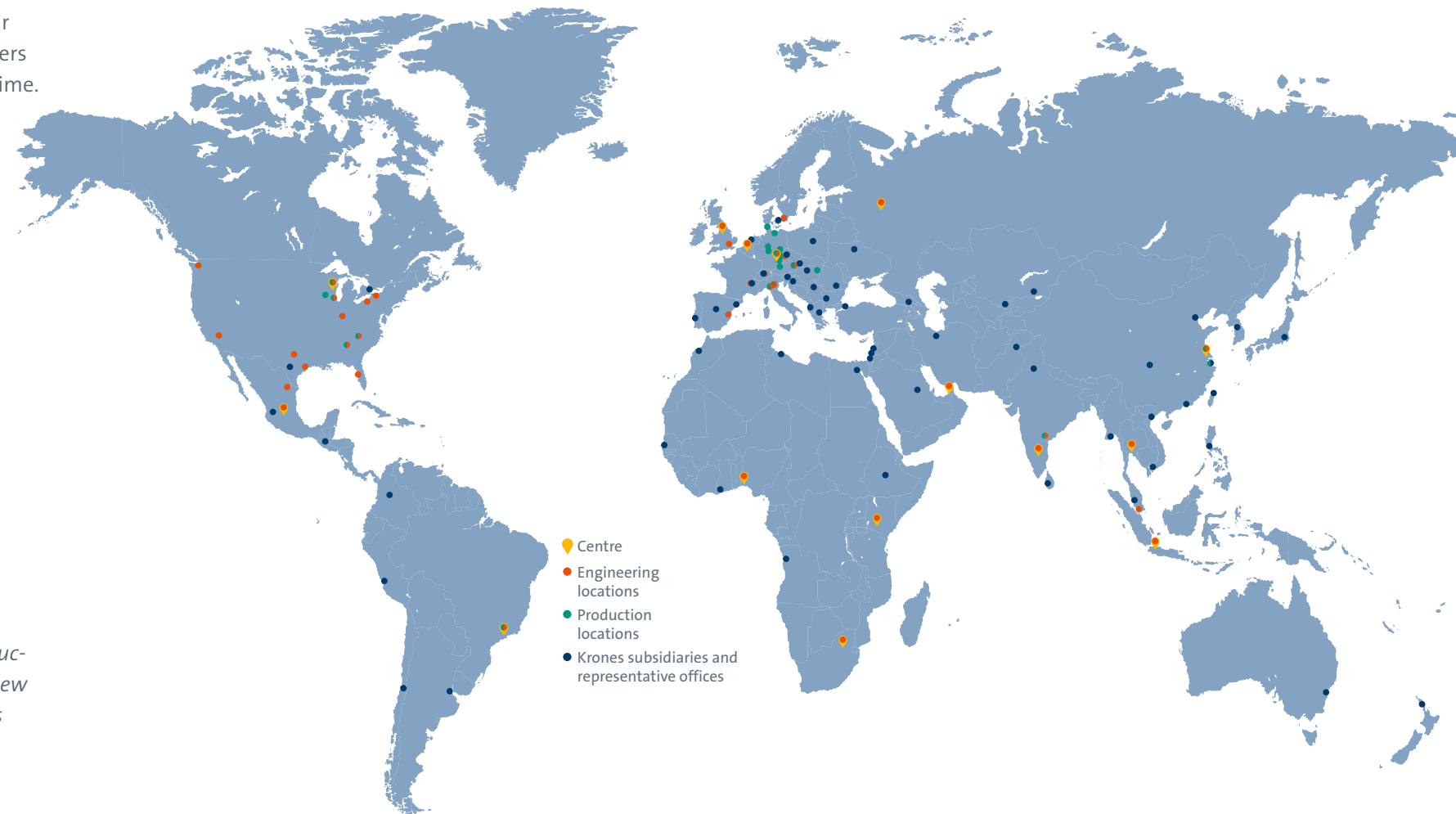
The Krones network ensures customer proximity around the globe

- 24 international production sites
- ~ 3,000 service engineers globally
- > 100 subsidiaries and locations across the globe
- Global spare parts availability
- Digitalised support solutions



“Krones has a broad global footprint in production as well as in service. We manufacture new machines and spare parts for our customers at 24 international sites.”

*Ralf Goldbrunner, Executive Board Member,
Operations*





1 | 24

Profitable
growth

Leveraging the target picture for long-term profitable growth

Under the slogan “Solutions beyond tomorrow”, Krones has deliberately set itself ambitious goals. To implement the vision outlined in our target picture, Krones must have the financial resources to make the necessary investment. This is why profitable growth continues to be a core element of our corporate strategy. A company can only invest heavily in the future if it generates sufficient profits and cash flow.

