

Krones Group

Q2

Interim report for the period
from 1 January to 30 June 2022

 **KRONES**



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TO OUR SHAREHOLDERS

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Highlights and key figures

Krones with strong first half-year 2022

- Very strong demand for Krones products and services. Order intake up by 52.0% in first half year to €3,106.4 million. At €3,014.6 million, the order backlog as of 30 June 2022 was almost twice as high as in the previous year.
- Revenue growth accelerated in the second quarter (+18.0%). Revenue from January to June 2022 increased by 15.4% to €1,984.8 million.
- Despite material shortages and significantly increased material and freight costs, earnings before interest, taxes, depreciation and amortisation (EBITDA) improved by 27.2% in the first half year to €175.1 million. The EBITDA margin rose to 8.8% (previous year: 8.0%).
- For the full year, Krones has confirmed the guidance issued in spring, with revenue growth of 5% to 8%, an EBITDA margin of 8% to 9% (H1 2022: 8.8%) and ROCE of 10% to 12% (H1 2022: 11.8%). The Executive Board expects the upper end of the target range to be reached for each of the three target figures. This guidance is subject to the reservation that the war in Ukraine does not further escalate, the coronavirus situation does not worsen and there are no significant energy shortages.

Key figures for H1 2022		1 Jan – 30 Jun 2022	1 Jan – 30 Jun 2021	Change
Revenue	€ million	1,984.8	1,720.1	+15.4%
Order intake	€ million	3,106.4	2,044.3	+52.0%
Order backlog at 30 June	€ million	3,014.6	1,535.5	+96.3%
EBITDA	€ million	175.1	137.7	+27.2%
EBITDA margin	%	8.8	8.0	+0.8 PP*
EBIT	€ million	108.1	71.6	+51.0%
EBT	€ million	113.2	75.7	+49.5%
EBT margin	%	5.7	4.4	+1.3 PP*
Consolidated net income	€ million	83.2	56.9	+46.2%
Earnings per share	€	2.63	1.80	+46.1%
Capital expenditure for PP&E and intangible assets	€ million	55.4	45.1	+€10.3 million
Free cash flow	€ million	68.4	35.4	+€33.0 million
Net cash and cash equivalents at 30 June**	€ million	385.4	203.7	+€181.7 million
ROCE	%	11.8	8.3	+3.5 PP*
Working capital to revenue***	%	21.6	28.1	-6.5 PP*
Employees at 30 June				
Worldwide		16,437	16,232	+205
Germany		9,811	9,900	-89
Outside Germany		6,626	6,332	+294

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

Key figures for Q2 2022		1 Apr – 30 Jun 2022	1 Apr – 30 Jun 2021	Change
Revenue	€ million	997.6	845.5	+18.0%
Order intake	€ million	1,552.6	975.5	+59.2%
EBITDA	€ million	88.1	61.2	+44.0%
EBITDA margin	%	8.8	7.2	+1.6 PP*
EBIT	€ million	54.2	28.6	+89.5%
EBT	€ million	58.5	31.1	+88.1%
EBT margin	%	5.9	3.7	+2.2 PP*
Consolidated net income	€ million	43.1	24.1	+78.8%
Earnings per share	€	1.36	0.76	+78.9%



Letter from the **Executive Board**

Dear shareholders and friends of Krones,

Despite the difficult circumstances, Krones is fully on target with the business results for the first half of 2022. Demand for our products and services remains very strong, despite the recent price increases. At €3.1 billion, order intake was the highest for a single half-year in our corporate history. Our order backlog likewise reached a record level of €3.0 billion.

The great challenge for Krones now is to process the orders to the usual standard of quality and with acceptable delivery times. We are aided in this by our flexible corporate structures and the enormous creativity of our employees. As a result, we have been able to keep capacity utilisation at a relatively high level despite the material and supply shortages. This is reflected in the positive revenue performance, with revenue increasing by 15.4% to just under €2 billion in the first half of 2022. Our strategic cost-cutting measures are also delivering results. Profitability in terms of the EBITDA margin improved in the first half-year from 8.0% to 8.8%.

