



**Interim report** for the period  
from 1 January to 30 June 2023

H123





**1**

TO OUR SHAREHOLDERS

**2**

INTERIM CONSOLIDATED  
MANAGEMENT REPORT

**3**

INTERIM CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

**4**

OTHER INFORMATION



# 1

## TO OUR SHAREHOLDERS

Highlights and key figures .....	4
Letter from the Executive Board .....	5
The Krones strategy .....	6
The Krones share .....	8



## Highlights and key figures

### Krones with strong first half-year 2022

- Demand for Krones' products and services remains very good. Customer orders "normalised" at a high level in the second quarter of 2023 with an order intake of €1,272.8 million. From January to June 2023, order intake was €2,785.9 million, only 10.3% below the extremely high record figure for the same period of the previous year (€3,106.4 million).
- Krones' revenue developed well between January and June, despite the persistently tight situation in the procurement of electronic components, rising by 16.9% to €2,320.9 million.
- The company significantly improved its profitability in a challenging environment. Earnings before interest, taxes, depreciation and amortisation (EBITDA) went up by 26.4% in the reporting period to €221.4 million. The EBITDA margin improved to 9.5% (previous year: 8.8%).
- Krones has raised its guidance for revenue growth in the full year 2023. The Executive Board now expects revenue growth of 11% to 13% (previously 8% to 11%). The guidance for the other two financial targets is confirmed. The company aims to further improve profitability and forecasts an EBITDA margin of 9% to 10% in 2023. For return on capital employed (ROCE), Krones expects an increase to between 15% and 17%.

Key figures for H1 2023		1 Jan – 30 Jun 2023	1 Jan – 30 Jun 2022	Change
Revenue	€ million	2,320.9	1,984.8	+16.9%
Order intake	€ million	2,785.9	3,106.4	-10.3%
Order backlog at 30 June	€ million	3,931.4	3,014.6	+30.4%
EBITDA	€ million	221.4	175.1	+26.4%
EBITDA margin	%	9.5	8.8	+0.7 PP*
EBIT	€ million	143.1	108.1	+32.4%
EBT	€ million	161.1	113.2	+42.3%
EBT margin	%	6.9	5.7	+1.2 PP*
Consolidated net income	€ million	121.4	83.2	+45.9%
Earnings per share	€	3.84	2.63	+46.0%
Capital expenditure for PP&E and intangible assets	€ million	59.4	55.4	+€4.0 million
Free cash flow	€ million	-245.7	68.4	+€314.1 million
Net cash and cash equivalents at 30 June**	€ million	324.7	385.4	-€60.7 million
ROCE	%	17.3	11.8	+5.5 PP*
Working capital to revenue***	%	17.2	21.6	-4.4 PP*
Employees at 30 June				
Worldwide		17,746	16,437	+1,309
Germany		10,337	9,811	+526
Outside Germany		7,409	6,626	+783

\* PP = percentage points \*\* Cash and cash equivalents less debt \*\*\* Average of last 4 quarters

Key figures for Q2 2023		1 Apr – 30 Jun 2023	1 Apr – 30 Jun 2022	Change
Revenue	€ million	1,122.1	997.6	+12.5%
Order intake	€ million	1,272.8	1,552.6	-18.0%
EBITDA	€ million	106.5	88.1	+20.9%
EBITDA margin	%	9.5	8.8	+0.7 PP*
EBIT	€ million	62.7	54.2	+15.7%
EBT	€ million	78.1	58.5	+33.5%
EBT margin	%	7.0	5.9	+1.1 PP*
Consolidated net income	€ million	57.9	43.1	+34.3%
Earnings per share	€	1.83	1.36	+34.6%



## Letter from the **Executive Board**

Dear shareholders and friends of Krones,

Following a successful first quarter, the second quarter of 2023 also went well for Krones. The restrained growth of the global economy had little impact on our business. Customers in the international food and beverage industry remain very keen to invest. The contract value of orders in the first half of 2023 totalled €2.79 billion. Our order intake was thus only 10.3% below the extremely high record level set in the previous year. Based on the feedback we have received from our customers following discussions on their investment plans, we expect the positive trend in orders to continue. Order intake in the coming quarters is expected to remain at around the good level of the second quarter of 2023.

Thanks to the strong demand for our products and services, our order backlog continued to grow in the second quarter of 2023 despite a year-on-year increase in output. At the end of June, Krones had an order backlog totalling €3.9 billion. We are concentrating on working through this huge order backlog with the usual Krones quality, while meeting our delivery deadlines. The aim is to reduce delivery times for our products.

In the first two quarters of 2023, our productivity suffered from the shortage of electrical components. Thanks to the great flexibility and creativity of the entire Krones team, however, we were able to maintain output at a relatively high level in the first half of 2023. From January to June, revenue increased by 16.9% year on year to €2.3 billion. At the same time, under difficult conditions, we improved our EBITDA margin to 9.5% (H1 2022: 8.8%).

Krones will step up the pace of production in the second half of the year in order to meet delivery dates and limit further growth in the order backlog. Better availability of electrical components and higher overall production capacity utilisation will also contribute here. On 17 July 2023, based on the current production planning, the Executive Board raised the full-year guidance for revenue growth in 2023. Krones now expects revenue to be between 11% and 13% higher than in the previous year (previously 8% to 11%). We have confirmed our guidance for the EBITDA margin at 9% to 10% and for ROCE at 15% to 17%.

All in all, Krones is well on the way not only to meeting its targets for 2023, but also to achieving profitable growth in the future. Krones is supported in this by the new target picture, “Solutions beyond tomorrow”, which is already well established throughout the company. The Krones Executive Board is confident that the Krones team is making an important contribution to a future on our planet that is worth living in, sustainable and successful.

Christoph Klenk  
CEO



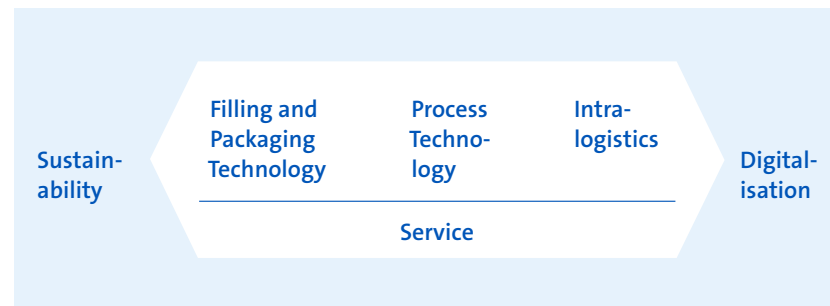
## The Krones **strategy**

### Exploiting growth opportunities with “Solutions beyond tomorrow”

Krones needs big and ambitious targets in order to keep evolving and be successful in the long term. That is why we developed a new, ambitious target picture for the company in 2022: “Solutions beyond tomorrow”. With this slogan, we aim to show – internally and to the outside world – the direction in which Krones is heading: our company will contribute to a livable, sustainable and successful future.

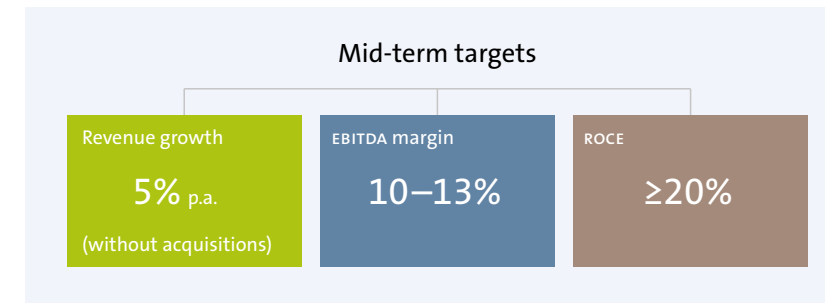
### Strategic focus

With the new target picture and changing customer needs, Krones has a clear strategic focus on sustainability, service quality and digitalisation. These three focuses also determine the strategic alignment of our three business segments.



### Krones is fully on track to achieve its medium-term targets by 2025

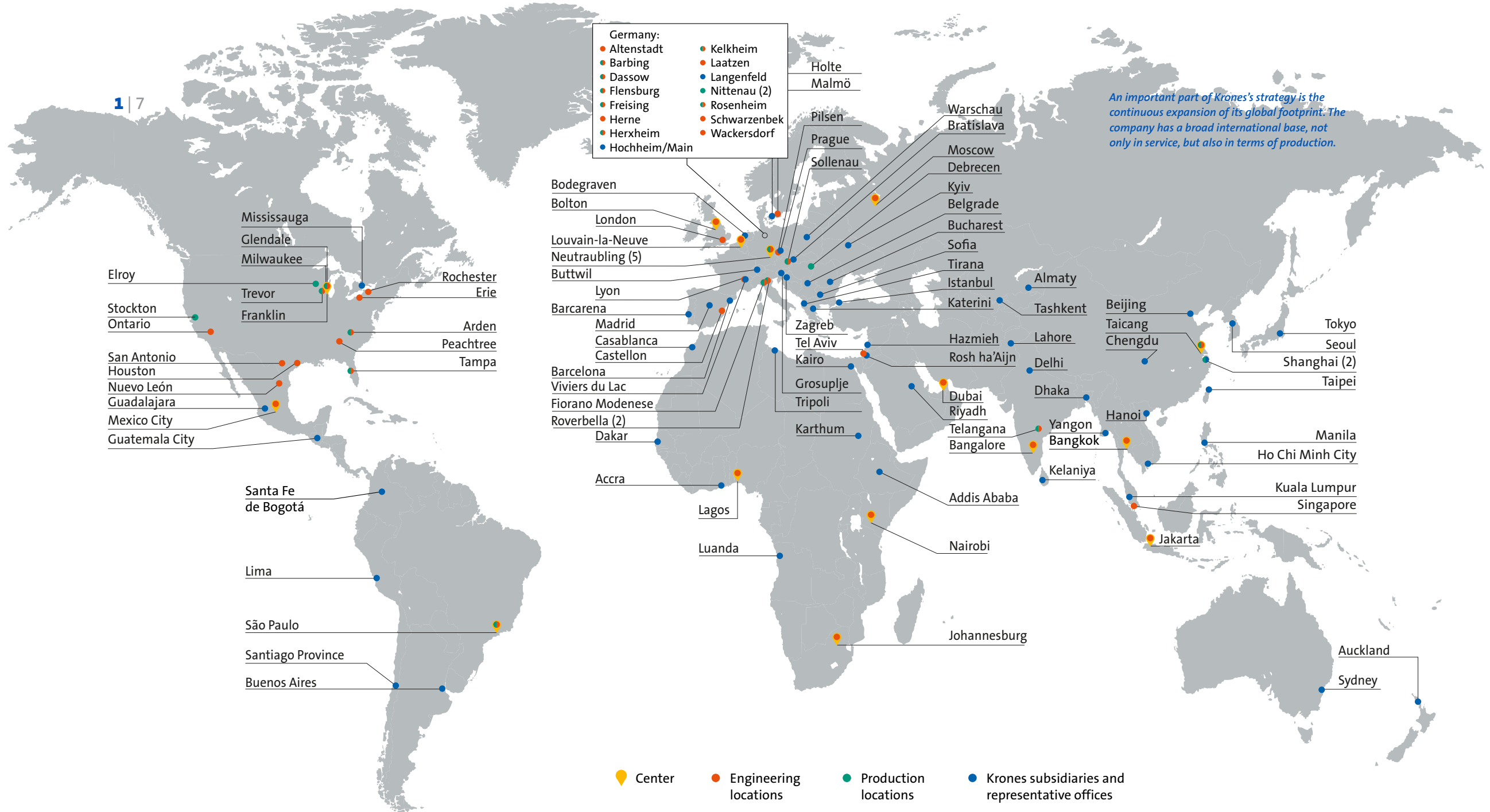
In November 2021, the company adopted ambitious new medium-term targets for the period up to 2025.



Despite all the challenges, Krones currently sees more opportunities than risks for the achievement of its medium-term goals.

The detailed Group strategy and related measures are described on pages 62 to 72 of the 2022 Annual Report.







## The Krones share

### Stock markets rise in first half of 2023

In early 2023, declining energy prices and inflation rates made for good sentiment in global equity markets. The positive start to the year was followed in March by a sharp fall in international stock markets. This was triggered by several US bank failures and the collapse of Credit Suisse, a major Swiss bank. Rapid rescue packages launched by major countries and central banks calmed the markets. Share prices rose strongly again up to the end of March. In the second quarter, the world's stock markets followed a slight upward trend with at times strong fluctuations. This was mainly supported by hopes that the cycle of central bank interest rate increases would end earlier than expected.

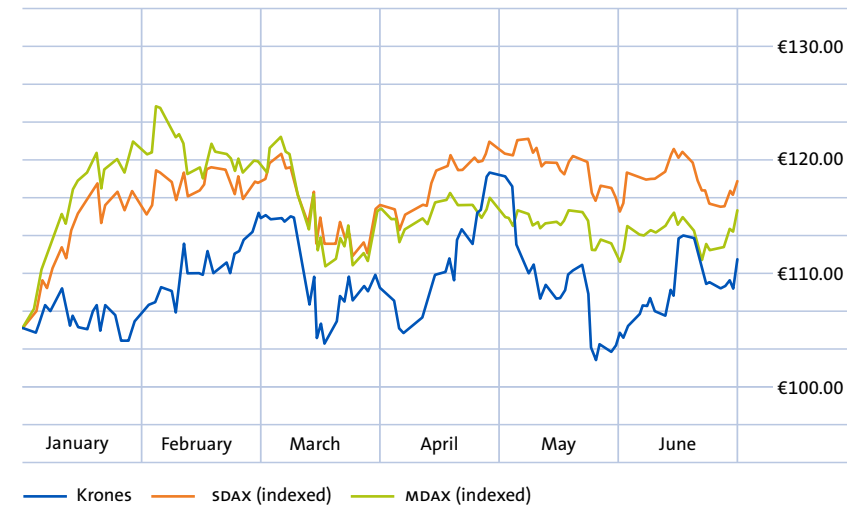
Germany's DAX index reached its high for the first half of 2023 at 16,427 points on 16 June – 18% above the start of the year. It closed the first two quarters at 16,147 points, marking a gain of 16.0%, with much of the increase (12.2%) already recorded in the first quarter. The German mid-cap index, the MDAX, did not perform quite as strongly, rising by 9.9% between January and June 2023.

Performance H1 2021  
Krones share: +5.8%  
SDAX: +12.4%  
MDAX: +9.9%

Krones share data	H1 2023	H1 2022
Earnings per share (€)	3.84	2.63
High (€)	120.30	79.95
Low (€)	100.80	64.30
Price at 30 June (€)	111.10	75.35
Market capitalization 30 June (€ billion)	3.51	2.38

Source share price data: Xetra

Krones share price from 1 January to 30 June 2023



### Krones shares gained 5.8% in first half year

Following the very positive performance of Krones shares in the fourth quarter of 2022 (up 15.8%), our share price consolidated in the first quarter of 2023. With an increase of 3.5%, it did not rise quite as a strongly during the quarter as the overall market.

*Krones shares outperformed the MDAX in the second quarter of 2023. The share price gained 2.2% between April and June, while the MDAX lost 0.2%.*





After taking a slight breather in the first quarter, Krones shares once again outperformed the market in the second quarter of 2023, rising 2.2% (3.8% including the dividend) (SDAX: up 1.9%; MDAX: down 0.2%). Our share price reached its high for the first half of the year at €120.30 on 28 April. The Krones share price was driven here by the expectation of positive business figures for the first quarter of 2023. Following the publication of the very good quarterly figures, the share price initially fell, in line with the investors' maxim of "sell on good news". At the end of the second quarter, our share price benefited from positive commentary from analysts and increased price targets.