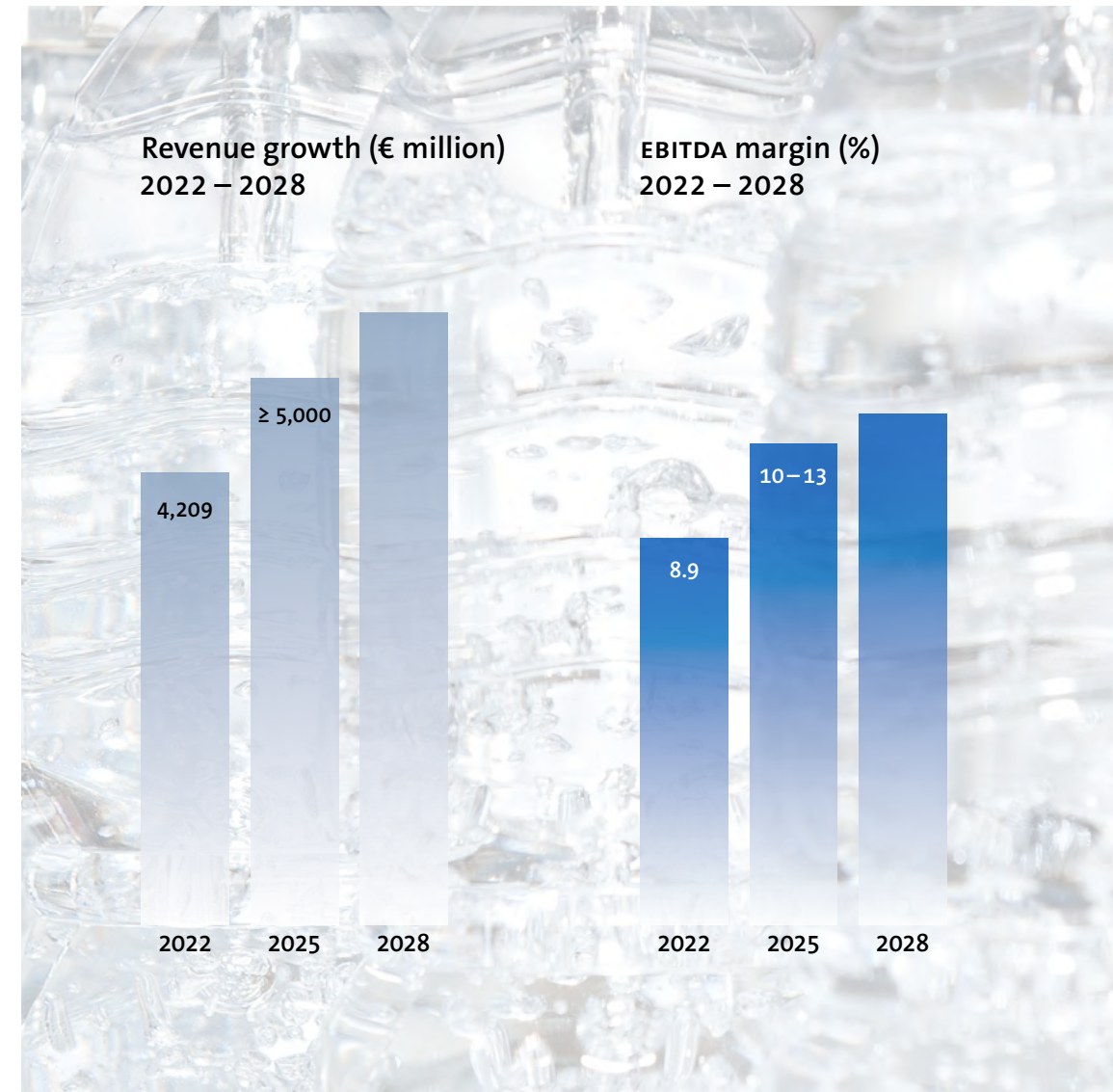


“With our new target picture, we have set the course for long-term profitable growth.”

Uta Anders, CFO

Sound finances and a strong equity ratio also give us the resilience to keep on implementing our strategy in times of crisis. A robust financial and capital structure also secures Krones’ independence.

Krones consequently aims for above-average, profitable growth with innovative and future-ready products and services in our robust, growing markets. This will not only benefit our motivated employees, but also our shareholders in the form of commensurate dividends.





drinktec 2022

Successful trade fair for Krones

The drinktec trade fair took place in Munich from 12 to 16 September 2022. Normally held every four years, the show is the global business summit for the beverage and liquid food industry. Nearly 50,000 trade visitors from 169 countries came to drinktec to discover the latest trends.

Krones presents innovative technologies for today and tomorrow

On an area of 11,000 square metres, Krones exhibited innovative products for beverage production and handling, efficient intralogistics and digitalisation solutions, as well as state-of-the-art filling and packaging technologies. In addition to our existing solutions for today's customer needs, we also presented our vision for the beverage factory of the future.

The slogans "Future starts in our heads" and "Change starts in our hearts" welcomed guests at the entrance to the Krones booth.





Climate change mitigation

Krones faces up to the challenges of the future. With our solutions, we want to help combat climate change. So that the world remains livable for future generations.





Shaping the future together with customers

On the Vision Stage in the center of the booth, Krones presented concepts for the filling and packaging lines of the future. Thoughts and ideas emerging from our conversations with customers were sketched out on hexagonal columns by a team of artists in real time.





Aseptics: sophisticated technology with rapid growth

Aseptic product filling continues to hold huge growth potential for Krones. We presented our latest customer solutions in this segment at drinktec.

VarioAsept D made its debut at the trade fair. The module ensures extremely fast and gentle heating of heat-sensitive products such as milk and plant-based beverages during their production process.





PET: ongoing strong demand

Global demand for PET filling and packaging lines is growing rapidly. PET is popular due to its low weight, high ductility and strength, as well as its good environmental credentials. At drinktec Krones underscored its leading position in this market segment. We provide innovative and efficient technologies and services for the design, production, filling, packaging and also recycling of PET bottles.





Sustainable substitute for plastic

Krones' fully automated Variopac Pro packer is a highly versatile all-rounder. It can handle numerous different types of packaging. The Variopac Pro on show at drinktec featured the LitePac Top module for sustainable and plastic-free secondary packaging. This uses recyclable cardboard instead of shrink-wrap, cutting carbon emissions by some 80%.





Digitalisation: unstoppable efficiency gains

Krones' digital products and services were a major focus at the trade fair booth. Among other things, visitors were able to take a virtual tour of the Varioline packaging line with the aid of an augmented reality headset.





A chance to meet up in person, or online

The main focus of any trade fair is the opportunity to meet up with customers. Numerous interesting discussions resulted in positive feedback for Krones on the products and services on show. Our team also gained many take-aways from customers as inspiration for future innovations.

For customers from China, who were unable to travel to Munich because of Covid, the Krones sales staff for the region came up with something special: They showed their Chinese customers all the exhibits with the aid of selfie sticks and answered their questions in a livestream.





Krones: the perfect host

Friendly and knowledgeable Krones staff made for an upbeat ambience at the Krones booth. The Krones Alm also contributed to good spirits among our many international guests, with traditional Bavarian music and tastings.





Letter from the **Executive Board**



“The Krones team ended the 2022 financial year successfully despite all the challenges. With our new target picture, ‘Solutions beyond tomorrow’, we have set ourselves ambitious targets for the future.”