However, the very good course of business so far in 2022 is set against many uncertainties and hard-to-assess risks in the second half-year. The Russian war of aggression against Ukraine is unlikely to end anytime soon, while the Covid-19 pandemic is by no means over. In addition, material and supply shortages and

high inflation rates worldwide will continue to occupy us for some time to come. Moreover, a complete halt to Russian gas supplies would have consequences that are almost impossible to predict. The global economy is already suffering under the many pressures. At the end of July, the experts at the International Monetary Fund once again reduced their forecast for global growth in 2022, from the original 4.4% at the start of the year to now just 3.2%.

Despite all the uncertainties, Krones is maintaining its full-year guidance for the key financial performance indicators in 2022 unchanged. The Executive Board is confident that, working as a team at Krones, we will master the challenges that lie ahead. The company stands on strong financial and technological foundations. Krones will underscore its technology leadership at the upcoming drinktec trade fair in September. There, we will be presenting a wide range of innovations. These will be all about saving resources and media in production, sustainable packaging solutions and digital transformation. In addition, we will also be presenting our future-oriented target vision under the new Krones slogan, "Solutions beyond tomorrow".

Christoph Klenk
CEO



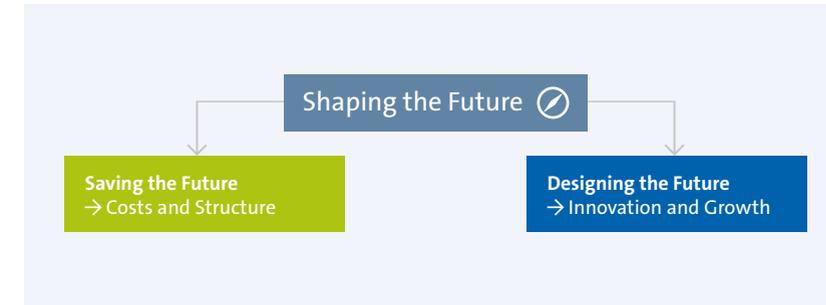
The Krones strategy

To ensure the most successful possible future for Krones, the company has to master two key challenges. First, in order to secure its future, Krones must have the best possible organisational and cost structure. Second, we will make use of growth opportunities in our attractive market to shape a successful future for our company.

In November 2021, based on its strategic focuses of system and line expertise, digitalisation and sustainability, Krones set itself ambitious new medium-term targets for the period up to 2025:



The detailed Group strategy and related measures are described on pages 53 to 61 of the 2021 Annual Report.



The new Krones slogan: Solutions beyond tomorrow

Krones' strategy includes helping to halt climate change, feed the world's population and using packaging materials responsibly. The biggest innovation driver in all new and improved products is the aim for sustainability. Krones systematically applies this to its entire portfolio across the segments of Filling and Packaging Technology, Process Technology and Intralogistics in order to provide exceptionally resource-efficient and media-efficient solutions.

This strategy is also reflected in Krones' future-oriented target vision, which we will be presenting at drinktec in September 2022 under our new slogan, "Solutions beyond tomorrow".



The Krones share

Stock markets with poor first half year in 2022

Stock markets recorded heavy price losses between January and June 2022. The war in Ukraine, rising interest rates, high inflation, a looming energy crisis and concerns about the economy all caused alarm among investors. Things were still looking good at the beginning of the year. The DAX, the leading German share index, rose in the first trading days of 2022 and narrowly missed its all-time high of 16,285 points in the course of the day on 5 January.

This brief rally was followed by a steep slide. The price slide was triggered by sharply rising capital market interest rates in the USA and Europe. When Russian troops entered Ukraine on 24 February, the downtrend accelerated. The DAX marked its low for the first half of 2022 at 12,439 points on 7 March. Towards the end of the first quarter, the index recovered and subsequently held relatively stable. The uncertain overall situation led to a further wave of selling in June, during which the DAX lost around 11%. In total over the first half of 2022, the DAX declined 19.5% to 12,784 points. The German mid-cap index, the MDAX, fell even more steeply, losing 26.5% in the reporting period.