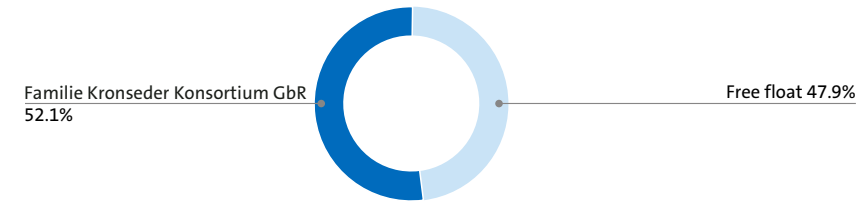
On 30 June, Krones shares stood at €111.10, 5.8% higher than at the beginning of the year. Including the €1.75 dividend paid in May, the gain over the first half of the year was 7.5%. Following their strong outperformance in 2022 (up 9.5%), Krones shares thus gained a further 5.8% in value in the first half of 2023. The SDAX, of which Krones was a component until 18 June, went up by 12.4% in the same period (performance in 2022: down 27.3%).

The Company's Annual General Meeting took place on 23 May 2023. For the first time in three years, the shareholders' meeting was held in Neutraubling as an in-person event. Shareholders were paid a dividend of €1.75 per share for the successful 2022 financial year and approved all agenda items with a large majority.



For further information on Krones shares, please see the Krones website:  
<https://www.krones.com/en/company/investor-relations/share.php>

#### Shareholder structure at 30 June 2023



#### Key data for the Krones share

Number of shares	31,593,072
German securities identification number	633500
ISIN	DE0006335003
XETRA ticker symbol	KRN

#### Krones shares move up to MDAX index

The DAX, MDAX, SDAX and TecDAX indices were reviewed in early June on the basis of the Fast Exit and Fast Entry rules. As a result of the periodic review, Krones AG shares were promoted from the SDAX to the MDAX index. After five years in the SDAX, Krones thus returned to the MDAX, Germany's midcap index comprising 50 companies, on 19 June 2023. Index members are selected on the basis of free-float market capitalisation.



# 2

## INTERIM CONSOLIDATED MANAGEMENT REPORT

Economic environment .....	11
Revenue .....	12
Order intake and order backlog .....	14
Earnings .....	16
Cash flow .....	20
Assets and capital structure .....	22
Report from the segments .....	24
Employees .....	27
Risk and opportunity report .....	28
Events after the reporting period .....	29
Report on expected developments .....	30





## Economic environment

### Global economy expected to grow 3.0% in 2023

*The International Monetary Fund forecasts that the global economy will grow by 3.0% in 2023.*

In July 2023, the International Monetary Fund (IMF) forecast global economic growth of 3.0% for 2023. This means that the recovery will continue to lose momentum compared with 2022 (growth of 3.5%).

Economic growth will be modest this year, particularly in industrialised economies. The ongoing Russia-Ukraine conflict and interest rate rises to combat persistently high inflation remain negative factors in 2023. Stabilising influences, on the other hand, are the robust labour markets in major industrialised nations, relatively strong demand for services, the easing of supply and material shortages and a recovery of the Chinese economy after the Covid lockdowns in spring.

The IMF economists see downside risks to the growth forecast among other things in a further escalation of the Russia-Ukraine conflict. This would probably lead to a sharp rise in commodity and energy prices, which would push inflation back up again after its recent decline. Core inflation – which excludes volatile energy and food prices – may also prove more persistent than expected. This would force central banks to raise interest rates, triggering financial market upheavals and causing negative repercussions for the global economy.

According to IMF estimates, growth in the emerging and developing countries will stay stable at 4.0% in 2023 (2022: 4.0%). The stronger growth relative to the global economy is mainly accounted for by India and China. For the Chinese economy, the IMF forecasts above-average GDP growth of 5.2% in 2023, following a very weak previous year (2022: 3.0% growth). The key factor behind the upturn in growth is the almost complete lifting of Covid-related restrictions. As in the

previous year, India is expected to record the strongest growth among the emerging markets, with an increase of 6.1%. The IMF expects less dynamic growth in the Middle East/Central Asia region. There, the experts expect GDP to grow by only 2.5% (2022: +5.4%), with growth slowing significantly due to the lower oil price, especially in Saudi Arabia. In Latin America, the economy is expected to grow in 2023 by 1.9%.

For industrialised economies, the IMF forecasts very weak GDP growth with an increase of 1.5% in 2023 (2022: 2.7%). With Europe hit hard by the Russia-Ukraine conflict, the IMF forecasts growth of just 0.9% for the euro area (2022: 3.5%). In Germany, the economy is expected to actually contract in 2023 by 0.3%. Japan is predicted to see growth of 1.4% this year. According to the IMF forecast, the US economy is projected to expand the strongest among the major industrialised nations in 2023, with growth of 1.8%.

### German machinery sector to consolidate in 2023 – food and packaging machinery subsector growing

The German Mechanical Engineering Industry Association (VDMA) expects that the global economic slowdown will continue to impact the industry this year. Output is thus expected to fall by 2% in 2023. There are bright spots with regard to supply chain bottlenecks, which are beginning to ease slightly. For food processing and packaging machinery – the subsector relevant to Krones – VDMA expects revenue growth of 8% to 10% in 2023, partly because of the large order backlog.

*The German Mechanical Engineering Industry Association (VDMA) expects a slight fall in output for the sector in 2023. The food processing and packaging machinery subsector is expected to see 8% to 10% revenue growth.*

#### Economic growth 2023\*

World:	3.0 %
Emerging markets:	4.0%
Industrialised countries:	1.5%
Germany:	-0.3%

\*IMF estimate July 2023



## Revenue

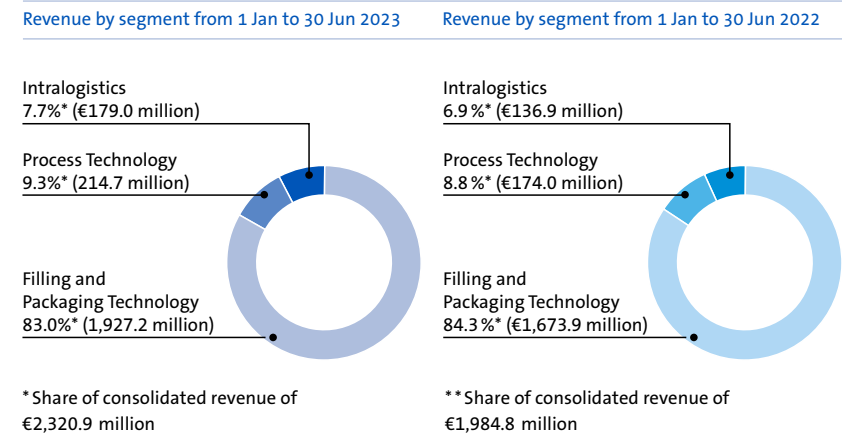
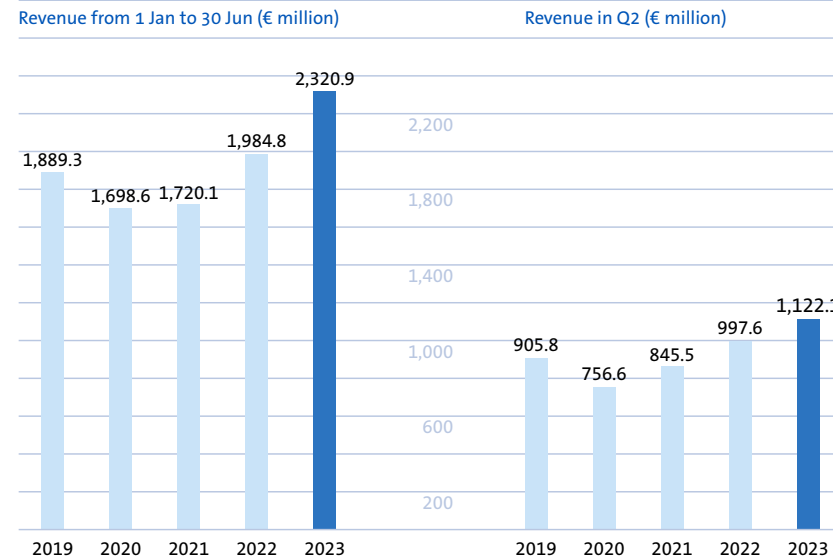
### Krones' revenue up 16.9% in first half of 2023

*Krones' revenue increased by 16.9% to €2,320.9 million in the first half of 2023, despite continuing problems in the supply chains.*

Krones' revenue developed well in the second quarter, despite the ongoing tight situation on procurement markets, particularly for electronic components. This is attributable to the great commitment, creativity and flexibility of the company's workforce. Revenue from April to June 2023 showed a year-on-year increase of 12.5%, from €997.6 million to €1,122.1 million. In the first half of 2023, revenue consequently went up by 16.9%, from €1,984.8 million a year earlier to €2,320.9 million. Growth in the first

six months of 2023 was driven mainly by volume effects, but also by price increases. Krones' revenue in the reporting period was not materially affected by exchange rates, acquisitions or divestments.

Revenue growth was stronger in the new machinery business than in the service business in the first half of 2023. This reflects the very high demand for our machines and lines in recent quarters. On the basis of the revenue for the first two quarters and current production planning for the second half-year, Krones has raised the guidance for revenue growth in the full year 2023 to between 11% and 13% (previously 8% to 11%).





## 2 | 13

Krones generated about 90% of revenue internationally in the first half of 2023.

## Revenue by region

Revenue in Germany increased broadly in line with total revenue in the first half of 2023, rising by 15.7% to €239.5 million (previous year: €207.0 million). The share of consolidated revenue in the first six months therefore changed only slightly to 10.3% (previous year: 10.4%).

In the major Western Europe sales region, the strong growth continued through the first two quarters of 2023. Despite the already high level recorded in the previous year, revenue there improved by 20.3% from €292.0 million in the previous year to €351.3 million, thus outpacing Group revenue. Business also developed well in Eastern Europe. There, revenue increased by 21.4% to €98.7 million in the reporting period (previous year: €81.3 million). In the Central Europe region (Austria, Switzerland and the Netherlands), revenue from April to June was up on the weak first quarter. At €130.3 million in the first six months, revenue in the region was still 17.3% below the previous year's €157.6 million. It should be noted here that revenue in Central Europe had risen strongly in the first half of 2022.

In all, while Krones' revenue in Europe (excluding Germany) rose again in the first half of 2023 by 9.3% to €580.3 million (previous year: €530.9 million), this was less than the growth rate in Group revenue. The share of consolidated revenue in the reporting period thus decreased to 25.0% (previous year: 26.7%).

In the Russia/CIS region, as expected, revenue decreased significantly in the first six months of 2023. At €18.7 million, it was 30.2% down on the previous year (€26.8 million). Its share of Group revenue in the first half of the year was just 0.8%.

In the non-European markets, revenue grew by 21.5% in the reporting period overall and thus outperformed the increase in total Group revenue. The regions with the strongest revenue growth included North and Central America and South America/Mexico, with South America benefiting from catch-up effects from the previous year. Krones' stable growth in North and Central America continued in the first two quarters of 2023. Revenue increased over the previous year's high figure of €428.2 million by 35.1% to €578.6 million. In South America/Mexico, reve-

nue improved by 39.2% to €216.8 million (previous year: €155.8 million). Krones' markets in the Asia/Pacific region continue to recover from the effects of the coronavirus pandemic. Revenue there grew strongly in the first half of 2023, increasing by 40.6% to €316.3 million (previous year: €225.0 million).

In China, revenue in the second quarter of 2023 exceeded the prior-year figure. Due to the weaker first quarter, however, revenue from January to June 2023 was down by a total of 11.4% to €150.2 million (previous year: €169.6 million). It should be noted that revenue in China increased strongly in the first half of 2022. Krones' revenue in the Middle East/Africa region was also lower than in the same period of the previous year. Between January and June, it decreased there by 8.7% from €241.5 million to €220.5 million.

Krones retained a very balanced revenue split overall in the first half of 2023. The emerging markets accounted for 44.1% (previous year: 45.4%) of Group sales, while the mature industrialised countries accounted for 55.9% (previous year: 54.6%).

*Quarterly revenue figures for the various regions are generally not very meaningful because orders and revenue can fluctuate significantly from one quarter to the next.*

## Krones Group revenue by region

Share of consolidated revenue	1 Jan to 30 Jun 2023		1 Jan to 30 Jun 2022		Change %
	€ million	%	€ million	%	
Germany	239.5	10.3	207.0	10.4	+15.7
Central Europe (excluding Germany)	130.3	5.6	157.6	7.9	-17.3
Western Europe	351.3	15.1	292.0	14.7	+20.3
Eastern Europe	98.7	4.3	81.3	4.1	+21.4
Russia, Central Asia (cis)	18.7	0.8	26.8	1.4	-30.2
Middle East/Africa	220.5	9.5	241.5	12.2	-8.7
Asia-Pacific	316.3	13.6	225.0	11.3	+40.6
China	150.2	6.5	169.6	8.5	-11.4
South America/Mexico	216.8	9.4	155.8	7.9	+39.2
North and Central America	578.6	24.9	428.2	21.6	+35.1
<b>Total</b>	<b>2,320.9</b>	<b>100.0</b>	<b>1,984.8</b>	<b>100.0</b>	<b>+16.9</b>



## Order intake and order backlog

### Order intake remains at high level

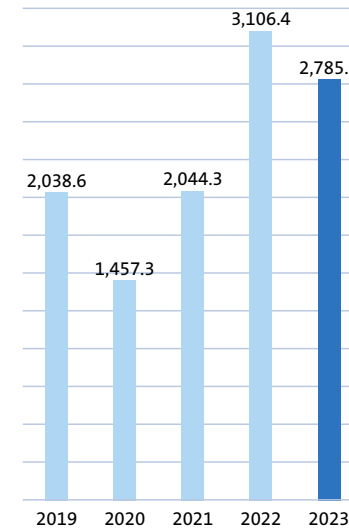
*The international beverage industry continues to show a strong readiness to invest and high levels of market activity. Krones therefore expects order intake to continue developing well at a normalised level in the second half of 2023.*

As expected, following the exceptionally high order intake in the first quarter of the year, customer orders “normalised” at a high level in the second quarter of 2023. Order intake once again reached a very good level at €1,272.8 million (Q2 2022: €1,552.6 million). From January to June 2023, order intake totalled €2,785.9 million, only 10.3% below the extremely high record figure for the same period of the previous year (€3,106.4 million).

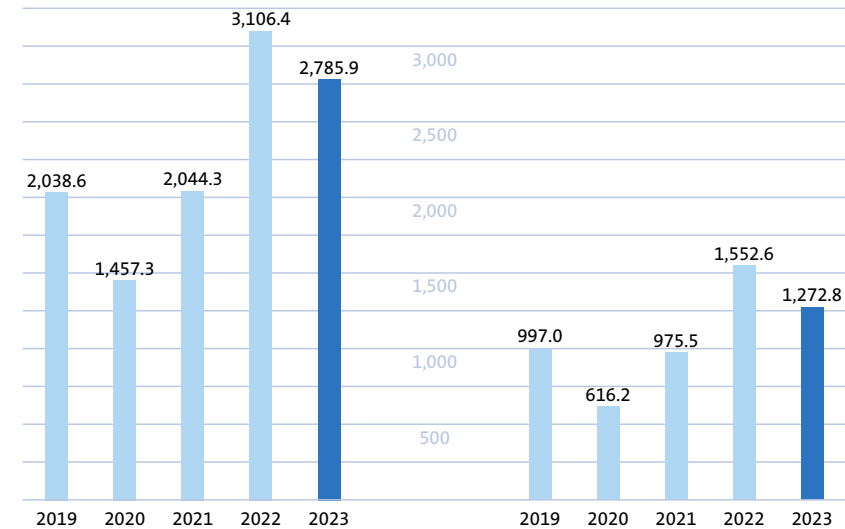
With its broad and innovative range of products and services, Krones was able to take advantage of the generally good market conditions in the first half of 2023. The company’s very good standing with customers also contributed to the strong trend in orders. Our price increases did not influence customers’ willingness to invest. Exchange rates, acquisitions and divestments did not have a material impact on the contract value of orders in the reporting period.