*Christoph Klenk
CEO*

Dear shareholders and friends of Krones,

The entire Krones team can look back with pride on a very successful 2022 financial year. We mastered the challenges well, including the economic consequences of the Russia-Ukraine conflict, resource shortages, sharply rising material and energy prices and the continuing negative impact of the Covid pandemic. For the first time in the company’s history, Krones generated revenue of over €4 billion in 2022. All other financial key performance indicators also improved significantly.

Very positive figures in 2022 financial year

Demand for our products and services remained very strong, despite the economic uncertainties and our price increases. Krones benefited from our innovative strength and our very good standing with customers. We have improved this standing even further since the pandemic by continuing to keep our promises to customers even in these difficult times.

Order intake reached the highest level in our corporate history at €5.78 billion (up 34%), as did the order backlog at €3.47 billion (up 83%). As we maintained relatively good production capacity utilisation by successfully managing the resource constraints, we were able to increase revenue in 2022 by 15.8% to €4.21 billion. This increase also exceeded our upgraded October 2022 guidance of 10% to 12% revenue growth.

We also improved profitability, despite rising costs. This shows that the strategic measures we have initiated in recent years to reduce costs and increase efficiency are taking effect. Krones improved profitability, as measured by the EBITDA margin, to 8.9% in the reporting period (previous year adjusted: 8.1%). Our third financial target, return on capital employed (ROCE), went up from 10.0% to 14.1%.

Free cash flow also developed positively in 2022. Influenced significantly by the high order intake and the resulting advance payments from customers, this was exceptionally high at €371 million (2021: €203 million) and contributed to the significant increase in net cash to €670 million at the end of 2022.

Shareholders to benefit from the company’s success with dividend of €1.75 per share

Our shareholders will also benefit from the good results of the reporting period. In line with its dividend policy, Krones will therefore pay out a significantly higher dividend of €1.75 per share to shareholders for the 2022 financial year, an increase of 25% over the previous year’s €1.40 per share.



drinktec global trade fair a great success

The corporate highlight of the year was drinktec, the world's leading trade fair for the beverage and liquid food industry, which was held in September 2022.



For Krones, drinktec 2022 was a complete success (pages 25 to 33). We received great positive feedback from customers. Just as important to us, however, was the input we received in direct communication with our customers.

Shaping the future with the new target picture, “Solutions beyond tomorrow”

Also at drinktec 2022, we presented our new target picture, “Solutions beyond tomorrow”. Especially in times of constant change, it is important to have a clear, shared and ambitious goal. Only then can the company continue to develop and remain successful.

Our new target picture, “Solutions beyond tomorrow”, reflects this ambition. With the new slogan, we show what goals the company is pursuing in the long term. Krones will be making a contribution to overcoming three major challenges facing humanity: combating climate change, feeding the world and responsible use of packaging materials.

This slogan, which is also the title of our 2022 Annual Report, provides Krones with support and orientation on the road to a successful future. In all three business segments, our strategic focus is on sustainability, service quality, and digitalisation. You can find detailed information on “Solutions beyond tomorrow”



on pages 5 to 24 of this Annual Report.

Many challenges remain in 2023

The positive business results for 2022 do not mean that we can ignore the continuing very strong political and economic uncertainties. Already, the Russia-Ukraine conflict and the higher interest rates due to high inflation have led to a cooling of the global economy. The experts at the International Monetary Fund now expect growth of only 2.9% for the current year (previous year: 3.4%). This is well below the long-term average of 3.8%.

At the same time, the situation remains tight in global supply chains and procurement markets. A major challenge in 2023 will continue to be the timely procurement of sufficient materials and supplier parts to maintain good production capacity utilisation. The ongoing path of the Covid-19 pandemic also remains a source of uncertainty.

Executive Board forecasts higher revenue and increasing profitability for 2023

Despite major challenges, there are good reasons to be optimistic for the 2023 financial year and beyond. We started the year with a very high order backlog and demand for our products and services is also at a high level. In addition, we expect that the situation on the procurement markets relevant to Krones may ease slightly in the second half of the year. Based on the positive market trend and Krones' strong position, the Executive Board expects consolidated revenue in 2023 to be between 8% and 11% higher than last year.



Krones is aiming for a further improvement in profitability this year compared to 2022. In addition to revenue growth, the ongoing implementation of the cost optimisation measures will also contribute here. Thanks to the company's innovative solutions and good project work with customers, Krones succeeded in implementing price increases in 2022. The higher prices will enable the company to offset future cost increases. Stable capacity utilisation, ensured by our flexible production and intelligent procurement management, will also improve profitability. At group level, we forecast an EBITDA margin of 9% to 10% for 2023. For the third performance target, ROCE, Krones expects an increase this year to between 15% and 17%.

Krones well on the way to achieving its targets by 2025

Krones continues to aim for profitable growth in the medium term. By 2025, we want to achieve revenue of at least €5 billion. In addition to organic growth of 5% per year, this will also include growth through acquisitions. We expanded our capabilities in the growing pharmaceutical market in 2022 with the acquisition of R+D Custom Automation in the US. Acquisitions of medium-sized, profitable companies continue to be part of our growth strategy.

The medium-term target for the EBITDA margin is between 10% and 13%. For ROCE, we are aiming for at least 20% by 2025. Following the positive business performance in 2022, and despite all the challenges, Krones currently sees more opportunities than risks for achieving our medium-term targets.

Uta Anders CFO at Krones since beginning of year

Uta Anders has been a member of the Executive Board and Chief Financial Officer (CFO) since 1 January 2023. She thus succeeds Norbert Broger, who stepped down from the Executive Board of Krones at his own request when his contract ended on 31 December 2022. The transition was smooth and harmonious as the changeover had already been decided at the end of March 2022 and Uta Anders has been working at Krones in a senior position since 2020. On behalf of the full Executive Board, I would like to thank Norbert Broger for his good, committed and successful work.

Flexible, creative and motivated team the basis for sustained success

The key to our good customer relationships is timely and high-quality project delivery. This is and remains possible only thanks to the great flexibility of our company and the enormous creativity and motivation of our employees.

On behalf of the entire Executive Board, I would like to take this opportunity to thank all employees for their outstanding commitment in the 2022 financial year. They, too, live and breathe our new, ambitious target picture, "Solutions beyond tomorrow" every day, so that we can realise our shared vision and achieve our long-term corporate targets.