Performance H1 2021
Krones share: -22.6%
SDAX: -27.6%

Krones share data	H1 2022	H1 2021
Earnings per share (€)	2.63	1.80
High (€)	99.25	79.95
Low (€)	67.50	64.30
Price at 30 June (€)	72.80	75.35
Market capitalization 30 June (€ billion)	2.30	2.38

Source share price data: Xetra

Krones share price from 1 January to 30 June 2022



Krones shares lose 24.1% in first half year

In the poor stock market environment, Krones shares did very well through the reporting period and particularly in the second quarter. Our share price got off to a positive start to the 2022 stock market year, reaching its high for the year to date at €99.25 on 5 January. Subsequently, the share price moved downwards with the overall market. Publication of the preliminary annual figures for 2021 on 24 February coincided with

Krones shares significantly outperformed the SDAX in the second quarter of 2022. The share price lost just 3.5% between April and June, while the SDAX fell by 16.6%.



the onset of the Russian war of aggression against Ukraine, as a result of which the good business results and positive analysts' assessments had no effect on the share price. After the Russian troops invaded, the share price fell sharply along with all other stock market barometers. Our share price marked its low for the first half of 2022 at €67.50 on 7 March. Thereafter, Krones shares began a strong upward movement to around €83 before dropping back to €75.45 at the end of the quarter.

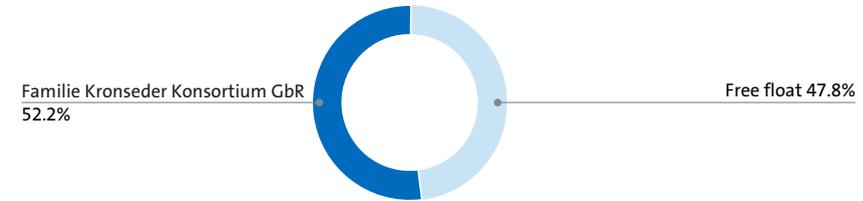
Following publication of the good business results for the first quarter on 6 May 2022, many analysts subsequently commented positively and raised their target prices. The Krones share price then rose steadily, climbing to just under €90 in early June. Thereafter, the share price gave way again with the weak overall market to end the first half of 2022 at €72.80. This means the Krones share price lost 24.1% between January and June. Including the €1.40 dividend, the decline was 22.6%. The SDAX, of which Krones is a component, went down by 27.6% in the same period. In the second quarter, Krones shares recorded a small loss of 3.5% (1.7% including the dividend) and thus clearly outperformed the SDAX, which lost 16.6% in the same period.

The Company's Annual General Meeting took place on 31 May 2022. Due to the corona situation, it was once again held in virtual form. Shareholders were paid a dividend of €1.40 per share for the successful 2021 financial year.



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 2022



Key data for the Krones share

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



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INTERIM CONSOLIDATED MANAGEMENT REPORT

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Economic environment

Global economy expected to grow by just 3.2% in 2022

At the end of July, the International Monetary Fund (IMF) lowered its forecast for global growth in 2022 to 3.2%. That is 0.4 percentage points less than the IMF's April outlook.

In January 2022, the International Monetary Fund (IMF) was still forecasting global economic growth of 4.4% for 2022. According to its latest estimates from the end of July, the IMF now expects growth of just 3.2% for the current year. This means that the upswing is noticeably losing momentum compared with 2021 (growth of 6.1%). One major reason for the loss in momentum is the Ukraine war. This is accelerating the increase in energy, commodity and food prices. Combined with ongoing supply chain constraints, the result is rapidly rising inflation rates and higher interest rates worldwide.

IMF economists see some risk of further downward revisions to the growth forecast. Inflation may be harder to contain than expected, for example, and the global rise in interest rates could trigger debt problems in emerging and developing countries. The further course of the coronavirus pandemic is another major source of uncertainty for the global economy.