Order intake in the first six months of 2023 significantly exceeded the prior-year figure in the Asia/Pacific region. In the Europe, China, and North and South America regions, order intake developed in line with the Group. The Middle East/Africa and Eastern Europe regions saw lower growth in order intake than the Group as a whole. In all three segments, order intake developed similarly to the Group.

Order intake from 1 Jan to 30 Jun (€ million)



Order intake in Q2 (€ million)



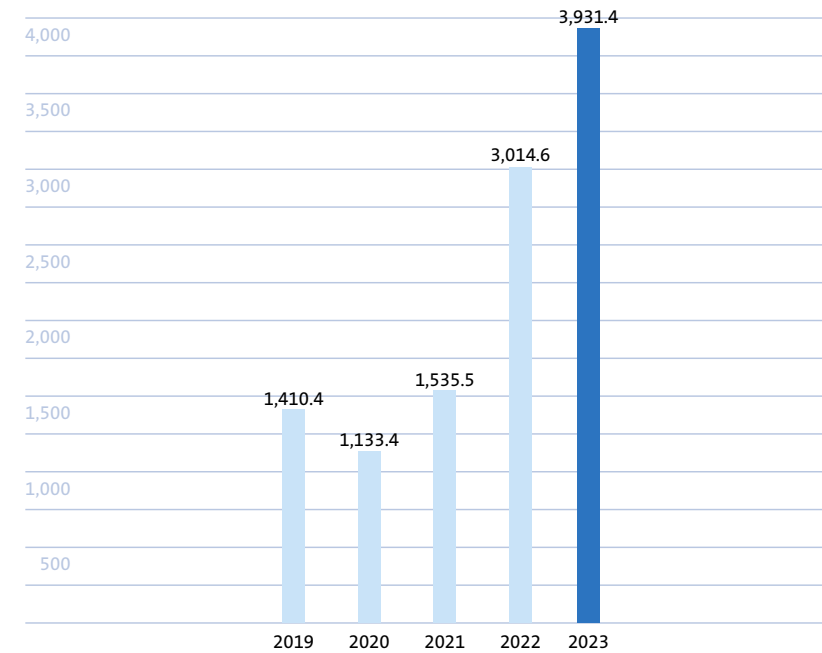


## Krones has orders on hand totalling €3.93 billion

*The order backlog increased again in the first half of 2023 and at € 3,931.4 million as of 30 June was 13.4% above the already high order backlog at the beginning of the year.*

As a result of the continued strong demand, Krones' order backlog further increased despite the high revenue growth in the first half of 2023. The book-to-bill ratio in the first six months of 2023 came to 1.2. As of 30 June, the company had an order backlog totalling €3,931.4 million. The order backlog was thus 13.4% up on the beginning of the year. Compared to the previous year (€3,014.6 million), the order backlog increased by 30.4%. We expect the availability of electrical components to improve in the course of the second half of 2023. This would allow us to further increase our production capacity utilisation compared to the first two quarters. Nevertheless, Krones will end 2023 with a very large order backlog. As a result, delivery lead times for our customers extend into the 2025 financial year.

Order backlog at 30 Jun (€ million)





## Earnings

### Krones improved the EBITDA margin the first half of 2023 to 9.5%

*Krones improved its profitability as planned in the first half of 2023, under challenging conditions. The income statement was not materially affected in the reporting period by exchange rates, acquisitions or divestments.*

As in the first quarter of the year, conditions continued to be difficult for Krones in the second quarter of 2023. The continuing shortage of electrical components presented us with a major challenge in production and resulted in additional costs. However, due to the overall improvement in the efficiency and flexibility of our organisation, we nevertheless improved

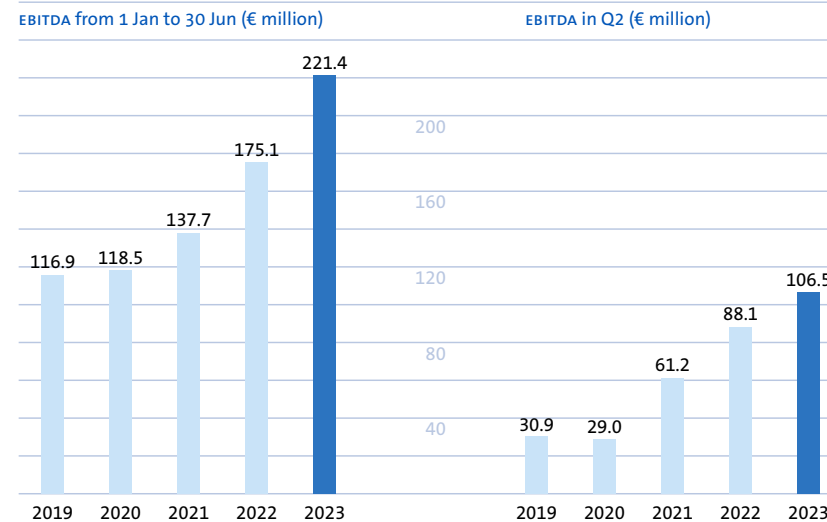
profitability as planned compared to the previous year. We were able to offset rising material costs with price increases for our machines and lines. Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 20.9% year on year to €106.5m in the period from April to June 2023. Krones' EBITDA margin in the second quarter of 2023 was consequently 9.5% (previous

year: 8.8%). Earnings before taxes (EBT) increased by 33.5% to €78.1 million, while consolidated net income improved by 34.3% to €57.9 million. Krones generated earnings per share of €1.83 in the second quarter of 2023 (previous year: €1.36).

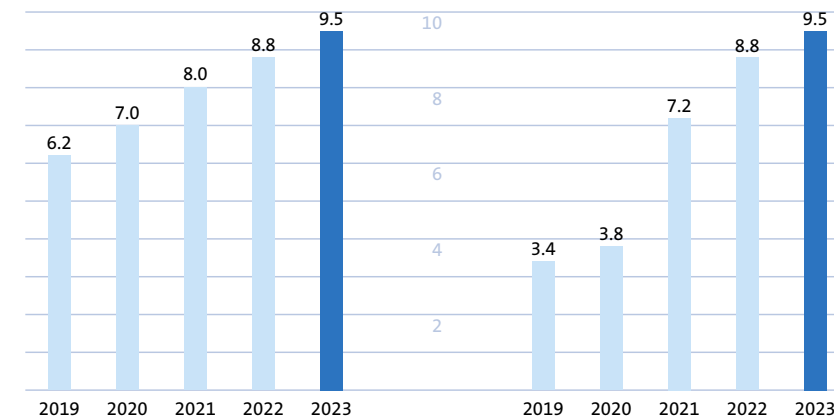
In the first half of 2023, EBITDA went up by 26.4% year on year, from €175.1 million to €221.4 million. As a result, the EBITDA margin improved in the first six months from 8.8% to 9.5%. Krones is consequently well on track to achieve its EBITDA margin target of 9% to 10% for the full year 2023.

Due to a significant year-on-year increase in the financial result, EBT grew more strongly than EBITDA between January and June 2023. EBT climbed by 42.3%, from €113.2 million to €161.1 million. The EBT margin rose from 5.7% to 6.9%. Overall, Krones generated consolidated net income of €121.4 million in the first half of 2023, up 45.9% year on year. This corresponds to earnings per share of €3.84 (previous year: €2.63).

EBITDA from 1 Jan to 30 Jun (€ million)



EBITDA margin from 1 Jan to 30 Jun in %







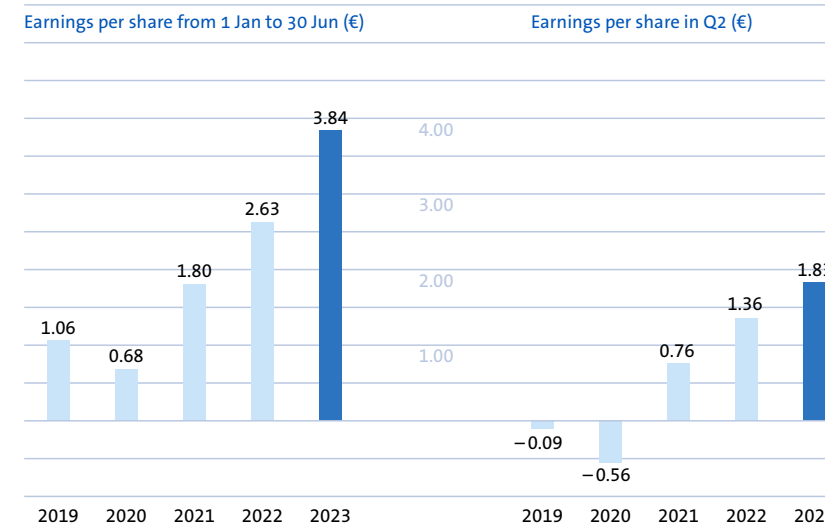
## Krones Group earnings structure

€ million	2023 1 Jan–30 Jun	2022 1 Jan–30 Jun	Change %
<b>Revenue</b>	<b>2,320.9</b>	<b>1,984.8</b>	<b>+16.9</b>
Changes in inventories of finished goods and work in progress	-3.3	25.0	-
<b>Total operating performance</b>	<b>2,317.6</b>	<b>2,009.8</b>	<b>+15.3</b>
Goods and services purchased	-1,145.5	-988.0	+15.9
Personnel expenses	-698.1	-614.7	+13.6
Other operating income/expenses and own work capitalised	-252.6	-232.0	+8.9
<b>EBITDA</b>	<b>221.4</b>	<b>175.1</b>	<b>+26.4</b>
Depreciation and amortisation on fixed assets	-78.3	-67.0	+16.9
<b>EBIT</b>	<b>143.1</b>	<b>108.1</b>	<b>+32.4</b>
Financial income/expense and profit/loss from equity-accounted associates	18.0	5.1	+252.9
<b>EBT</b>	<b>161.1</b>	<b>113.2</b>	<b>+42.3</b>
Income tax	-39.7	-30.0	+32.3
<b>Consolidated net income</b>	<b>121.4</b>	<b>83.2</b>	<b>+45.9</b>

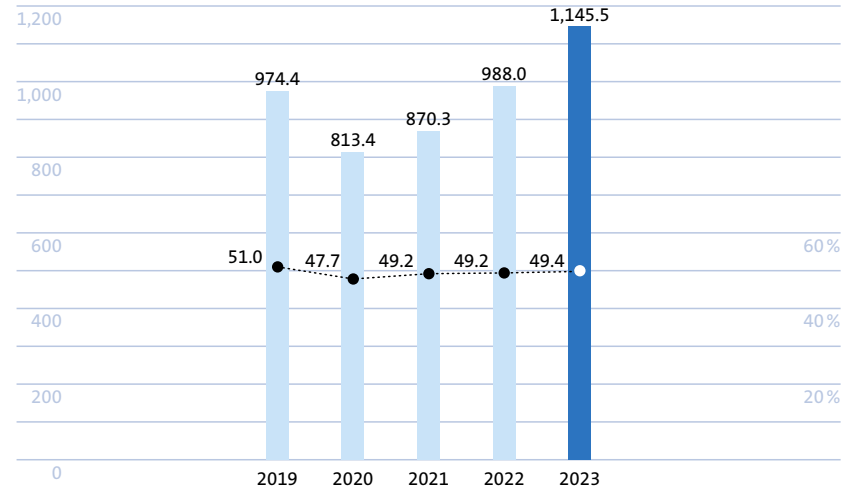
*Despite higher material, freight and travel costs, Krones significantly improved profitability in the first two quarters of 2023. The EBITDA margin rose from 8.8% in the previous year to 9.5%.*

Despite the ongoing tight situation on the procurement markets, Krones significantly increased revenue and total operating performance between January and June 2023 compared to the first half of 2022, which was still slightly impacted by Covid.

Thanks to the great commitment of the workforce, the company raised revenue in the first six months by 16.9% to €2,320.9 million. Our price increases also contributed to the revenue growth. Total operating performance grew at a slightly lower rate than revenue, rising by 15.3% to €2,317.6 million. This is due to a reduction in finished goods and work in progress by €3.3 million in the reporting period. In the previous year, these increased by €25.0 million.



Goods and services purchased from 1 Jan to 30 Jun (€ million, %)

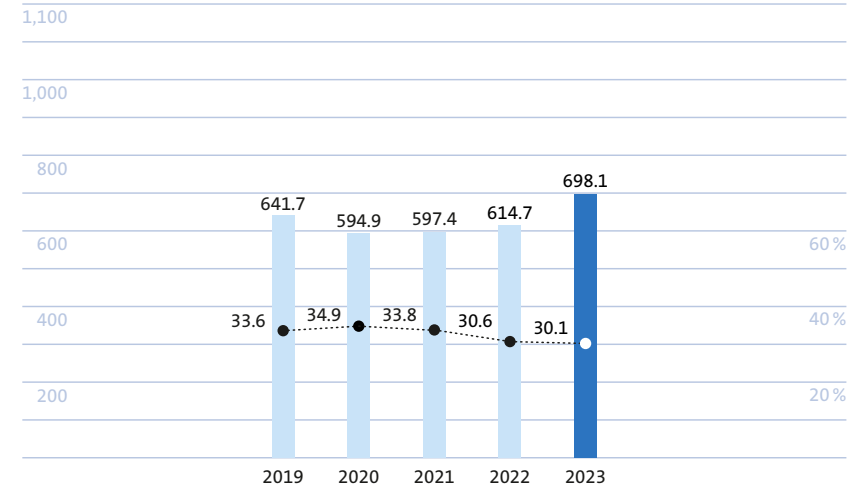


Material expense ratio: 49.4%  
Personnel expense ratio: 30.1%

Goods and services purchased rose only slightly more than total operating performance in the first half of 2023, increasing by 15.9% to €1,145.5 million. By means of sophisticated production and procurement management, coupled with price rises, Krones was able to almost completely offset the price increases in materials procurement in the reporting period. The material expense ratio – the ratio of goods and services purchased to total operating performance – was 49.4% in the first half of 2023 (previous year: 49.2%) and thus slightly below the full-year figure for 2022 (49.7%).

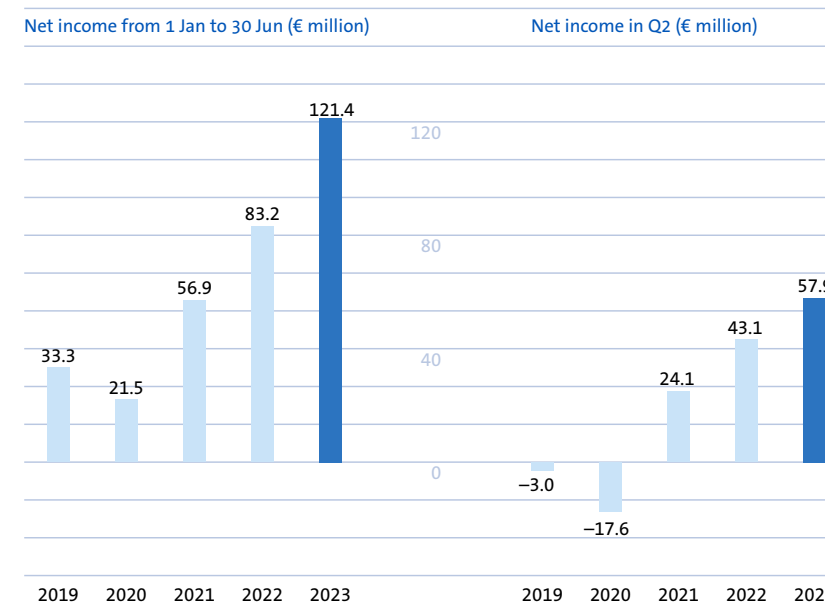
Personnel expenses increased by less than total operating performance in the reporting period, rising by 13.6% to €698.1 million. The personnel expense ratio – the ratio of personnel expenses to total operating performance – consequently fell in the first half of 2023 from 30.6% in the previous year to 30.1%. However, this was slightly higher than in the full year 2022 (29.8%).