Christoph Klenk
CEO



The Executive Board



Thomas Ricker
CSO

Ralf Goldbrunner
Operations

Uta Anders
CFO
(from 1 Jan 2023)

Christoph Klenk
CEO

Norbert Broger
CFO
(until 31 Dec 2022)

Markus Tischer
International Operations
and Services



Report of the **Supervisory Board**



*Volker Kronseder
Chairman of the
Supervisory Board*

Ladies and Gentlemen,

2022 was a very challenging year for Krones. The Covid pandemic, even though it was receding, continued to impact our business during the reporting period. Krones additionally had to deal with general material shortages and rising prices. The knock-on effects of the Russia-Ukraine conflict also slowed the global economy. Thanks to the outstanding work of the entire Krones team, we can nevertheless look back on a successful business year. The company achieved its ambitious financial targets in a difficult environment.

The beginning of 2023 saw a change on the Krones Executive Board. On 1 January 2023, Uta Anders became the first woman to join the Executive Board. Uta Anders succeeded Norbert Broger as the Chief Finance Officer (CFO) of Krones AG. Mr. Broger left the Executive Board at his own request upon expiry of his contract on 31 December 2022. On behalf of the entire Supervisory Board, I would like to thank Norbert Broger for his dedicated service and outstanding work for Krones. I wish Ms. Anders every success in her duties on our company's Executive Board.

With its new target picture, "Solutions beyond tomorrow", Krones has charted out the path to a successful future. The Supervisory Board will continue to work closely and constructively with the Executive Board and support it in implementing the targets and visions in "Solutions beyond tomorrow".

Advice and oversight

As prescribed by the German Stock Corporation Act and the company's articles of association, the Supervisory Board of Krones AG continuously oversaw and advised the Executive Board during the 2022 financial year and discharged its responsibilities with due care.

Provisions of the German Stock Corporation Act and the German Corporate Governance Code concerning the Executive Board's reporting obligations to the Supervisory Board were complied with at all times. The Executive Board regularly informed the Supervisory Board about the company's business and financial situation and risk management in written and oral reports both during and outside of Supervisory Board meetings. With regard to decisions of particular significance to Krones AG and the group, the Supervisory Board was informed and involved by the Executive Board at an early stage. The Chairman of the Supervisory Board and the Chief Executive Officer in particular maintained regular contact between meetings. In that connection, they jointly discussed matters of corporate strategy, current business performance, the risk situation, risk management and compliance.

Focal topics addressed by the Supervisory Board in the 2022 financial year included the tight situation on procurement markets, rising material prices, Krones' new target picture, energy supplies and the company's acquisition strategy.

Changes in membership of the Supervisory Board

Stefan Raith joined the Krones AG Supervisory Board as an employee representative on 1 January 2022. He succeeded Klaus Gerlach, whose term of office ended on 31 December 2021. I would like to express my sincere thanks to Klaus Gerlach, who had been a member of the Supervisory Board of Krones AG since 2012, for his good and successful contribution.

No conflicts of interest

According to recommendation E.1 of the German Corporate Governance Code, each member of the Supervisory Board is required to disclose conflicts of interest to the Chairman of the Supervisory Board without delay. No conflicts of interest were disclosed in the reporting period.



Attendance at Supervisory Board meetings

In total, six ordinary Supervisory Board meetings and one extraordinary Supervisory Board meeting were held in 2022. The Executive Board attended several meetings in a guest capacity. As a rule, however, the Supervisory Board met without the Executive Board. All Supervisory Board meetings in the 2022 financial year were held in person, although it was possible for individual Supervisory Board members to take part in meetings by video conference or telephone if required.

In accordance with Recommendation D.8 of the German Corporate Governance Code, we provide the following information on meeting attendance by individual members of the Supervisory Board:

Supervisory Board member	Number of meetings	Meetings attended
Volker Kronseder	7	7
Josef Weitzer	7	7
Nora Diepold	7	7
Robert Friedmann	7	4
Oliver Grober	7	7
Thomas Hiltl	7	7
Markus Hüttner	7	7
Prof. Dr. jur. Susanne Nonnast	7	7
Dr. phil. Verena Di Pasquale	7	7
Beate Eva Maria Pöpperl	7	7
Stefan Raith	7	7
Norbert Samhammer	7	7
Petra Schadeberg-Herrmann	7	7
Jürgen Scholz	7	7
Hans-Jürgen Thaus	7	7
Matthias Winkler	7	7

Supervisory Board meeting reports

The first meeting of the Supervisory Board in 2022 took place on 23 March. Its main agenda item was the annual financial statements of Krones AG and the Krones Group for 2021. Representatives from Krones' auditors were present for a portion of the meeting. The Executive Board reported to the Supervisory Board on the development of key financial performance indicators during the 2021 financial year. Following that, the representatives of the auditor gave the Supervisory Board an explanation of their audit engagement together with the focal points of their review of the annual financial statements and details of the audit. They remained available for the Supervisory Board's questions and answered them in full. The Supervisory Board's Audit and Risk Management Committee commented on the results of the audit. Finally, the Supervisory Board ratified the annual financial statements and management report of Krones AG for 2021 and approved the 2021 consolidated financial statements and group management report. In addition, at the recommendation of the Audit and Risk Management Committee, the Supervisory Board approved the non-financial report.

Under the agenda item "Supervisory Board and Executive Board matters", the Supervisory Board dealt among other things with a modification to the Long Term Incentive (LTI), a variable component of Executive Board remuneration. At the recommendation of the Standing Committee, the Supervisory Board decided to add a sustainability component to the LTI. This consists of achievement of the targets for reducing Krones' carbon emissions (Scope 1 and 2).

The Supervisory Board also dealt at its first meeting with the agenda for the 2022 Annual General Meeting and adopted the necessary resolutions. Among other things, the Supervisory Board determined that a dividend of €1.40 per share was to be proposed to the Annual General Meeting for the 2021 financial year. In the economic report, the Executive Board reported to the Supervisory Board on the current business situation and the potential impact of the Russia-Ukraine conflict on Krones. The Executive Board also reported on its view of the situation on the international procurement markets.