On IMF estimates, growth in emerging and developing economies, at 3.6% in 2022, will slow massively relative to the strong previous year (+6.8%). This is mainly due to China. The IMF forecasts that Chinese GDP growth will fall to just 3.3% in 2022 (previous year: +8.1%). Key factors behind the weaker growth are lockdowns in entire cities and regions under the zero-Covid strategy and problems in the real-estate sector. As in the previous year, the strongest growth among emerging markets is expected to be recorded by India, with a 7.4%

increase. The IMF expects less dynamic growth for the Middle East/Central Asia region. There, the experts forecast GDP growth of 4.8%. In Latin America, the economy is now expected to grow by just 3.0% in 2022.

For industrialised economies, the IMF anticipates GDP growth in 2022 of 2.5%. In Germany, due to the disproportionately negative impacts of the Ukraine war, the experts expect that economic output will increase by just 1.2%. For the euro area, the IMF forecasts 2.6% growth. Due to the interest rate hikes announced by the US Federal Reserve and reduced consumer purchasing power, the IMF experts have downgraded the economic growth forecast for the USA in 2022 to 2.3%. Despite the weak yen, Japan is likely to grow at a disproportionately low rate in 2022. The IMF's forecast is for GDP growth of 1.7%.

German machinery sector to grow only slightly in 2022

According to the German Mechanical Engineering Industry Association (VDMA), German companies in the sector have a very large order backlog. The outlook for machinery and industrial equipment manufacturers nevertheless deteriorated in the first half of 2022. This is mainly due to the war in Ukraine and the tight situation on procurement markets. VDMA has already downgraded its forecast for production growth in 2022 on two occasions this year. In March, it lowered the forecast from +7% to +4%. At the end of May, VDMA reduced its growth forecast to just 1%.

Growth dynamics 2022	
Global economy	+3.2%
Emerging markets	+3.6%
Mature markets	+2.5%
Germany	+1.2%



Revenue

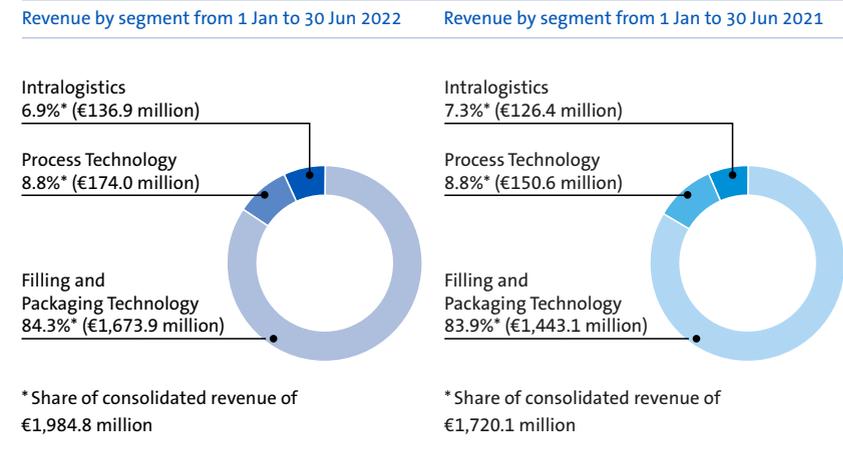
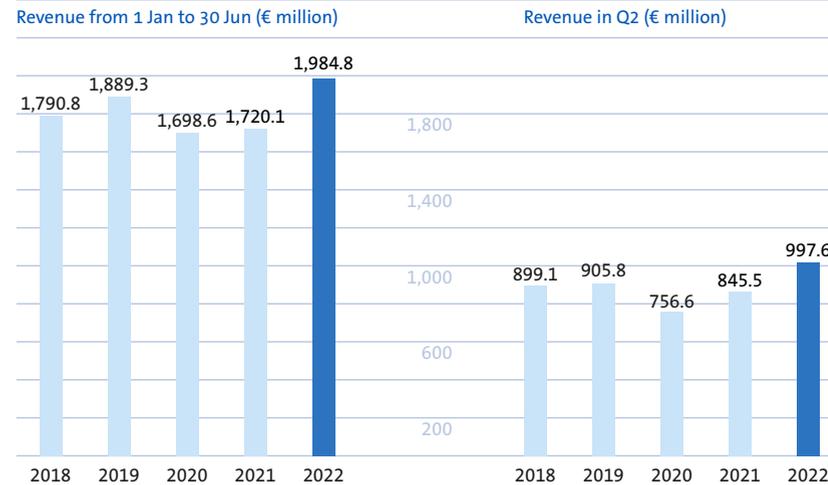
Krones' revenue up 15.4% in first half of 2022

Krones grew strongly in the first half of 2022 despite difficult conditions. Revenue climbed by 15.4% year-on-year to €1,984.8 million. This means that revenue exceeded the figure for the first half of 2019 – before the coronavirus crisis – by 5.1%.