Personnel expenses from 1 Jan to 30 Jun (€ million, %)



At €364.2 million, other operating expenses were 13.7% higher in the reporting period than the previous year's figure of €320.2 million. The increase was partly due to significant growth in freight and travel expenses because of the higher volume of business. Other operating income also increased, from €67.6 million to €92.3 million. Both other operating expenses and other operating income were influenced by currency effects, which, however, almost eliminated each other. Own work capitalised fell slightly from €20.6 million in the previous year to €19.3 million. The net balance of other operating income and expenses and own work capitalised changed from –€232.0 million in the prior-year period to –€252.6 million in the first half of 2023. As a percentage of total operating performance, this represented a decrease from 11.5% to 10.9%.

Krones improved EBITDA (earnings before interest, taxes, depreciation and amortisation) by 26.4% in the reporting period, from €175.1 million to €221.4 million. The EBITDA margin consequently rose from 8.8% to 9.5%. After deducting depreciation and amortisation of fixed assets of €78.3 million (previous year: €67.0 million), earnings before interest and taxes (EBIT) increased by 32.4% to €143.1 million in the first half of 2023. The depreciation figure includes effects from valuation adjustments of intangible assets, which are nearly equivalent to income as a result from adjustments of contingent purchase price payments. This income is reflected in financial income/expense, which at +€18.0 million was consequently significantly higher than in the previous year (+€5.1 million). There was no net impact of the valuation adjustments on earnings before tax (EBT), which grew at a faster rate than EBIT in the reporting period, increasing by 42.3% to €161.1 million. This results in an EBT margin of 6.9%, compared with 5.7% in the previous year. As the company's tax rate of 24.6% from January to June was lower than in the previous year (26.5%), consolidated net income improved by 45.9% to €121.4 million (previous year: €83.2 million).



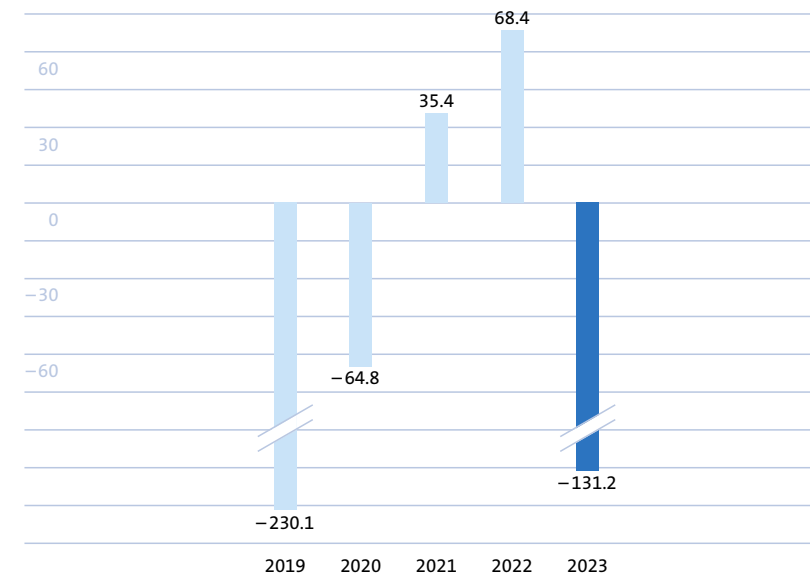


## Statement of cash flows

€ million	2023 1 Jan – 30 Jun	2022 1 Jan – 30 Jun
<b>Earnings before taxes</b>	<b>161.1</b>	<b>113.2</b>
Other non-cash changes	+65.2	+109.2
Changes in working capital	–256.8	–97.4
Changes in other assets and liabilities	–54.1	–24.1
<b>Cash flow from operating activities</b>	<b>–84.6</b>	<b>100.9</b>
Capital expenditure for PP&E and intangible assets	–59.4	–55.4
Other	+12.8	+22.9
<b>Free cash flow without M&amp;A</b>	<b>–131.2</b>	<b>68.4</b>
M&A activities	–114.5	–0.0
<b>Free cash flow reported</b>	<b>–245.7</b>	<b>+68.4</b>
Cash flow from financing activities	–73.4	–61.7
Other	–26.4	+0.3
<b>Net change in cash and cash equivalents</b>	<b>–345.5</b>	<b>+7.0</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>329.0</b>	<b>390.4</b>

As expected, Krones' cash flow from operating activities in the first half of 2023 was well below the high level of the previous year, falling from €100.9 million to –€84.6 million. The main reason for this decline of €185.5 million was the significantly higher increase in working capital of €256.8 million compared to the previous year (€97.4 million). Changes in other assets and liabilities also had a negative impact on cash flow. These amounted to –€54.1 million (previous year: –€24.1 million). In addition to the €47.9 million increase in earnings before taxes, non-cash changes also made a positive contribution to cash flow from operating activities. At €65.2 million, however, this was smaller in the reporting period than the €109.2 million recorded in the previous year.

Free cash flow without M&A from 1 January to 30 June (€ million)



### Free cash flow as expected below the high level of the previous year

Krones increased capital expenditure on property, plant and equipment and intangible assets to €59.4 million in the reporting period (previous year: €55.4 million). The company spent an additional €114.5 million in the reporting period on the acquisition of Ampco Pumps. Free cash flow (net cash generated from operating activities) decreased in total by €314.1 million to –€245.7 million (previous year: positive free cash flow of €68.4 million). Excluding M&A activities, free cash flow decreased by €199.6 million to –€131.2 million. Free cash flow

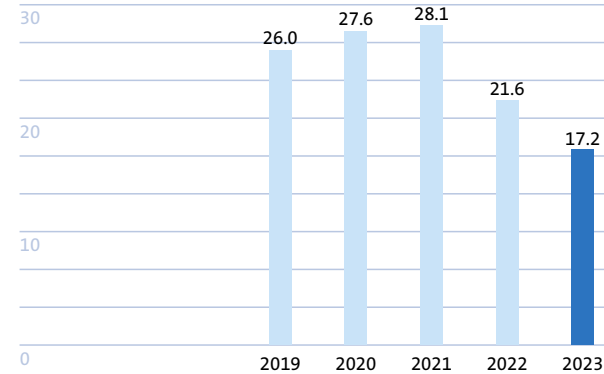
*Krones' cash flow from operating activities and free cash flow were lower in the reporting period, mainly because of the sharp increase in working capital due to the high volume of business.*



was significantly affected in the reporting period by the sharp increase in working capital due to the high business volume.

The company had a total cash outflow from financing activities of €73.4 million in the first half of 2023 (previous year: €61.7 million). In the reporting period, this item included the cash outflow from the dividend payout of €55.3 million (previous year: €44.2 million), the repayment of lease liabilities in the amount of €17.4 million (previous year: €17.5 million) and the repayment of bank debt in the amount of €0.7 million (previous year: €0.0 million). The “Other” item (–€26.4 million) includes other changes in cash and cash equivalents resulting from currency translation. Kronos had cash and cash equivalents totalling €329.0 million at 30 June 2023 (previous year: €390.4 million).

Kronos Group working capital to revenue at 30 June (% , average over four quarters)



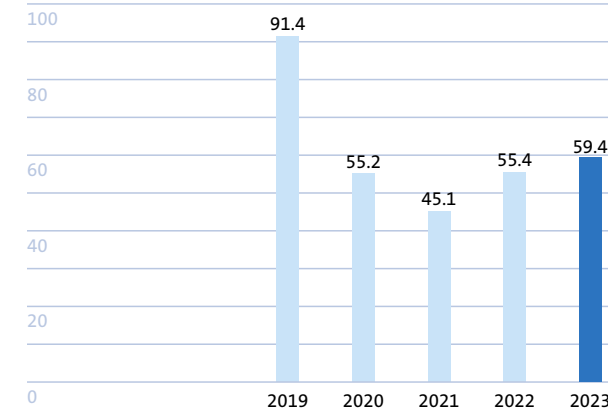
### Ratio of working capital to revenue improved to 17.2%

Kronos increased working capital by a substantial €256.8 million in the first half of the year. The rise in advances received was offset by a disproportionately large increase in contract assets, higher inventories and lower trade payables. Trade receivables were virtually unchanged.

*Kronos improved the ratio of average working capital to revenue in the first two quarters of 2023. The ratio decreased from 21.6% in the previous year to 17.2%.*

Kronos improved average working capital over the past four quarters as a percentage of revenue to 17.2% (previous year: 21.6%). The working capital to revenue ratio was 18.7% as of the 30 June reporting date (previous year: 21.2%).

Capital expenditure for PP&E and intangible assets from 1 Jan to 30 Jun (€ million)





## Assets and capital structure

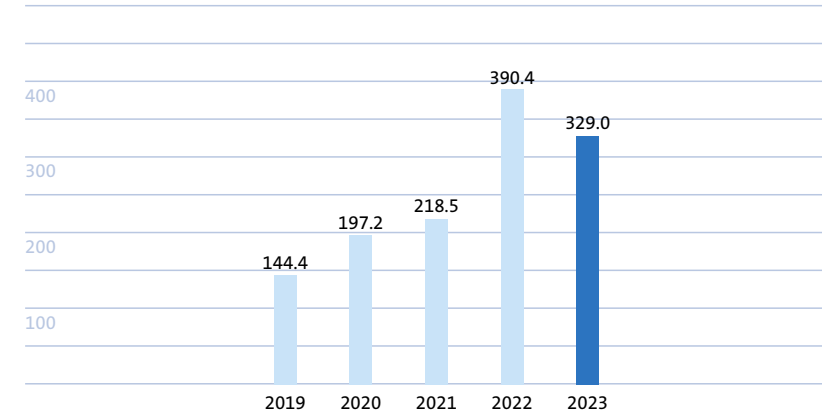
€ million	30 Jun 2023	31 Dec 2022	30 Jun 2022	31 Dec 2021
Non-current assets	1,260	1,164	1,122	1,133
of which fixed assets	1,180	1,064	1,003	1,001
Current assets	3,049	3,007	2,636	2,362
of which cash and equivalents	329	675	390	383
Equity	1,636	1,598	1,505	1,392
Total debt	2,673	2,573	2,253	2,103
Non-current liabilities	382	375	372	434
Current liabilities	2,291	2,198	1,881	1,669
<b>Total</b>	<b>4,309</b>	<b>4,171</b>	<b>3,758</b>	<b>3,495</b>

*Krones' total assets rose by only 3.3% in the first half-year, a significantly smaller increase than the rise in total operating performance (+15.3%).*

Krones' total assets increased in the first half of 2023 by 3.3%, a significantly smaller increase than the 15.3% rise in total operating performance. Total assets came to €4,308.7 million as of 30 June 2023 (31 December 2022: €4,171.2 million). The main contributor to the slight rise in total assets was the increase in non-current assets and current liabilities – mainly customer advances received.

Non-current assets went up in the first half of 2023 to €1,259.8 million (31 December 2022: €1,164.2 million) due to the rise in fixed assets. These stood at €1,179.5 million as of 30 June 2023 (31 December 2022: €1,064.0 million). The increase in fixed assets mostly related to intangible assets, which went down from €349.3 million at the end of 2022 to €454.8 million. This was mainly due to the acquisition and initial consolidation of the US company Ampco Pumps as of 1 June 2023. At €702.2 million, property, plant and equipment and right-of-use assets were at the same level at the end of the first half-year as at the 2022 year-end (€693.7 million).

Cash and cash equivalents at 30 June (€ million)

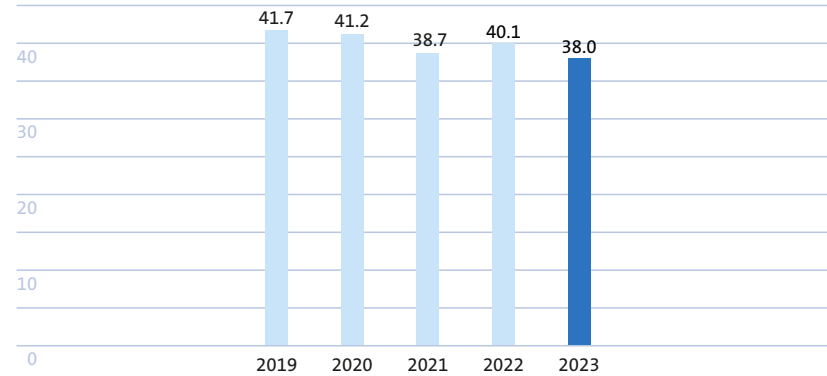


Krones' current assets also showed a slight increase. Current assets came to €3,048.9 million at the end of the reporting period, a rise of €41.9 million or 1.4% on the figure as of 31 December 2022. Contract assets increased sharply by €293.4 million to €1,021.0 million. This was mainly due to a larger volume of work in progress. Inventories rose less significantly by €47.7 million to €637.1 million. Krones reduced trade receivables by €5.6 million to €814.7 million in the first half of 2023. Due to the negative free cash flow in the first half of 2023 and the payment of the purchase price for Ampco Pumps, Krones' cash and cash equivalents decreased in the reporting period from €674.5 million to €329.0 million.

Krones increased current liabilities by €92.8 million to €2,291.0 million from January to June 2023. This was primarily due to a €139.7 million rise in contract liabilities to €1,041.1 million (31 December 2022: €901.4 million). These mainly reflect higher prepayments from customers. Krones reduced trade payables in the reporting period by €47.6 million to €636.6 million. Other liabilities and



Equity ratio Krones group at 30 June (%)

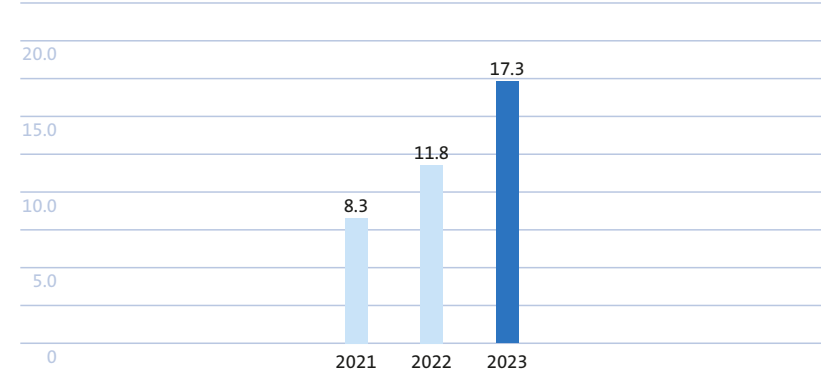


provisions were also down at €383.4 million (31 December 2022: €391.9 million). As of the end of June 2023, the company had non-current bank debt totalling €1.2 million (31 December 2022: €0.0 million).

At €381.7 million as of 30 June 2023, non-current liabilities were slightly higher than at the end of 2022 (31 December 2022: €374.8 million). The largest item, provisions for pensions, likewise changed only minimally to €166.3 million (31 December 2022: €166.6 million). Other financial liabilities and lease liabilities increased by €3.5 million to €112.4 million. At the end of the reporting period, Krones had €3.1 million in non-current bank debt (31 December 2022: €5.0 million).

There were no material exchange rate or divestment effects in the reporting period on any assets side or equity and liabilities side items of the statement of financial position. The acquisition of Ampco Pumps mainly affected non-current assets and cash and cash equivalents.