A further agenda item at the first Supervisory Board meeting was the resolution on the appointment of Uta Anders as Chief Financial Officer (CFO) of Krones AG for the period 1 January 2023 to 31 December 2025.

The Supervisory Board convened for its second meeting of the reporting period on 31 May 2022 after Krones' virtual Annual General Meeting. A key topic was the Executive Board's report on the current business situation. This also included reporting on general cost trends and how they impact Krones. In addition, CEO Christoph Klenk presented Krones' new target picture, "Solutions beyond tomorrow", to the Supervisory Board and explained potential acquisition projects.

An extraordinary meeting of the Supervisory Board was held on 6 July. This was convened to present and discuss further insights into the potential acquisition of the US company R+D Custom Automation. The Executive Board provided the Supervisory Board with detailed information on the technology, market and financial performance of R+D, as well as on the transaction structure. In addition, the opportunities and risks of a potential acquisition were discussed. The Supervisory Board resolved that the Executive Board should continue purchase price negotiations with the aim of an acquisition.

The fourth committee meeting was held on 20 July at our Hungarian production site in Debrecen. On the day before the meeting, the Supervisory Board visited the new plant. At the meeting, the Supervisory Board received detailed reports from the Executive Board on the development of the site and its role in implementing Krones' production strategy.

A further topic of the fourth meeting was the Executive Board's economic report. The members of the Executive Board reported to the Supervisory Board on how business developed for Krones in the first half of 2022 in the areas for which they are each responsible. Material availability and the trend in procurement prices were also discussed. Also at the meeting in Debrecen, the Executive Board presented its current assessment of the risk to Krones and its customers and suppliers of a possible gas shortage.

The fifth meeting of the Supervisory Board was held on 27 October. At the beginning of the meeting, the Chairman of the Supervisory Board announced that the Supervisory Board's next two-yearly efficiency review is in 2023. For this purpose, Krones will once again use a questionnaire adapted to the latest revision of the German Corporate Governance Code. One focus of the meeting was the Executive Board's economic report, in which the individual Executive Board members reported to the Supervisory Board in detail on Krones' business performance in the first three quarters of 2022. This also included the current energy supply situation and excerpts from the company's sustainability reporting. In addition, the Executive Board provided the Supervisory Board with information on Krones' presentation at drinktec and customer feedback on the company's trade show display. At the same meeting, the Supervisory Board adopted a resolution on the new schedule of responsibilities for the Executive Board, which applies from 1 January 2023.

Another item on the agenda on 27 October was the Executive Board's current report on the acquisition strategy. CEO Christoph Klenk provided the Supervisory Board with further details on the potential acquisition of R+D Custom Automation. Following a detailed briefing by the Chairman of the Executive Board, the Supervisory Board approved Krones' investment in R+D Custom Automation as recommended by the Executive Board.

At its sixth meeting on 7 December, the Supervisory Board primarily dealt with medium and long-term issues and Krones' strategic orientation. The beginning of the meeting focused on the geopolitical and macroeconomic environment. CEO Christoph Klenk explained to the Supervisory Board, among other things, how looming global conflicts and the formation of economic blocs could affect international procurement markets and supply chains. Mr. Klenk explained that expanding the global footprint is an element in reducing potential procurement risk. The Executive Board members responsible for the individual segments then informed the Supervisory Board in detail about the major technological and economic trends in Krones' markets and about emerging



customer requirements. Sustainability and digitalisation played an important role in this connection. The Executive Board provided the Supervisory Board with a detailed presentation of each segment’s strategic orientation, through which Kronen intends to continue to grow profitably in the future.

On 8 December, the Supervisory Board held its seventh meeting of 2022. A major item on the agenda was the report of the Audit and Risk Management Committee addressing the topics of risk management, internal auditing and compliance. Committee Chairman Hans-Jürgen Thaus explained the subject matter of the committee meeting of 15 November 2022 and the determinations on the risk management system and its effectiveness. He gave the Supervisory Board a detailed presentation on the strategic risks and explained that, in the opinion of the Audit and Risk Management Committee, Kronen’s risk management system adequately reflects the risks. On the subject of cybersecurity, the Supervisory Board was informed about how Kronen is organised and what security measures are in place to protect against cyber-attacks.

Also at the Supervisory Board’s seventh meeting, the Executive Board presented the annual and investment plans for 2023. The Supervisory Board approved the plans presented by the Executive Board. In addition, the Supervisory Board passed resolutions on the submission of the declaration of compliance in accordance with Section 161 of the German Stock Corporation Act (AktG) and on the addition of a diversity criterion to the long-term incentive component of Executive Board variable remuneration, namely the percentage of women in management positions at Kronen.

The work of the Audit and Risk Management Committee

The Audit and Risk Management Committee comprises Hans-Jürgen Thaus, Josef Weitzer, Markus Hüttner, Volker Kronseder, Jürgen Scholz and Matthias Winkler. Its Chairman is Hans-Jürgen Thaus, whose deputy is Josef Weitzer. Hans-Jürgen Thaus (former Chief Finance Officer of Kronen AG) and Matthias Winkler (tax advisor and partner in an accounting firm) have the necessary expertise in accounting and auditing required by law.

The Audit and Risk Management Committee oversees the company’s accounting and financial reporting, the audit of the financial statements and other reporting, and prepares related proposals for Supervisory Board resolutions. The Committee also prepares the Supervisory Board’s review of the annual financial statements, the management report and the auditor’s report for the separate and consolidated financial statements and makes recommendations. Furthermore, the Audit and Risk Management Committee monitors the quality of the financial statements and the effectiveness of the internal control, risk management and compliance system.