ROCE in %, from 1 January to 30 June



### Equity and ROCE increased in first half of 2023

Due to the positive consolidated net income for the first half-year – and despite the €55.3 million dividend distribution in the second quarter – equity increased relative to the 2022 reporting date to €1,636.0 million (31 December 2022: €1,598.1 million).

The equity ratio was slightly down due to the larger increase in total assets and came to 38.0% as of 30 June 2023 (31 December 2022: 38.3%). With net cash (cash and cash equivalents less bank debt) of €324.7 million at the end of the reporting period, Krones continues to have a very stable and solid financial and capital structure. In addition, the group had approximately €860 million in unused lines of credit as of 30 June 2023.

Krones improved return on capital employed (ROCE) – the ratio of EBIT to average net capital employed over the last four quarters – in the reporting period to 17.3%, mainly as a result of the higher EBIT (previous year: 11.8%).

*The solid 38.0% equity ratio and €324.7 million in net cash give Krones stability in the current challenging economic environment.*



## Report from the segments

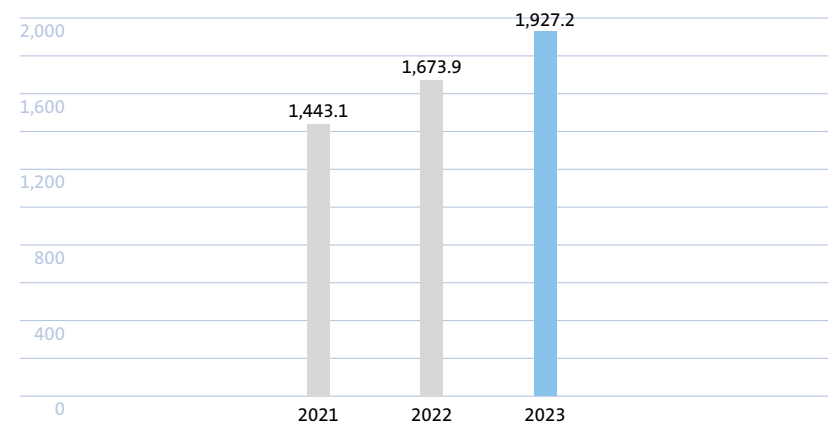
### Filling and Packaging Technology

#### Segment revenue

*Krones' core segment revenue rose by 15.1 % to €1,927.2 million in the first half of 2023. This was also partly due to price increases for our machines and lines.*

Following very strong revenue growth of 21.7% in the first quarter, growth in the Filling and Packaging Technology segment normalised as expected in the second quarter of 2023. At €922.8 million, revenue was up 8.8% year on year. In the first half of 2023, revenue increased by 15.1% to €1,927.2 million (previous year: €1,673.9 million). As a result of successful production and procurement management, Krones was able to maintain stable, if not full, capacity utilisation in the reporting period, despite the shortage of electronic components. We expect the supply of parts to improve in the course of the second half of the year. Krones has raised its guidance for the segment's revenue growth in the full year 2023 to between 10% and 12% (previously: 7% to 9%). The core segment's share of consolidated revenue in the first half of 2023 was 83.0% (previous year: 84.3%).

Segment revenue (€ million) from 1 January to 30 June



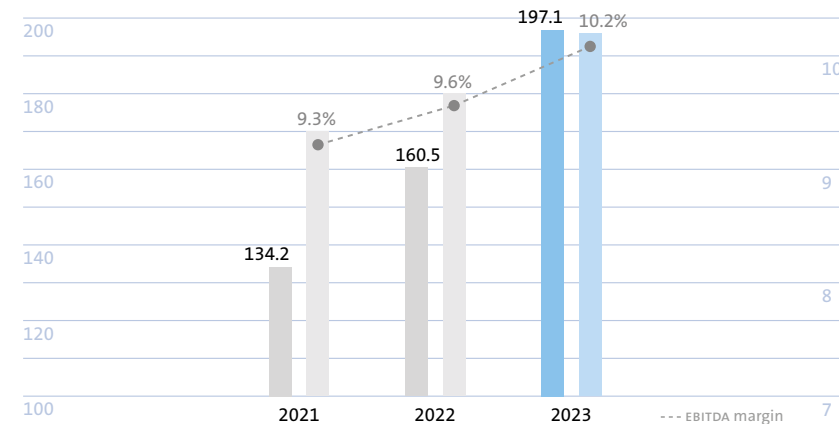
#### Segment earnings

Tight supplies of electrical components affected production conditions in Filling and Packaging Technology in the first two quarters of 2023. Thanks to Krones' high degree of flexibility, profitability nevertheless increased during the reporting period.

We were able to offset increases in the costs of materials with price increases for our products. Earnings before interest, taxes, depreciation and amortisation (EBITDA) rose in the first half of 2023 by 22.8%, from €160.5 million to €197.1 million. As a result, the core segment's EBITDA margin improved from 9.6% to 10.2%. This is within the target range for the margin of 9% to 11% for the full year. In the second quarter, the segment generated EBITDA of €93.9 million (previous year: €80.4 million) and an EBITDA margin also of 10.2% (previous year: 9.5%).

*Profitability in the core segment improved as planned in the first six months of 2023. The EBITDA margin increased to 10.2% (previous year: 9.6%).*

Segment EBITDA (€ million) and EBITDA margin (%) from 1 January to 30 June







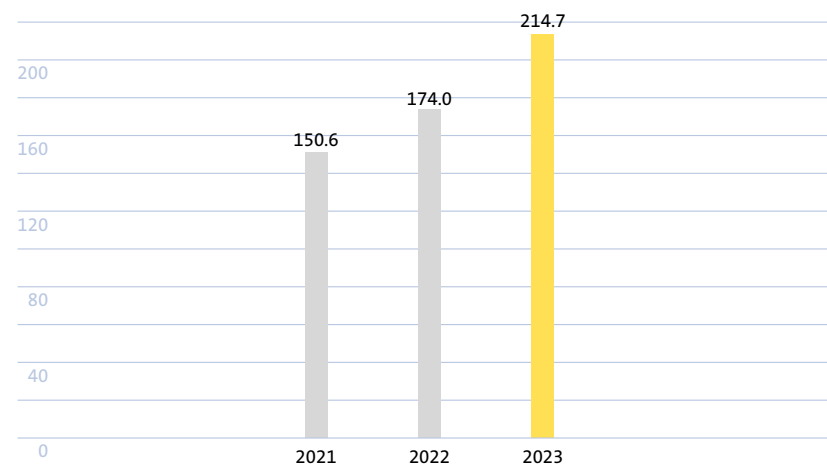
## Process Technology

### Segment revenue

*Following the strong second quarter, Kronos has raised its growth forecast for the Process Technology segment for the full year 2023 to between 20% and 25%.*

Growth in the Process Technology segment accelerated in the second quarter of 2023. From April to June, revenue climbed by 38.6% year on year to €105.2 million. The growth rate in the first quarter was 11.6%. It should be noted that fluctuations during the course of the year are not unusual in project-based business. In the first half of 2023, segment revenue went up by a total of 23.4%, from €174.0 million a year earlier to €214.7 million. For the full year 2023, the Executive Board now expects revenue growth in Process Technology of 20% to 25% (previously 15% to 20%). The segment's share of consolidated revenue increased in the first half of the year from 8.8% to 9.3%.

Segment revenue (€ million) from 1 January to 30 June



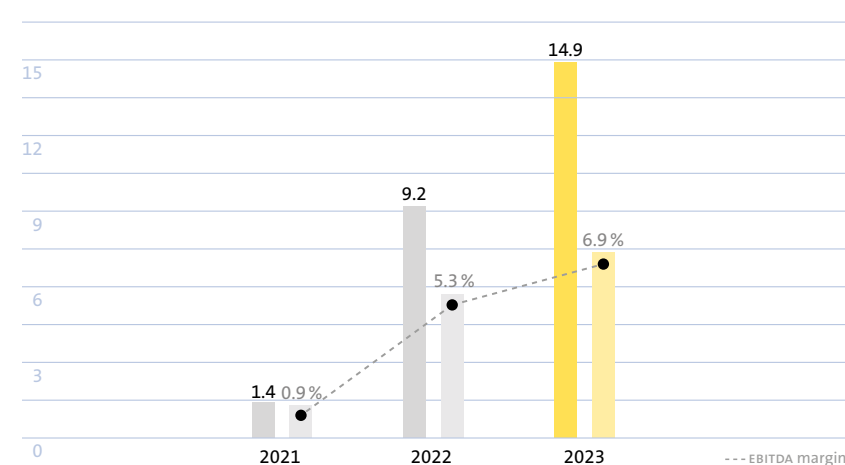
### Segment earnings

The profitability of the Process Technology segment further stabilised in the second quarter of 2023. Earnings before interest, taxes, depreciation and amortisation (EBITDA) increased from €5.8 million in the same quarter of the previous year to €7.8 million

7.4% (previous year: 7.6%). In the period from January to June, EBITDA went up from €9.2 million in the previous year to €14.9 million. The EBITDA margin thus improved to 6.9% (previous year: 5.3%). The segment's profitability benefited from good capacity utilisation. In addition, spinning off the brewery business into a separate company and adapting the processes to the project business have also had a lasting positive impact on profitability. Segment earnings were not materially affected in the reporting period by acquisition effects. The margin target for the full year 2023 remains unchanged at 6% to 7%.

*The EBITDA margin in the Process Technology segment improved to 6.9% in the first half of 2023 (previous year: 5.3%).*

Segment EBITDA (€ million) and EBITDA margin (%) from 1 January to 30 June





## Intralogistics

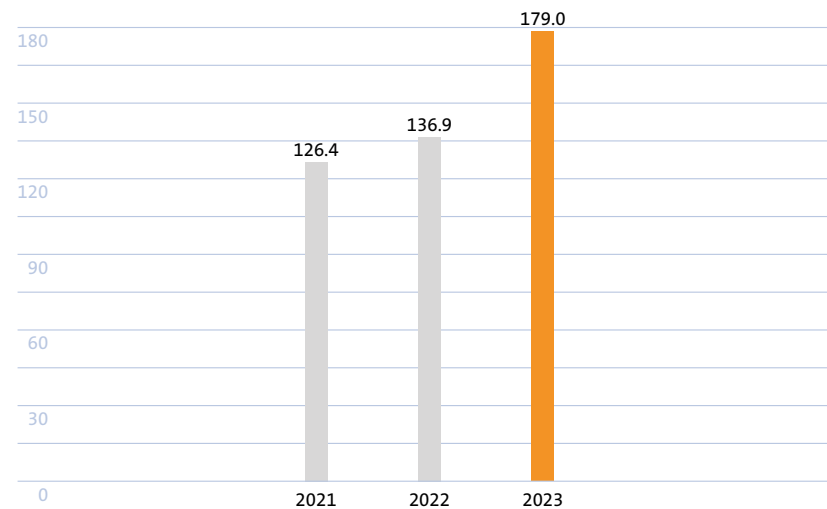
### Segment revenue

*Revenue in the Intralogistics segment rose by 30.8% to €179.0 million in the first half of 2023. For the full year, we expect growth of 10% to 15%.*

After a strong start to the year (33.3% growth in Q1), business in the Intralogistics segment continued to develop well in the second quarter. At €94.1 million, revenue was 28.6% higher than in the previous year.

In the period from January to June 2023, revenues consequently increased by a total of 30.8%, from €136.9 million in the previous year to €179.0 million. Kronen benefited in the reporting period from growing demand for innovative automation solutions. Growth will decrease in the second half of the year due to base effects. For the full year 2023, we continue to expect revenue to increase by 10% to 15% compared to 2022. Intralogistics contributed 7.7% to consolidated revenue in the reporting period (previous year: 6.9%).

Segment revenue (€ million) from 1 January to 30 June



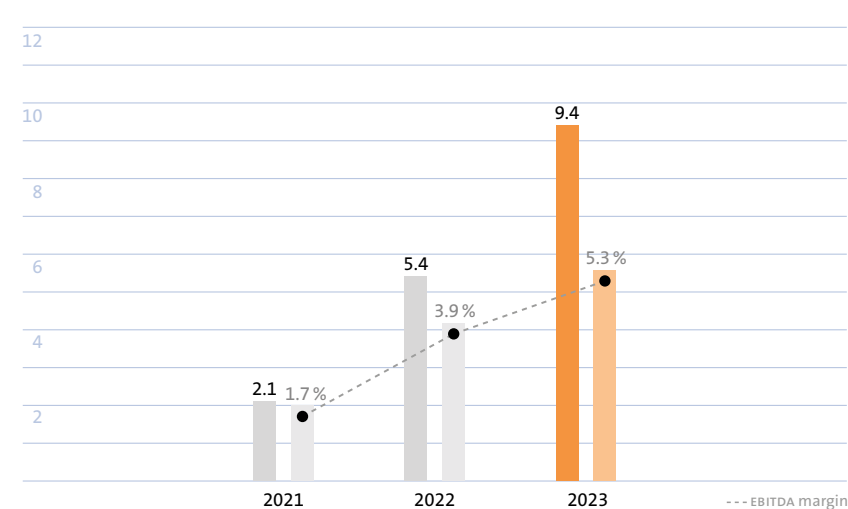
### Segment earnings

The good capacity utilisation is also reflected in the earnings of the Intralogistics segment. In the second quarter, earnings before interest, taxes, depreciation and amortisation (EBITDA) increased from €1.9 million a year earlier to €4.8 million. This corre-

sponds to an EBITDA margin of 5.1% (previous year: 2.6%). As a result, EBITDA improved significantly to €9.4 million in the first six months of 2023 (previous year: €5.4 million). The EBITDA margin rose from 3.9% to 5.3%. Due to seasonal effects, earnings in Intralogistics are usually higher in the second half of the year than in the first two quarters. We are therefore confident that we will achieve the EBITDA margin target of 6% to 7% for the full year 2023.

*Profitability also improved in the Intralogistics segment in the first half of 2023. The EBITDA margin rose to 5.3% (previous year: 3.9%).*

Segment EBITDA (€ million) and EBITDA margin (%) from 1 January to 30 June

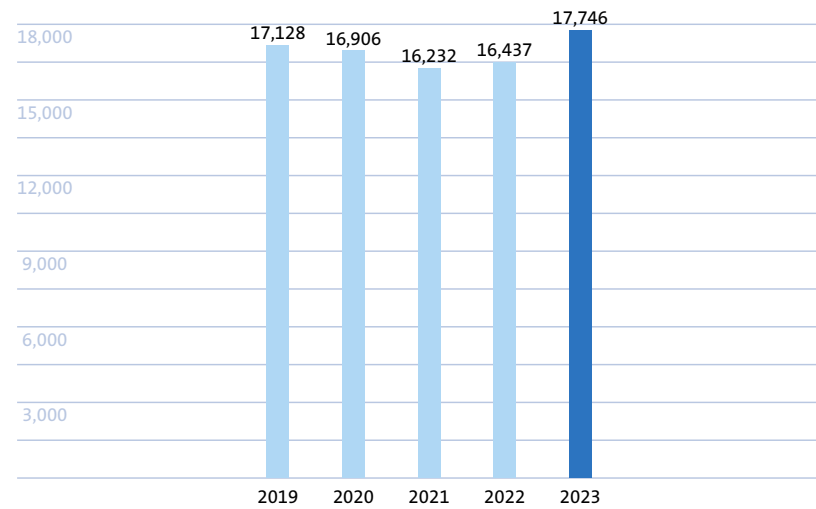




## Employees

Employees  
in Germany: 10,337  
Employees outside  
Germany: 7,409

Krones employees worldwide at 30 June



### Krones employs 17,746 people worldwide

*Krones increased the number of employees between January and June 2023, above all internationally. This reflects the dynamic recovery of our international markets.*

Krones' workforce increased by 1,309 employees year on year to 17,746 employees as of 30 June 2023.

The company mainly increased the workforce in service and IT and at the plant in Hungary. Compared to 31 December 2022, the number of employees

worldwide went up by 582. Most of the increase over the first half of 2023 was in the international workforce, which grew by 375 to 7,409 (31 December 2022: 7,034). The number of people employed in Germany rose to 10,337 (31 December 2022: 10,130).

To ensure a sufficient pool of qualified employees for the long term, we continue to invest heavily in training and employee development. As of 30 June 2023, the Krones Group had 295 young people in training (previous year: 374).



## Risk and opportunity report | Events after the reporting period

### Krones' risk management system

Krones is exposed to a variety of risks that are inextricably linked with doing business globally. We continuously monitor all significant business processes to identify risks early and to actively manage and limit them. Within our corporate strategy, we also identify, analyse and unlock opportunities. Unlike risks, business opportunities are not documented within our risk management system.

### Multi-stage risk management system

We are continually improving our risk management system on the basis of practical experience. The system consists of the following modules: risk analysis, risk monitoring, and risk planning and control.

#### Risk analysis

In order to identify risks early, we continuously monitor all business activities. Material project-related risks are reduced or avoided before an order is accepted. We conduct a profitability analysis of all quotes prior to order acceptance. Orders that exceed a specified volume are also subject to a product status report. Apart from profitability, we also individually record and evaluate financing risks, technological risks, regional risks and tax risks as well as scheduling and other contractual risks before accepting an order.

To manage risks that arise from changes in the market and competitive situation, we create detailed market and competition analyses for all segments and business areas on a regular basis.

In addition, we conduct a comprehensive risk inventory annually for Krones AG and all significant group companies. The results of the risk inventory and mitigating actions are used in our annual planning and forecasting. The basic principles and the process are documented in a risk manual. The risk management system serves not only the purpose mandated by law – early detection of going concern risks – but also covers all risks that may have a significant negative impact on earnings.

#### Risk monitoring

We use a variety of interlinked controlling processes to monitor risks within the Krones Group. Regular comprehensive reports from the individual business units keep the Executive Board and other decision-makers apprised in a timely manner of all possible risks and deviations from company planning and of the status of mitigating actions. For projects with a high contract value, potential risks are examined and evaluated in regular meetings. Employees who identify risks pass their information on without delay through the company's internal reporting system.

#### Risk planning and control

We primarily use the following tools to plan our business activities and control risk within our internal control system:

- Annual planning
- Medium-term planning
- Strategic planning
- Rolling forecasts
- Monthly and quarterly reports
- Capital expenditure planning
- Production planning
- Capacity planning
- Project controlling
- Accounts receivable management
- Exchange rate hedges
- Insurance policies



## Summary assessment

Viewed from today's perspective, Kronos is not exposed to any going concern risks. A detailed presentation of the company's risks and an in-depth description of our risk management system can be found in the management report in the 2022 Group Annual Report, on pages 172 to 184.

The assessment of risks and opportunities has not fundamentally changed since presentation of the management report for 2022.

## Events after the reporting period

There were no reportable events after the half-year reporting date (30 June 2023).



## Report on **expected developments**

### Krones raises guidance for revenue growth in full year 2023

Krones came well through the first half of 2023, despite continuing uncertainty in the economic environment. At the same time, business conditions remain challenging for Krones due to various unpredictable factors that could affect the company's business processes and production. These include geopolitical risks in Europe and other parts of the world, as well as high inflation and interest rates in many countries. Material shortages and problems in global supply chains also remain a source of uncertainty. We expect that the situation on the procurement markets relevant to Krones, especially for electronic components, may ease over the course of the second half of 2023.

Our markets continued their stable growth, which is hardly affected by economic cycles. Demand for Krones' products and services remains strong. Krones' total operating performance developed well in the second quarter of 2023, despite the persistently tight situation on procurement markets. This is attributable to the great commitment, creativity and flexibility of the company's work-

#### Krones Group

	Guidance for 2023	H1 2023 actual
Revenue growth	11 – 13 % (previously 8 – 11 %)	16.9 %
EBITDA margin	9 – 10 %	9.5 %
ROCE	15 – 17 %	17.3 %

force. On 17 July, on the basis of current production planning for the second half of 2023, the Executive Board therefore raised the full-year guidance for revenue growth in 2023 to between 11% and 13% (previously 8% to 11%).

At the same time, Krones has confirmed the guidance for the remaining financial targets. The company aims to further improve profitability and forecasts an EBITDA margin of 9% to 10% for the Group in 2023. For the third performance target, return on capital employed (ROCE), Krones expects an increase this year to between 15% and 17%.

#### Krones segments

##### Filling and Packaging Technology

	Guidance for 2023	H1 2023 actual
Revenue growth	10 – 12 % (previously 7 – 9 %)	15.1 %
EBITDA margin	9 – 11 %	10.2 %

##### Process Technology

	Guidance for 2023	H1 2023 actual
Revenue growth	20 – 25 % (previously 15 – 20 %)	23.4 %
EBITDA margin	6 – 7 %	6.9 %

##### Intralogistics

	Guidance for 2023	H1 2023 actual
Revenue growth	10 – 15 % (previously 10 – 15 %)	30.8 %
EBITDA margin	6 – 7 %	5.3 %



# 3

## INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

Condensed consolidated statement of profit or loss .....	32
Condensed consolidated statement of financial position.....	34
Condensed consolidated statement of cash flows.....	36
Condensed consolidated statement of changes in equity .....	37
Consolidated statement of comprehensive income .....	38
Notes to the consolidated interim financial statements	
Consolidated segment reporting.....	39
General disclosures .....	40
Members of the Supervisory Board and the Executive Board ....	48
Shareholdings.....	49



Condensed consolidated **statement of profit or loss** from 1 January to 30 June 2023

€ million	2023 1 Jan – 30 Jun	2022 1 Jan – 30 Jun	Change %
<b>Revenue</b>	<b>2,320.9</b>	<b>1,984.8</b>	<b>+16.9</b>
Changes in inventories of finished goods and work in progress	– 3.3	25.0	
<b>Total operating performance</b>	<b>2,317.6</b>	<b>2,009.8</b>	<b>+15.3</b>
Other own work capitalised	19.3	20.6	–6.3
Other operating income	92.3	67.6	+36.5
Goods and services purchased	–1,145.5	–988.0	+15.9
Personnel expenses	–698.1	–614.7	+13.6
Other operating expenses	–364.2	–320.2	+13.7
<b>EBITDA</b>	<b>221.4</b>	<b>175.1</b>	<b>+26.4</b>
Depreciation and amortisation of intangible assets and property, plant and equipment	–78.3	–67.0	+16.9
<b>EBIT</b>	<b>143.1</b>	<b>108.1</b>	<b>+32.4</b>
Financial income/expense	18.0	5.1	
Income from equity-method investments	0.0	0.0	
<b>Earnings before taxes</b>	<b>161.1</b>	<b>113.2</b>	<b>+42.3</b>
Income tax	–39.7	–30.0	+32.3
<b>Consolidated net income</b>	<b>121.4</b>	<b>83.2</b>	<b>+45.9</b>
Profit share of non-controlling interests	0.0	0.1	
Profit share of Kronos Group shareholders	121.4	83.1	
Earnings per share (diluted/basic) in €	3.84	2.63	



Condensed consolidated **statement of profit or loss** from 1 April to 30 June 2023

€ million	2023	2022	Change %
	1 Apr – 30 Jun	1 Apr – 30 Jun	
<b>Revenue</b>	<b>1,122.1</b>	<b>997.6</b>	<b>+12.5</b>
Changes in inventories of finished goods and work in progress	5.3	8.7	
<b>Total operating performance</b>	<b>1,127.4</b>	<b>1,006.3</b>	<b>+12.0</b>
Other own work capitalised	9.0	10.6	-15.1
Other operating income	49.9	42.3	+18.0
Goods and services purchased	-556.7	-501.9	+10.9
Personnel expenses	-344.3	-297.4	+15.8
Other operating expenses	-178.8	-171.8	+4.1
<b>EBITDA</b>	<b>106.5</b>	<b>88.1</b>	<b>+20.9</b>
Depreciation and amortisation of intangible assets and property, plant and equipment	-43.8	-33.9	+29.2
<b>EBIT</b>	<b>62.7</b>	<b>54.2</b>	<b>+15.7</b>
Financial income/expense	15.4	4.3	
Income from equity-method investments	0.0	0.0	
<b>Earnings before taxes</b>	<b>78.1</b>	<b>58.5</b>	<b>+33.5</b>
Income tax	-20.2	-15.4	+31.2
<b>Consolidated net income</b>	<b>57.9</b>	<b>43.1</b>	<b>+34.3</b>
Profit share of non-controlling interests	0.0	0.1	
Profit share of Kronos Group shareholders	57.9	43.0	
Earnings per share (diluted/basic) in €	1.83	1.36	

**Condensed consolidated statement of financial position – Assets**

€ million	30 June 2023	31 Dec 2022
Intangible assets	454.8	349.3
Property, plant and equipment and right of use assets	702.2	693.7
Non-current financial assets	20.1	18.6
Investments accounted for using the equity method	2.4	2.4
<b>Fixed assets</b>	<b>1,179.5</b>	<b>1,064.0</b>
Deferred tax assets	56.8	59.9
Trade receivables	15.8	27.0
Tax receivables	1.7	2.0
Other assets	6.0	11.3
<b>Non-current assets</b>	<b>1,259.8</b>	<b>1,164.2</b>
Inventories	637.1	589.4
Trade receivables	814.7	820.2
Contract assets	1,021.0	727.6
Tax receivables	4.4	5.2
Other assets	242.7	190.0
Cash and cash equivalents	329.0	674.5
<b>Current assets</b>	<b>3,048.9</b>	<b>3,007.0</b>
<b>Total</b>	<b>4,308.7</b>	<b>4,171.2</b>

**Condensed consolidated statement of financial position – Equity and liabilities**

€ million	30 June 2023	31 Dec 2022
<b>Equity</b>	<b>1,636.0</b>	<b>1,598.1</b>
Provisions for pensions	166.3	166.6
Deferred tax liabilities	11.4	5.0
Other provisions	80.1	80.3
Tax liabilities	4.8	4.8
Liabilities to banks	3.1	5.0
Trade payables	0.0	0.0
Other financial obligations and lease liabilities	112.4	108.9
Other liabilities	3.6	4.2
<b>Non-current liabilities</b>	<b>381.7</b>	<b>374.8</b>
Other provisions	148.9	162.0
Liabilities to banks	1.2	0.0
Contract liabilities	1,041.1	901.4
Trade payables	636.6	684.2
Tax liabilities	18.9	20.1
Other financial obligations and lease liabilities	60.9	38.7
Other liabilities and accruals	383.4	391.9
<b>Current liabilities</b>	<b>2,291.0</b>	<b>2,198.3</b>
<b>Total</b>	<b>4,308.7</b>	<b>4,171.2</b>

Condensed consolidated **statement of cash flows**

€ million	2023	2022
	1 Jan – 30 Jun	1 Jan – 30 Jun
Earnings before taxes	161.1	113.2
Depreciation and amortisation	78.3	67.0
Decrease (previous year: increase) in provisions and accruals	-13.1	35.8
Interest and similar expenses and income	-14.4	-1.4
Gains and losses from the disposal of fixed assets	-1.2	-0.7
Other non-cash expenses and income	16.1	8.5
Increase in inventories, trade receivables, contract assets and other liabilities not attributable to investing or financing activities	-381.8	-264.8
Increase in trade payables, contract liabilities and other liabilities not attributable to investing or financing activities	108.3	172.9
<b>Cash generated from operating activities</b>	<b>-46.7</b>	<b>130.5</b>
Interest paid	-3.4	-1.2
Income tax paid and refunds received	-34.5	-28.4
<b>Cash flow from operating activities</b>	<b>-84.6</b>	<b>100.9</b>
Cash payments to acquire intangible assets	-20.0	-24.2
Proceeds from the disposal of intangible assets	0.1	0.1
Cash payments to acquire property, plant and equipment	-39.4	-31.2
Proceeds from the disposal of property, plant and equipment	1.7	1.9
Cash payments to acquire non-current financial assets and time deposits	-2.7	-0.5
Proceeds from the disposal of non-current financial assets and time deposits	0.4	21.4
Acquisition of a subsidiary less acquired cash and cash equivalents	-114.5	0.0
Deferred purchase price payment for prior-period acquisitions	0.0	-7.0
Interest received	9.9	3.6
Dividends received	3.4	3.4
<b>Cash flow from investing activities</b>	<b>-161.1</b>	<b>-32.5</b>
Cash payments to company owners	-55.3	-44.2
Cash payments from the repayment of financial liabilities	-0.7	0.0
Cash payments from the repayment of leasing liabilities	-17.4	-17.5
<b>Cash flow from financing activities</b>	<b>-73.4</b>	<b>-61.7</b>
<b>Cash change in cash and cash equivalents</b>	<b>-319.1</b>	<b>6.7</b>
Other changes in cash and cash equivalents	-26.4	0.3
Cash and cash equivalents at the beginning of the period	674.5	383.4
<b>Cash and cash equivalents at the end of the period</b>	<b>329.0</b>	<b>390.4</b>



## Condensed consolidated statement of changes in equity

€ million	Parent company						Non-controlling interests	Group equity	
	Share capital	Capital reserves	Profit reserves	Other reserves		Group retained earnings	Equity	Equity	
				Currency differences in equity	Other reserves sundry				
<b>At 31 December 2021</b>	<b>40.0</b>	<b>141.7</b>	<b>373.4</b>	<b>-50.9</b>	<b>-112.8</b>	<b>1,000.8</b>	<b>1,392.2</b>	<b>-0.6</b>	<b>1,391.6</b>
Dividend payment						-44.2	-44.2		-44.2
Consolidated net income H1 2022						83.1	83.1	0.1	83.2
Allocation to profit reserves			-0.3			0.3	0.0		0.0
Changes in the consolidated group			-7.8				-7.8		-7.8
Other comprehensive income				42.2	39.8		82.0		82.0
<b>At 30 June 2022</b>	<b>40.0</b>	<b>141.7</b>	<b>365.3</b>	<b>-8.7</b>	<b>-73.0</b>	<b>1,040.0</b>	<b>1,505.3</b>	<b>-0.5</b>	<b>1,504.8</b>
Dividend payment							0.0		0.0
Consolidated net income H2 2022						104.0	104.0	-0.1	103.9
Allocation to profit reserves			0.7			-0.7	0.0		0.0
Changes in the consolidated group			-0.5				-0.5		-0.5
Other comprehensive income				-34.1	24.1		-10.1		-10.1
<b>At 31 December 2022</b>	<b>40.0</b>	<b>141.7</b>	<b>365.5</b>	<b>-42.8</b>	<b>-49.0</b>	<b>1,143.2</b>	<b>1,598.6</b>	<b>-0.5</b>	<b>1,598.1</b>
Dividend payment						-55.3	-55.3		-55.3
Consolidated net income H1 2023						121.4	121.4	0.0	121.4
Withdrawal from profit reserves			0.1			-0.1	0.0		0.0
Changes in the consolidated group			0.0				0.0	0.0	0.0
Other comprehensive income				-38.2	10.0		-28.2		-28.2
<b>At 30 June 2023</b>	<b>40.0</b>	<b>141.7</b>	<b>365.6</b>	<b>-81.0</b>	<b>-39.0</b>	<b>1,209.2</b>	<b>1,636.5</b>	<b>-0.5</b>	<b>1,636.0</b>



## Consolidated statement of comprehensive income

€ million	2023	2022
	1 Jan – 30 Jun	1 Jan – 30 Jun
<b>Consolidated net income</b>	<b>121.4</b>	<b>83.2</b>
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Remeasurement of defined benefit plans	0.1	51.4
	0.1	51.4
<b>Items that may be reclassified subsequently to profit or loss</b>		
Exchange differences on translation	–38.2	42.2
Cash flow hedges	9.9	–11.6
	–28.3	30.6
<b>Other comprehensive income after income taxes</b>	<b>–28.2</b>	<b>82.0</b>
<b>Total comprehensive income</b>	<b>93.1</b>	<b>165.2</b>
of which attributable to non-controlling interests	0.0	0.1
of which attributable to Krones Group shareholders	93.1	165.1