The Audit and Risk Management Committee held two meetings in 2022. Both took place as in-person meetings. In accordance with Recommendation D.8 of the German Corporate Governance Code, we provide the following information on meeting attendance by individual members of the Audit and Risk Management Committee:

Committee member	Number of meetings	Meetings attended
Hans-Jürgen Thaus	2	2
Josef Weitzer	2	2
Markus Hüttner	2	2
Volker Kronseder	2	1
Jürgen Scholz	2	2
Matthias Winkler	2	2



At its 17 March meeting, the Audit and Risk Management Committee dealt mainly with the reporting on the annual financial statements and consolidated financial statements of Kronos AG as of 31 December 2021, the auditor's report on the audit of the annual financial statements and consolidated financial statements of Kronos AG as of 31 December 2021, and the non-financial report 2021. The Audit and Risk Management Committee prepared recommendations on these matters for resolutions of the Supervisory Board at its meeting on 23 March.

The second meeting of the Audit and Risk Management Committee in 2022 took place on 15 November. At that meeting, the heads of Controlling, Internal Audit and Compliance informed the members of the committee in detail about the current risk situation, internal audit and compliance management. Also in the same meeting, the committee addressed the effectiveness of the risk management system. It also dealt intensively with the topic of cybersecurity.

The work of the Standing Committee

The Standing Committee consists of Volker Kronseder, Josef Weitzer, Markus Hüttner and Prof. Dr. jur. Susanne Nonnast. It is chaired by Volker Kronseder, whose deputy is Josef Weitzer. The committee generally deals with all other topics that are outside the remit of the Audit and Risk Management Committee. These include, for example, human resources strategy and Executive Board and Supervisory Board remuneration.

Two meetings were held in 2022, both as an in-person meeting. In accordance with Recommendation D.8 of the German Corporate Governance Code, we provide the following information on meeting attendance by individual committee members:

Committee member	Number of meetings	Meetings attended
Volker Kronseder	2	1
Josef Weitzer	2	2
Markus Hüttner	2	2
Prof. Dr. jur. Susanne Nonnast	2	2

The Standing Committee's first meeting on 17 March was convened to make recommendations to the Supervisory Board in advance of the Supervisory Board meeting on 23 March. This related, firstly, to the recommendation to appoint Uta Anders as Chief Finance Officer of Kronos AG. Secondly, the committee addressed the recommendation to adjust the base salary of Executive Board member Markus Tischer. Finally, the meeting dealt with the amendment of the remuneration system for the Executive Board of Kronos AG and the addition of the ESG target "Reduction in carbon emissions (Scope 1 and 2)" as a target for the long-term incentive (LTI) variable component of Executive Board remuneration.

The Standing Committee's second meeting took place on 15 November. This mainly related to the addition of a diversity component to the long-term incentive (LTI) as a further ESG element. The Standing Committee recommended that the Supervisory Board should adopt a resolution making the percentage of women in management positions at Kronos a component of the LTI.

Supervisory Board concurs with audit results

The annual financial statements of Kronos Aktiengesellschaft prepared by the Executive Board, the consolidated financial statements, the management report for Kronos AG and the group management report for the period ended 31 December 2022 were examined by the auditors elected by the annual general meeting, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, and each issued with an



unqualified audit report. The audited annual financial statements and consolidated financial statements, the management report for Krones AG and the group management report for the period ended 31 December 2022 were duly submitted to all members of the Supervisory Board for review. The audited financial statements and management reports were the subject of the Supervisory Board meeting held to ratify the financial statements on 23 March 2023. Representatives of the auditing firm also attended for part of that meeting and informed the Supervisory Board of their audit results and the focal points of their audit.

The Supervisory Board noted and approved the audit results. No objections were raised following the final review by the Supervisory Board, which covered in particular the matters described in the auditor's audit report including the audit procedures. The Supervisory Board has ratified the annual financial statements for Krones AG and approved the consolidated financial statements as well as the Executive Board's proposal for the appropriation of earnings available for distribution. The 2022 annual financial statements for Krones AG are thus ratified.

The auditors included in their audit the Executive Board's report, in accordance with section 312 of the German Stock Corporation Act, on Krones AG's relations to affiliated companies and submitted their audit report to the Supervisory Board. The audit by the auditors did not give rise to any objections. The auditor issued the following unqualified audit opinion on the dependency report: "Based on our due audit and assessment, we confirm that

1. the statements as to fact made in the report are accurate,
2. the consideration given by the company in respect of the legal transactions referred to in the report was not unreasonably high."

The Supervisory Board's review of the report, in accordance with section 312 of the German Stock Corporation Act, on Krones AG's relations to affiliated companies did not give rise to any objections. The Supervisory Board therefore concurred with the results of the audit by the auditors. Following the final outcome of its own review, the Supervisory Board did not raise any objections to the Executive Board's concluding declaration on relations with affiliated companies.

In addition to the statutory audit, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft also performed a limited assurance review of the combined non-financial statement of Krones AG and the Krones Group for the period from 1 January to 31 December 2022, which is part of the group management report. On the basis of that review, the auditor did not raise any objections to the non-financial statement and the fulfilment of the statutory requirements in relation to it.

Thanks to the Executive Board and the workforce

Krones performed successfully in a highly demanding environment in 2022. This was only possible because the company has behind it a committed and motivated team. The members of the Supervisory Board would like to thank the Executive Board and all of the company's employees for their contribution to the company's success.

Neutraubling, March 2023

The Supervisory Board

Volker Kronseder
Chairman of the Supervisory Board



The Supervisory Board



Volker Kronseder
Chairman of the Supervisory Board

* University Hospital Regensburg
* Economic Advisory Board, Bayerische
Landesbank



Josef Weitzer**
Deputy Chairman of the Supervisory Board
Group Works Council Chairman
Central Works Council Chairman

* Bay. Betriebskrankenkassen



Nora Diepold
Chief Executive Officer
NK Immobilienverwaltungs GmbH Regensburg



Robert Friedmann
Spokesman for the central managing board
of the Würth Group
* ZF Friedrichshafen AG



Oliver Grober**
Deputy Chairman of the Employees' Council,
Rosenheim



Thomas Hiilt**
Chairman of the Employees' Council,
Nittenau



Markus Hüttner**
Deputy Group Employees' Council Chairman
Deputy Composite Employees' Council Chairman
Deputy Employees' Council Chairman,
Neutraubling



Prof. Dr. jur. Susanne Nonnast
Professor at Ostbayerische Technische
Hochschule (OTH) Regensburg