Consolidated **segment reporting**

First half year € million	Filling and Packaging Technology		Process Technology		Intralogistics		Krones Group	
	2023 1 Jan–30 Jun	2022 1 Jan–30 Jun	2023 1 Jan–30 Jun	2022 1 Jan–30 Jun	2023 1 Jan–30 Jun	2022 1 Jan–30 Jun	2023 1 Jan–30 Jun	2022 1 Jan–30 Jun
Revenue	1,927.2	1,673.9	214.7	174.0	179.0	136.9	2,320.9	1,984.8
EBITDA	197.1	160.5	14.9	9.2	9.4	5.4	221.4	175.1
EBITDA margin	10.2%	9.6%	6.9%	5.3%	5.3%	3.9%	9.5%	8.8%

Second quarter € million	Filling and Packaging Technology		Process Technology		Intralogistics		Krones Group	
	2023 1 Apr–30 Jun	2022 1 Apr–30 Jun	2023 1 Apr–30 Jun	2022 1 Apr–30 Jun	2023 1 Apr–30 Jun	2022 1 Apr–30 Jun	2023 1 Apr–30 Jun	2022 1 Apr–30 Jun
Revenue	922.8	848.5	105.2	75.9	94.1	73.2	1,122.1	997.6
EBITDA	93.9	80.4	7.8	5.8	4.8	1.9	106.5	88.1
EBITDA margin	10.2%	9.5%	7.4%	7.6%	5.1%	2.6%	9.5%	8.8%



## General disclosures

### ■ Legal basis

The interim consolidated financial statements of Krones AG (the “Krones Group”) for the period ended 30 June 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, applicable at the reporting date, including the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), as adopted by the European Union. The interim consolidated financial statements have been prepared in accordance with IAS 34 and are condensed relative to the consolidated financial statements. From 1 January 2023, Krones applies the following amendments to existing standards that have been issued by the IASB and are mandatory in the EU and have no material impact on the presentation of the financial statements:

- Amendments to IAS 8: Definition of Accounting Estimates
- Amendments to IAS 1: Disclosure of Accounting Policies
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- IFRS 17: Insurance Contracts
- Amendments to IFRS 17: Deferral of Effective Date

IFRS standards and interpretations that have not yet entered into force have not been applied early and the interim consolidated financial statements for the period ended 30 June 2023 have not been reviewed by an auditor.

Non-controlling interests in group equity are presented on the statement of financial position where applicable as a separate item within equity.

On the statement of profit and loss, the share of profit or loss attributable to non-controlling interests is presented where applicable as a component of consolidated net income. The shares of consolidated net income attributable to the owners of the parent and to non-controlling interests are presented separately where applicable.

Non-controlling interests are additionally shown where applicable on the statement of changes in equity. The explanatory notes provided in the following comprise disclosures and commentary that, in accordance with IFRS, must be included as notes to the interim consolidated financial statements in addition to the consolidated statement of financial position, consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows.

The consolidated statement of profit and loss was prepared using the nature of expense method. The group currency is the euro.

### ■ Consolidated group

Besides Krones AG, the interim consolidated financial statements of Krones AG for the period ended 30 June 2023 include all material domestic and foreign subsidiaries over which Krones AG has direct or indirect control.

Ampco Pumps Company LLC, Wisconsin, USA, Ampco Real Estate LLC and Ampco Pumps GmbH, Herxheim, Germany (together “Ampco Pumps”) were acquired during the financial year. The acquisition of 90% of the shares in Ampco Pumps, USA, on 1 June 2023, is an important step towards expanding Krones Process Technology’s components business. Ampco has more than





70 years of experience in the pump market and is a major supplier of hygienic pumps to the US food and beverage market. With pumps from Ampco Pumps and valve technology from Krones subsidiary Evoguard, Krones now has a broad portfolio covering all key components for the process technology market. The two companies' businesses also complement each other ideally in regional terms.

Initial accounting was completed as of the acquisition date.

The table below presents the consideration transferred for the acquisitions and the fair values of the assets identified and liabilities assumed at the acquisition date.

	Ampco Pumps
€ million	Fair value
Goodwill	70.5
Non-current assets	63.2
Current assets	19.4
(of which trade receivables)	5.6
Cash and cash equivalents	0.0
<b>Total assets acquired</b>	<b>153.2</b>
Liabilities	3.4
<b>Total liabilities acquired</b>	<b>3.4</b>
<b>Net assets acquired</b>	<b>149.8</b>
<b>Non-controlling interests</b>	<b>0.0</b>
Purchase prices	149.8
of which paid in cash	114.5
of which earn-out	22.0
of which equity	13.3

The fair value of several contingent purchase price payments totalling €22.0 million for Ampco Pumps was measured using Monte Carlo simulation; the estimated range of undiscounted payments to be made is between €0 million and €38.4 million. The main input factors are medium-term planning and the discount rate. The €13.3 million fair value of the put/call option for Ampco Pumps was measured using Monte Carlo simulation. The main input factors are medium-term planning and the discount rate. The estimated range of the undiscounted exercise prices is between €13.1 million and €22.5 thousand.

The goodwill recognised relates to the strengthening of its activities in the components business and the integration of its employees into the group. This earnings potential, which cannot be allocated to individual items capable of recognition as assets under IFRS, is reflected in goodwill.

The total amount of goodwill that is expected to be deductible for tax purposes is €70.5 million.

The fair value of the trade receivables equals the gross amount. None of the trade receivables are impaired and the contractually agreed amounts are expected to be recoverable in their entirety.

Ampco Pumps contributed €5.0 million to Krones Group revenue in the second quarter. Since the date of initial accounting, the acquired business generated net income of €0.4 million. The purchase price allocation for Ampco Pumps has not yet been finalised, as the underlying financial information is still being prepared and reviewed. As a result, the allocation of the purchase price to individual assets and liabilities may still change.



Had initial accounting for Ampco Pumps Company LLC been completed as of January 1, 2023, revenue of €28.5 million and net income of €2.4 million would have been recognised in the consolidated statement of profit and loss. In determining these amounts, it was assumed that the provisional adjustments to fair value made at the acquisition date would also have applied if the companies had been acquired on 1 January 2023. The amounts for the first half of 2023 were determined on a straight-line basis.

The costs directly attributable to the acquisition amount to €0.9 million and were recognised as expense.

#### ■ Consolidation principles

The separate financial statements of the companies included in the interim consolidated financial statements are prepared as a fundamental rule in accordance with uniform accounting policies. They are all prepared as of the reporting date of the interim consolidated financial statements.

Acquisition accounting is performed in accordance with IFRS 3 (Business Combinations), under which all business combinations must be accounted for using the acquisition method. The acquired assets and liabilities are therefore recognised at fair value.

Goodwill that arose before 1 January 2004 continues to be accounted for as a deduction from reserves.

Shares in the equity of a subsidiary that are not attributable to the parent are presented as non-controlling interests.

Companies for which Krones has the ability to exercise significant influence over their business and financial policies (generally by indirectly or directly holding between 20% and 50% of voting rights), are accounted for in the interim consolidated financial statements using the equity method and initially recognised at cost. Any excess of the cost of the investment over Krones' share of the net fair value of an associate's identifiable assets and liabilities is adjusted on a fair-value basis and the remaining amount is recognised as goodwill. Goodwill relating to the acquisition of an associate is included in the carrying amount of the investment and is not amortised. Instead, it is tested for impairment as part of the entire carrying amount of the investment in the associate. Krones' share in an associate's profit or loss subsequent to the acquisition date is recognised in the consolidated statement of profit and loss. The carrying amount of associates is increased or decreased to recognise cumulative changes in fair value subsequent to the acquisition date. Krones' share in associates' gains or losses resulting from transactions between Krones and its associates is eliminated.

Inter-company receivables, liabilities, provisions, revenues and expenses between consolidated companies are eliminated in consolidation.

This also applies for inter-company profits or losses from trade between group companies provided the inventories from these transactions are still held by the group at the reporting date.



### ■ Currency translation

The interim consolidated financial statements are presented in euros, the functional currency of Kronos AG.

The financial statements of consolidated companies that are prepared in a foreign currency are translated on the basis of the functional currency approach under IAS 21 using a modified closing rate method. Because the subsidiaries primarily operate independently in the economic environment of their respective countries, the functional currency is normally the local currency for each subsidiary. In the interim consolidated financial statements, assets and liabilities are therefore translated at the closing rate at the reporting date, while income and expenses from the financial statements of subsidiaries are translated at average annual rates.

Any exchange differences resulting from translation using these different rates in the statement of financial position and the statement of profit and loss are recognised directly in other comprehensive income. Exchange differences resulting from the translation of equity using historical exchange rates are also recognised in other comprehensive income.

Exchange rate differences compared with the previous year arising from acquisition accounting are normally recognised outside profit or loss, in other profit reserves.

In the separate financial statements of Kronos AG and its subsidiaries, receivables and liabilities in foreign currencies are translated using the exchange rate at the time of the transaction and exchange differences are recognised in profit or loss at the closing rate at the reporting date. Non-monetary items in foreign currencies are carried at historical cost.

### Exchange rates of subsidiaries' functional currencies against the euro:

		Closing rate		Average rate	
		30 Jun 2023	31 Dec 2022	H1 2023	H1 2022
us Dollar	USD	1.085	1.068	1.081	1.094
British Pound	GBP	0.858	0.887	0.877	0.842
Swiss franc	CHF	0.978	0.985	0.986	1.032
Danish krone	DKK	7.448	7.437	7.446	7.440
Canadian dollar	CAD	1.440	1.444	1.457	1.391
Japanese yen	JPY	156.980	140.680	145.715	134.254
Brazilian real	BRL	5.271	5.644	5.485	5.561
Chinese renminbi (yuan)	CNY	7.874	7.436	7.489	7.084
Mexican peso	MXN	18.553	20.886	19.662	22.195
Ukrainian hryvnia	UAH	40.084	39.236	39.848	31.921
South African rand	ZAR	20.644	18.077	19.672	16.842
Kenyan shilling	KES	151.080	131.690	141.769	125.879
Nigerian naira	NGN	829.800	476.690	526.152	454.601
Russian ruble	RUB	95.500	76.867	83.499	85.465
Thai baht	THB	38.450	36.883	36.972	36.858
Indonesian rupiah	IDR	16,364.000	16,620.100	16,275.682	15,807.011
Angolan kwanza	AOA	903.600	544.858	592,737	512.443
Turkish lira	TRY	28.280	19.983	21.552	16.229
Kazakhstan tenge	KZT	490.060	494.100	489.052	494.500
Australian dollar	AUD	1.639	1.570	1.599	1.521
New Zealand dollar	NZD	1.784	1.682	1.732	1.649

		Closing rate		Average rate	
		30 Jun 2023	31 Dec 2022	H1 2023	H1 2022
Swedish krona	SEK	11.815	11.078	11.327	10.478
Vietnamese dong	VND	25,598.000	25,233.000	25,436.211	25,072.244
Philippine peso	PHP	60.000	59.384	59.713	57.027
Bangladeshi taka	BDT	117.410	110.125	115.118	95.505
Singapore dollar	SGD	1.473	1.431	1.444	1.493
Myanmar kyat	MMK	2,279.200	2,241.990	2,270.164	1,980.974
United Arab Emirates dirham	AED	3.987	3.921	3.971	4.019
Hungarian forint	HUF	371.900	400.380	380.970	374.855
Malaysian ringgit	MYR	5.061	4.703	4.817	4.670
Pakistani rupee	PKR	311.007	242.028	294.693	203.206
Polish zloty	PLN	4.447	4.686	4.628	4.638
Norwegian krone	NOK	11.680	10.505	11.310	9.973
Indian rupee	INR	89.012	88.157	88.851	83.318
Guatemalan quetzal	GTQ	8.515	8.378	8.454	8.421
Cambodian riel	KHR	4,483.000	4,395.400	4,425.529	4,442.572
Bulgarian lev	BGN	1.956	1.956	1.956	1.956
South Korean Won	KRW	1,430.887	1,338.190	1,399.617	1,347.949
Moroccan dirham	MAD	10.715	11.157	11.020	10.610
Saudi riyal	SAR	4.071	4.016	4.057	4.105
Shekel	ILS	4.034	3.754	3.883	3.577
Romanian leu	RON	4.965	4.948	4.934	4.946

#### ■ Accounting policies

The separate financial statements of Kroner AG and its domestic and foreign subsidiaries have been prepared using uniform accounting policies, in accordance with IFRS 10. As a fundamental rule, the accounting policies used in the interim consolidated financial statements are the standards and interpretations applied as of 31 December 2022.

#### ■ Estimates and judgements

In preparing the interim consolidated financial statements, management makes judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as of the reporting date, the disclosure of contingent liabilities and the reported amounts of expenses and income.

The uncertainty inherent in such assumptions and estimates can, however, lead to events that result in material adjustments to the carrying amounts of affected assets and liabilities in future periods, particularly against the backdrop of the Russia-Ukraine conflict and the associated potential risks, such as potential energy and resource shortages and price increases. Given the current trends in inflation and interest rates, an escalation of the conflict would further increase the risk of a global economic downturn.

Areas involving estimates and assumptions are explained in more detail in Note 5 of the notes to the 2022 consolidated financial statements. Available information on expected economic developments was taken in account in updating the judgements, estimates and assumptions. That information was included in the impairment testing of financial assets – in particular trade receivables and contract assets – as well as in goodwill and the fair values of earn-outs and put/call options for the acquisition of remaining non-controlling interests.

#### ■ Other disclosures relating to financial instruments

The following tables present the financial instruments by their measurement categories and classes and also show how the financial instruments that are measured at fair value fit within the fair value hierarchy.



30 Jun 2023		Measurement under IFRS 9				Measurement under IFRS 16	Measurement hierarchy		
€ million	Carrying amount 30 Jun 2023	Of which subject to IFRS 7	At amortised cost (AC)	At fair value through profit or loss (FVTPL)	At fair value through other comprehensive income (FVTOCI)		Level 1	Level 2	Level 3
<b>Assets</b>									
Non-current financial assets	20.1	5.4	5.4						
Trade receivables	830.5	830.5	830.5						
Contract assets	1,021.0	1,021.0	1,021.0						
Other assets	248.7	54.9	39.3	1.7	13.9		15.6		
of which derivatives	15.6	15.6		1.7	13.9		15.6		
Cash and cash equivalents	329.0	329.0	329.0						
<b>Liabilities</b>									
Liabilities to banks	4.3	4.3	4.3						
Trade payables	636.6	636.6	636.6						
Other financial liabilities and lease liabilities	173.3	173.3	4.8	61.5		107.0			61.5
Other liabilities and provisions	387.0	99.9	96.5	1.7	1.7		3.4		
of which derivatives	3.4	3.4		1.7	1.7		3.4		



31 Dec 2022			Measurement under IFRS 9			Measurement under IFRS 16	Measurement hierarchy		
€ million	Carrying amount 31 Dec 2022	Of which subject to IFRS 7	At amortised cost (AC)	At fair value through profit or loss (FVTPL)	At fair value through other comprehensive income (FVTOCI)		Level 1	Level 2	Level 3
<b>Assets</b>									
Non-current financial assets	18.6	3.9	3.9						
Trade receivables	847.3	847.3	847.3						
Contract assets	727.6	727.6	727.6						
Other assets	201.3	39.3	35.0	1.5	2.8		4.3		
of which derivatives	4.3	4.3		1.5	2.8		4.3		
Cash and cash equivalents	674.5	674.5	674.5						
<b>Liabilities</b>									
Liabilities to banks	5.0	5.0	5.0						
Trade payables	684.2	684.2	684.2						
Other financial liabilities and lease liabilities	147.6	147.6	6.0	35.7		105.9			35.7
Other liabilities and provisions	396.1	123.4	113.4	5.2	4.7		9.9		
of which derivatives	9.9	9.9		5.2	4.7		9.9		



#### ■ Statement of cash flows

Beginning in 2022, proceeds and payments from time deposits are presented in cash flow from investing activities. The previous year's figures have been restated in accordance with IAS 8.42. Cash flow from operating activities decreased as a result by €21.3 million. Cash flow from investing activities increased accordingly. There was consequently no impact on free cash flow.

#### ■ Segment reporting

Krones reports on three operating segments, which are the strategic business units. These are organised by product divisions and services and managed separately due to the different technologies they cover. The Executive Board, as the chief operating decision maker, manages the company as a whole on the basis of monthly reports from the segments.

Segment 1 comprises Filling and Packaging Technology, Segment 2 Process Technology and Segment 3 Intralogistics.

Segment performance is measured on the basis of internal reporting to the Executive Board, primarily segment revenue and segment EBITDA. Intra-segment transfers are made on arm's length terms. There is no material inter-segment revenue.

#### ■ Related party transactions

Related party transactions have no material impact on the profit or loss or financial position in the interim consolidated financial statements.

#### ■ Events after the reporting period

There were no material events for Krones after the end of the reporting period on 30 June 2023.



## Members of the Supervisory Board and the Executive Board

Pursuant to Section 8 (1) of the articles of association, eight members of the Supervisory Board are elected by the shareholders in accordance with the German Stock Corporation Act (Sections 96 (1) and 101). Eight members are elected by the employees pursuant to Section 1 (1) and Section 7 (1) Sentence 1 Number 1 of the Codetermination Act.

### 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  
Chairman of Group Works Council  
Chairman of the Central Works  
Council  
Chairman of the Works Council  
Neutraubling  
\* Bay. Betriebskrankenkassen

**Norbert Broger**

Diplom-Kaufmann  
since 23 May 2023

**Nora Diepold**

Chief Executive Officer of  
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 Works  
Council, Rosenheim

**Thomas Hiltl\*\***

Chairman of the Works Council,  
Nittenau

**Markus Hüttner\*\***

Deputy Chairman of the Group  
Works Council  
Deputy Chairman of the Central  
Works Council  
Deputy Chairman of the Works  
Council Neutraubling

**Professor Dr. jur. Susanne Nonnast**

Professor at Ostbayerische  
Technische Hochschule Regensburg

**Dr. Verena Di Pasquale\*\***

Deputy Chairperson of DGB Bayern  
(the German Trade Union  
Confederation in Bavaria)

**Beate Eva Maria Pöpperl\*\***

Works Council representative  
(released from all other  
responsibilities)

**Stefan Raith\*\***

Head of Business Line, Line Solutions  
\*re-sult AG

**Olga Redda\*\***

Second authorised representative  
and managing director, IG Metall  
Regensburg  
\* OSRAM Licht AG  
\* OSRAM GmbH  
\* ams OSRAM International GmbH  
\* Maschinenfabrik Reinhausen GmbH  
since 23 May 2023

**Norbert Samhammer**

Chief executive of  
Samhammer Holding GmbH  
until 23 May 2023

**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,  
Regensburg  
\* Infineon Technologies AG  
until 23 May 2023

**Stephan Seifert**

Chairman of the Executive Board  
of Körber AG, Hamburg  
\* Board of trustees of the Körber  
Foundation  
since 23 May 2023

**Hans-Jürgen Thaus**

\* Maschinenfabrik Reinhausen  
GmbH  
until 23 May 2023

**Matthias Winkler**

Managing partner at  
WW+KN tax consultancy  
Managing partner at  
WW+KN Treuhand GmbH

### Executive Board

**Christoph Klenk**

CEO

**Uta Anders**

CFO

**Thomas Ricker**

CSO

**Markus Tischer**

International Operations  
and Services

**Ralf Goldbrunner**

Operations

\* Other Supervisory Board seats held, pursuant to Section 125 (1) Sentence 5 of the German Stock Corporation Act \*\* Elected by the employees  
In addition, each of the group companies is the responsibility of two members of the Executive Board.





## Shareholdings

Name and location of the company	Share in capital held by Krones AG (%*)
Ampco Pumps GmbH, Herxheim, Germany	90.00
Dekron GmbH, Kelkheim, Germany	100.00
Ecomac Gebrauchtmaschinen GmbH, Neutraubling, Germany	100.00
Evoguard GmbH, Nittenau, Germany	100.00
Gernep GmbH Etikettiertechnik, Barbing, Germany	100.00
HST Maschinenbau GmbH, Dassow, Germany	100.00
kic Krones Internationale Cooperations-Gesellschaft mbH, Neutraubling, Germany	100.00
Krones Holding GmbH, Wackersdorf, Germany (former Syskron Holding GmbH, Wackersdorf, Germany)	100.00
Krones Service Europe GmbH, Neutraubling, Germany	100.00
MaBe GmbH, Munich, Germany	100.00
MHT Holding AG, Hochheim am Main, Germany	100.00
MHT Mold & Hotrunner Technology AG, Hochheim am Main, Germany	100.00
Milkron GmbH, Laatzen, Germany	100.00
PMR GmbH, Wackersdorf, Germany	100.00
Steinecker GmbH, Freising, Germany	100.00
Syskron GmbH, Wackersdorf, Germany	100.00
System Logistics GmbH, Wackersdorf, Germany	100.00
Technologisches Institut für angewandte künstliche Intelligenz GmbH, Weiden i. d. Opf., Germany	31.15
Triacos Consulting & Engineering GmbH, Altenstadt an der Waldnaab, Germany	100.00
Kosme FBA SA , Charleroi, Belgium	100.00
s.A. Krones n.v., Louvain-La-Neuve, Belgium	100.00
Krones Service Europe FOOD, Sofia, Bulgaria	100.00
Krones Nordic Aps, Holte, Denmark	100.00
Kosme FBA SAS, Lyon, France	100.00
Krones S.A.R.L., Viviers-Du-Lac, France	100.00
Krones UK LTD., Bolton, U.K.	100.00



Name and location of the company	Share in capital held by Krones Ag (%)
System LTD., London, U.K.	80.00
Kosme S.R.L., Roverbella (MN), Italy	100.00
Krones Italia S.R.L., Garda (VR), Italy	100.00
Krones S.R.L., Garda (VR), Italy	100.00
System Logistics S.P.A., Fiorano Modenese (MO), Italy	80.00
Krones Kazakhstan TOO, Almaty, Kazakhstan	100.00
Krones Nederland B.V., Bodegraven, Netherlands	100.00
Kosme Gesellschaft mbH, Sollenau, Austria	100.00
Krones Spółka z.o.o., Warsaw, Poland	100.00
Krones Romania Prod. S.R.L., Bucharest, Romania	100.00
Krones Service Europe S.R.L., Bucharest, Romania	100.00
Krones o.o.o., Moscow, Russia	100.00
System Northern Europe AB, Malmö, Sweden	80.00
Integrated Plastics Systems AG, Baar, Switzerland	100.00
Krones AG, Buttwill, Switzerland	100.00
Krones Iberica, S.A.U., Barcelona, Spain	100.00
System Logistics Spain SL, Castellon, Spain	80.00
Konplan S.R.O., Pilsen, Czech Republic	100.00
Krones S.R.O., Prague, Czech Republic	100.00
Krones Makina Sanayi Ve Tikaret LTD. Sirketi, Istanbul, Turkey	100.00
Krones Ukraine LLC, Kiev, Ukraine	100.00
Krones Hungary KFT., Debrecen, Hungary	100.00
Krones Service Europe KFT., Budapest, Hungary	100.00
Krones Angola – Representacoes, Comercio e Industria, LDA., Luanda, Angola	100.00
Krones Surlatina S.A., Buenos Aires, Argentina	100.00



Name and location of the company	Share in capital held by Krones AG (%)
Krones Pacific PTY Limited, Sydney, Australia	100.00
Krones Bangladesh Limited, Dhaka, Bangladesh	100.00
Krones Do Brazil LTDA., São Paulo, Brazil	100.00
Krones Chile SPA., Santiago de Chile, Chile	100.00
Krones Asia Ltd., Hong Kong, China	100.00
Krones Machinery (Taicang) CO. LTD., Taicang, China	100.00
Krones Processing (Shanghai) CO. LTD., Shanghai, China	100.00
Krones Sales (Beijing) CO. LTD., Beijing, China	100.00
Automata S.A., Guatemala City, Guatemala	100.00
Krones Digital Solutions India Private Limited, Bangalore, India	100.00
Krones India PVT. LTD., Bangalore, India	100.00
System Logistics India Private Limited, Mumbai, India	80.00
Unicorn Industries LTD., Secunderabad, India	100.00
PT. Krones Machinery Indonesia, Jakarta, Indonesia	100.00
Systorelog Israel LTD., Tel Aviv, Israel	80.00
IPS Japan CO. LTD., Tokyo, Japan	100.00
Krones Japan CO. LTD., Tokyo, Japan	100.00
Krones (Cambodia) CO. LTD., Phnom Penh, Cambodia	100.00
Krones Machinery CO. LTD., Mississauga, Ontario, Canada	100.00
Krones LCS Center East Africa Limited, Nairobi, Kenya	100.00
Krones Andina S.A.S., Bogotá, Colombia	100.00
Krones Korea LTD., Seoul, Korea	100.00
Krones Machinery Malaysia Sdn. Bhd., Kuala Lumpur, Malaysia	100.00
Krones North West Africa (SARL), Casablanca, Morocco	100.00
Krones Mex S.A. DE C.V., Mexico City, Mexico	100.00
Systemlog de Mexico S.A. DE C.V., Santa Caterina, Nuevo Leon, Mexico	80.00
Krones Myanmar LTD., Sanchaung Township, Republic of the Union of Myanmar	100.00
Krones New Zealand Limited, Auckland, New Zealand	100.00



Name and location of the company	Share in capital held by Krones AG (%)
Krones LCS Center West Africa Limited, Lagos, Nigeria	100.00
Krones Pakistan (Private) Limited, Lahore, Pakistan	100.00
Krones Filipinas INC., Taguig City, Philippines	100.00
Krones Middle East Maintenance, Riyadh, Saudi Arabia	100.00
Krones Southern Africa (Prop.) LTD., Johannesburg, South Africa	100.00
Krones (Thailand) CO. LTD., Bangkok, Thailand	100.00
System Logistics Asia CO. LTD., Bangkok, Thailand	80.00
Ampco Pumps Company LLC, Glendale, Wisconsin, USA	90.00
Ampco Pumps Real Estate LLC, Glendale, Wisconsin, USA	90.00
Javlyn Process Systems LLC, Rochester, New York, USA	100.00
Krones Inc., Franklin, Wisconsin, USA	100.00
MHT USA LLC., Peachtree City, Georgia, USA	100.00
Process and Data Automation LLC, Erie, Pennsylvania, USA	100.00
R+D Custom Automation LLC, Trevor, Wisconsin, USA	80.50
System Logistics Corporation, Arden, North Carolina, USA	80.00
Trans-Market LLC, Tampa, Florida, USA	100.00
W.M. Sprinkman LLC, Waukesha, Wisconsin, USA	100.00
Maquinarias Krones de Venezuela S.A., Caracas, Venezuela	100.00
Integrated Packaging Systems (IPS) FZCO, Dubai, United Arab Emirates	100.00
Krones Meatech FZCO, Dubai, United Arab Emirates	100.00
Krones Middle East Africa FZCO, Dubai, United Arab Emirates	100.00
Krones Vietnam Co. LTD., Ho Chi Minh City, Vietnam	100.00

\*Direct and indirect shareholdings

KRONES AG, Neutraubling, Germany is the parent company and is recorded in Commercial Register B of the Regensburg Local Court under HRB 2344.



# 4

## OTHER INFORMATION

Responsibility statement.....	54
Financial glossary .....	55
Publishing information .....	56
Financial calendar .....	56
Contact.....	56





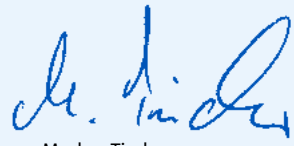
## Responsibility statement

“To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the group, and the interim consolidated management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group over the remainder of the financial year.”

Neutraubling, August 2023



Christoph Klenk  
CEO

  
Uta Anders  
CFO  
Thomas Ricker  
CSO  
Markus Tischer  
Ralf Goldbrunner



## Financial glossary

<b>Cash flow</b>	All inflows and outflows of cash and cash equivalents during a period.	<b>Net cash</b>	Cash and highly liquid securities under current assets less liabilities to banks.
<b>Corporate governance</b>	A framework for responsible corporate management and supervision that is oriented towards sustainability.	<b>ROCE</b>	Return on capital employed, calculated as the ratio of EBIT to average capital employed. Net capital employed is defined as non-current assets (excluding goodwill and financial assets) plus working capital.
<b>Depreciation and amortisation</b>	Non-cash expenses that represent the cost of current and non-current assets being used over time.	<b>TCO</b>	Total cost of ownership, including the purchase price and all direct and indirect costs over the entire product lifecycle (such as costs of energy, repairs, maintenance and disposal).
<b>EBIT</b>	Earnings before interest and taxes.	<b>Total debt</b>	Combined term for the provisions, liabilities and deferred income stated on the liabilities side of the balance sheet.
<b>EBITDA</b>	Earnings before interest, taxes, depreciation and amortisation.	<b>Working capital</b>	Working capital is calculated as follows: (inventories + trade receivables + contract assets) – (trade payables + contract liabilities).
<b>EBITDA margin</b>	Ratio of earnings before interest, taxes, depreciation and amortisation to revenue.	<b>Working capital to revenue</b>	The ratio of working capital to revenue indicates how much capital is needed to finance revenue generation.
<b>EBT</b>	Earnings before taxes.		
<b>EBT margin</b>	Ratio of earnings before taxes to revenue.		
<b>Equity</b>	Funds made available to the company by the owners by way of contribution and/or investment, plus retained earnings.		
<b>Free cash flow</b>	Measure of financial performance calculated as the cash flow from operating activities minus cash flow from investing activities. It is the cash available to pay dividends, reduce debt, or be retained.		
<b>IFRS</b>	International Financial Reporting Standards. Accounting standards issued by the International Accounting Standards Board (IASB) that are harmonised and applied internationally.		



## Publishing information

Published by	Krones AG Böhmerwaldstrasse 5 93073 Neutraubling Germany
Project lead	Olaf Scholz, Head of Investor Relations, Treasury and M&A
Design	Büro Benseler
Text	Krones AG InvestorPress GmbH
Photography	Krones AG

This English language report is a translation of the original German Krones Interim report for the period from 1 January to 30 June 2023 (Krones Bericht über den Zeitraum vom 1. Januar bis 30. Juni 2023). In case of discrepancies the German text shall prevail.

You can also find the Interim report in the Investor Relations section at <https://www.krones.com/en/company/investor-relations/reports.php>



## Financial calendar

3 November 2023	Quarterly statement for the period ended 30 September 2023
21 March 2024	Krones Group Annual Report 2023
3 May 2024	Quarterly statement for the period ended 31 March 2024
4 June 2024	Annual general meeting 2024
31 July 2024	Interim report for the period ended 30 June 2024
5 November 2024	Quarterly statement for the period ended 30 September 2024

## Contact

Krones AG  
Investor Relations  
Olaf Scholz  
Phone +49 9401 70-1169  
E-mail [olaf.scholz@krones.com](mailto:olaf.scholz@krones.com)  
Böhmerwaldstrasse 5  
93073 Neutraubling  
Germany