Dr. phil. Verena Di Pasquale**
Deputy Chairperson of DGB Bayern
(the German Trade Union Confederation
in Bavaria)



Stefan Raith**
Head of Business Line, Line Solutions
Krones AG

* re-sult AG, Regensburg



Norbert Samhammer
Managing Director, Samhammer Holding
GmbH

* Samhammer AG (until 1 June 2022)



Beate Eva Maria Pöpperl **
Independent Member of the Employees'
Council



Petra Schadeberg-Herrmann
Managing Partner, Krombacher Brauerei
Bernhard Schadeberg GmbH & Co. KG,
Krombacher Finance GmbH, Schawei GmbH,
Diversum Holding GmbH & Co. KG



Jürgen Scholz**
First authorised representative, IG Metall
administrative office in Regensburg

* Infineon Technologies AG



Hans-Jürgen Thaus
* Maschinenfabrik Reinhausen GmbH



Matthias Winkler
Managing Partner WW+KN Steuerberatungs-
gesellschaft mbH
Managing Partner WW+KN Treuhand GmbH



The Krones share



“Our share price benefited from Krones’ very good business performance in 2022 and clearly outperformed the market with an increase of 9.5%.”

*Olaf Scholz
Head of Investor Relations*

- Stock markets recorded losses worldwide in 2022
- Krones shares were a clear outperformer with a 9.5% price gain
- Shareholders to receive dividend of €1.75 per share for 2022

Russia-Ukraine conflict and sharply rising interest rates led to falling share prices on global stock markets in 2022

The 2022 stock market year was marked by high volatility and sometimes massive price losses. Investors were made cautious by the Russia-Ukraine conflict, high inflation rates, steeply rising interest rates, energy shortages and concerns about recession. Even the strong market recovery in the fourth quarter was not enough to offset the losses over the first nine months of 2022. All major national and international stock exchanges were trading significantly lower at the end of the year than at the beginning.

This was despite a good start to the stock market year in 2022. Germany’s benchmark index, the DAX, thus marked its high for the year at 16,285 points in early January before falling steeply due to the Russia-Ukraine conflict and massively rising interest rates. After recovering towards the end of the first quarter, indices fluctuated heavily through to the end of the third quarter. The DAX traded between 14,700 and just under 12,000 points. It marked its low for the year at 11,863 points in late September 2022. In the fourth quarter of 2022, falling energy prices and declining inflation rates eased the situation on bond markets and caused sentiment to improve on the stock exchanges, as a result of which the DAX climbed to 13,924 points by the end of the year.

The main German index thus ended 2022 with a loss of 12.3%. The EURO STOXX 50 performed similarly. Representing the 50 largest companies in the euro area, the index lost 11.9% in the reporting period. The best-known US stock market barometer, the Dow Jones index, showed a smaller decline of 9.0% due to the positive performance of oil stocks in the index. By contrast, the broader US S&P-500 index lost 19.6%. At 9.5%, the fall on the Japanese stock market was not quite as steep as in Europe. The Nikkei index benefited from the weak yen.



Kronos shares were a clear outperformer with a 9.5% price gain

Kronos shares clearly outperformed the overall market in 2022 with a 9.5% price gain. The SDAX lost 27.3% in the reporting period. Our share price performed significantly better than the SDAX from May onwards and was a clear outperformer in the fourth quarter especially.

After heavy losses in the first quarter due to the generally poor stock market climate, the Kronos share price performed significantly better than the overall market through to the year-end. The main reason for the strong outperformance relative to all major indices was the company's good business performance.

Like all stock market indices, our shares recorded heavy price losses in the first quarter of 2022. This was due to the onset of the Russia-Ukraine conflict on 24 February. That same day, Kronos published positive preliminary annual results for 2021, which had no effect on the share price due to the conflict. Share prices fell sharply in the weeks that followed. Our own share price marked its low for the year at €67.50 on 7 March. Following publication of the positive figures for the first quarter on 6 May 2022, the share price rose steadily, climbing to just under €90 in early June. After that, the share price gave way again with the weak overall market and did not pick back up until the beginning of the third quarter, with support from the good half-year results.

Kronos share price performance compared with the SDAX 2022



In September, Kronos was able to buck the generally weak market trend. The main reason for the strong rally at the end of the third quarter was probably Kronos' detailed presentation of its future strategy, especially on the subject of sustainability, at the company's Capital Market Day held at drinktec on 15 September. Many analysts subsequently commented positively and raised their target prices. After a brief pause in late October, the upgraded revenue guidance for 2022 and publication of strong figures for the third quarter lifted the share price into the triple-digit euro range in the following weeks. Our shares traded at their high for the year of €111.40 on 13 December and fell only slightly to €105.00 at the year-end.

The Kronos share price ended the 2022 stock market year with a gain of 9.5%, clearly outperforming all major share indices. Including the €1.40 per share dividend, the annual performance of the Kronos share price in 2022 was 10.9%. The SDAX, of which Kronos has been a component since 2018, lost 27.3% in the reporting period. Kronos was one of the top ten performers in the 70-share SDAX in 2022.

Key figures for the Kronos share

At 31 December	2022	2021	2020
Earnings per share	€ 5.92	4.47	-2.52
Equity per share	€ 50.58	44.05	37.98
Free cash flow per share	€ 11.74	6.43	7.00
Price/earning (P/E) ratio based on closing price for the year	17.7	21.5	-
Dividend per share	€ 1.75*	1.40	0.06
High	€ 111.40	99.60	75.50
Low	€ 67.50	64.30	41.92
Year's closing price	€ 105.00	95.90	66.05

* As per proposal for the appropriation of earnings available for distribution; share price data source: Xetra



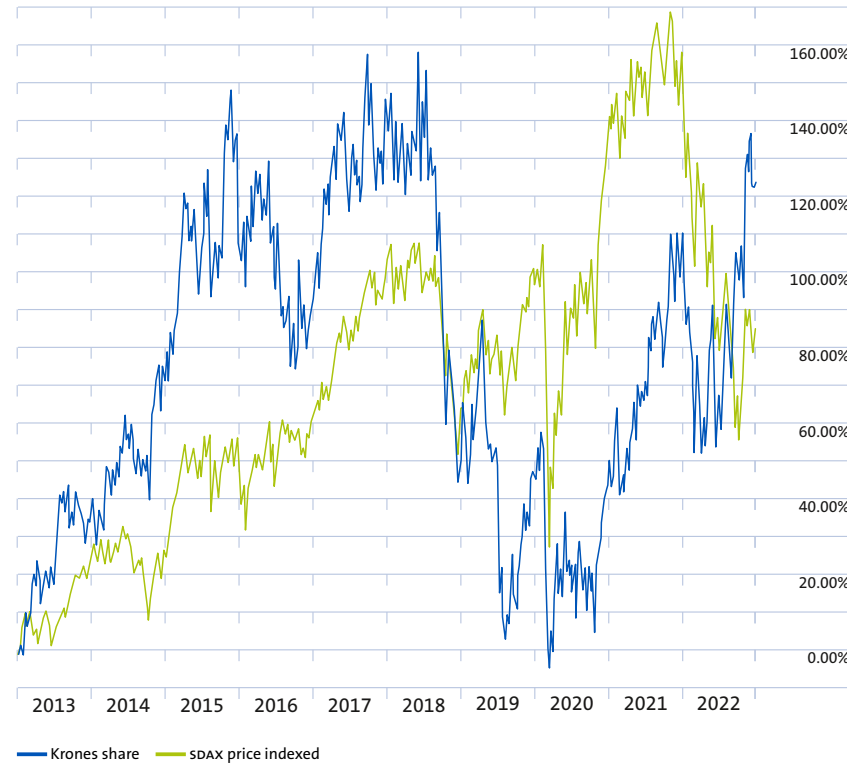
Krones shares provide above-average 10-year performance

The Krones share price has risen by an average of 8.4% a year over the last ten years. Including dividends, the value growth is 10.0% per year.

Over the past ten years, from 2013 to 2022, the Krones share price has climbed by a total of 123%. This corresponds to an average annual price gain of 8.4% over the ten-year period. The SDAX Price Index

– the SDAX excluding dividends – gained an average of 6.6% year on year over the same period. Including dividends, and assuming these are reinvested in Krones shares after payout, the average annual return on our shares since 2013 comes to 10.0%. The comparable SDAX Performance Index rose by an average of 8.6% a year in the last ten years.

Performance of Krones shares compared with the SDAX price index, 2013–2022



Krones the second-largest stock in the SDAX at the end of 2022

Krones shares have been listed and available for trading on all German stock exchanges since 29 October 1984. Our shares are no par value ordinary bearer shares. Each share carries one vote in the annual general meeting. The total number of Krones shares is 31,593,072.

While many SDAX shares suffered heavy price losses in 2022, Krones shares gained in value. As a result, our shares rose to become the second-largest stock in the SDAX.

Krones shares have been a component of the SDAX since mid-2018. The SDAX is the Deutsche Börse stock exchange index containing the 70 companies that succeed those listed in the MDAX in market capitalisation. Until Deutsche Börse's index reform in September 2021, inclusion in the index was based on stock exchange turnover as well as market capitalisation. Following that reform, the sole quantitative criterion is free float capitalisation (as defined by Deutsche Börse). Due to the strong outperformance of the Krones share price in 2022, the position of our shares in the SDAX improved significantly. At the end of 2022, Krones was the second-largest of the 70 SDAX components in terms of free float capitalisation. A year earlier, Krones ranked 17th.



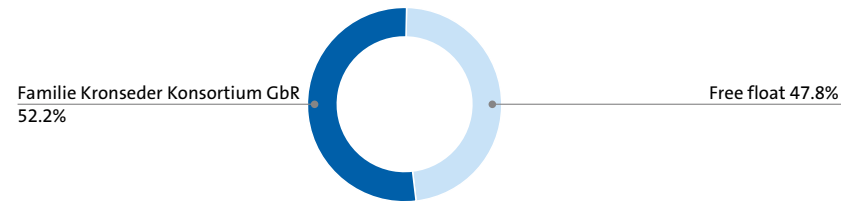
Key data for the KRONES share

Number of shares	31,593,072
German securities identification number	633500
ISIN	DE 0006335003
XETRA ticker symbol	KRN

Shareholder structure

Krones' shareholder structure remained virtually unchanged in the reporting period. At 31 December 2022, Familie Kronseder Konsortium GbR held the majority of Krones AG's shares, with 52.2%. The family intends to remain a stable majority shareholder of Krones AG. The free float came to 47.8% at the end of 2022.

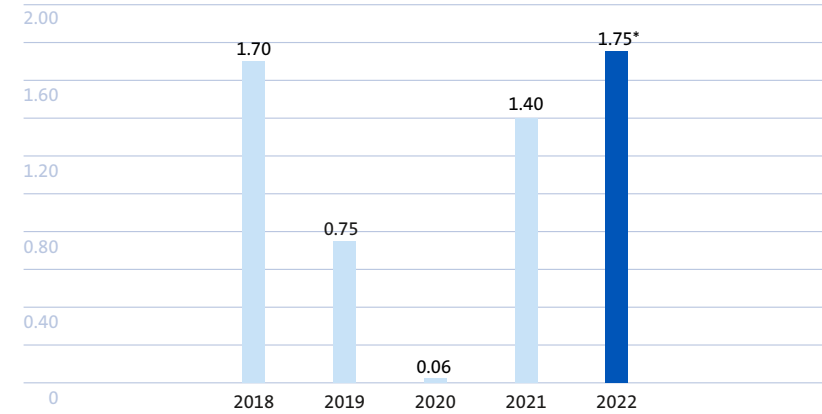
Shareholder structure as of 31 December 2022



Krones to distribute a dividend of €1.75 per share for 2022

Krones significantly improved earnings in 2022 compared with the previous year. Shareholders will also benefit from this improvement. Krones' long-term dividend policy is to pay out 25% to 30% of consolidated net income to shareholders. For the 2022 financial year, Krones plans to increase the dividend to €1.75 per share (previous year: €1.40). This corresponds to 29.6% of consolidated net income.

Dividend per share (€)



* As per proposal for the appropriation of earnings available for distribution