Krones' growth rate accelerated in the second quarter of 2022. From April to June, revenue increased by 18.0% year-on-year to €997.6 million. In the first half of 2022, revenue went up by 15.4%, from €1,720.1 million a year earlier to €1,984.8 million. Material shortages and problems in international supply chains presented Krones with major challenges in the first half of the year. It was only because of the company's great flexibility that we were able to

avoid production stoppages and continue stable growth despite the difficult conditions. Revenue was not materially affected by exchange rates, acquisitions or divestments in the first half of 2022. Krones expects that growth will weaken in the second half-year due to the base effect. The company is nevertheless confident of achieving the upper end of its 5% to 8% guidance range for the full year 2022.

January to June 2022 saw a disproportionately large increase in revenue from new machines and lines. However, service revenue also significantly exceeded the previous year's figure.





Krones generated almost 90% of revenue internationally in the first half of 2022.

Revenue by region

Krones' revenue in Germany increased by 5.1% year on year between January and June 2022, from €196.9 million to €207.0 million. As this was less than the total group increase, the share of domestic revenue in consolidated revenue went down in the first six months to 10.4% (previous year: 11.4%).

In Europe, Krones recorded strong growth in the first half of 2022. Revenue grew strongest in the major Western Europe sales region. At €292.0 million, revenue there exceeded the previous year's figure – which was still affected by corona – by 25.8%. Revenue also improved significantly in Central Europe (Austria, Switzerland and the Netherlands), rising by 19.8% to €157.6 million. Business in Eastern Europe grew at a slightly lower rate than total revenue. Revenue there increased by 9.9% year on year to €81.3 million in the first half of 2022.

In total, Krones' revenue in Europe (excluding Germany) increased by 21.3% between January and June 2022, from €437.8 million in the previous year to €530.9 million. The share of consolidated revenue in the reporting period was 26.7% (previous year: 25.5%).

Business in the Russia/CIS region contracted as expected in the first half of 2022. Revenue decreased there by 47.1% to €26.8 million. This corresponded to 1.4% of consolidated revenue (previous year: 2.9%).

In Krones' non-European markets, revenue improved in total during the reporting period by 17.9% to €1,220.1 million (previous year: €1,034.7 million). Their share of consolidated revenue grew slightly to 61.5% (previous year: 60.2%). The strongest percentage revenue increase was in the Asia/Pacific region. There, Krones' revenue went up in the reporting period by 50.9% to €225.0 million. It should be noted here that last year's revenue was still severely affected by corona. The renewed lockdown in China impacted business there in the second

quarter of 2022. Nevertheless, revenue in the first six months increased by 36.8% to €169.6 million. Revenue in the Middle East/Africa sales region showed a slight upward trend. In the first half of the year, revenue there went up by 3.4% to €241.5 million.

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.

The strong growth trend in North and Central America continued in the first half of 2022. Revenue climbed by 23.7% year on year to €428.2 million. Conversely, revenue in South America/Mexico was down 14.3% to €155.8 million.

Overall, Krones' revenue split remained very well balanced between January and June 2022. The proportion of revenue generated by the company in emerging markets was 45.4% (previous year: 47.3%). Mature industrialised economies accounted for 54.6% (previous year: 52.7%) of the company's revenue.

Krones Group revenue by region

Share of consolidated revenue	1 Jan to 30 Jun 2022		1 Jan to 30 Jun 2021		Change %
	€ million	%	€ million	%	
Germany	207.0	10.4	196.9	11.4	+5.1
Central Europe (excluding Germany)	157.6	7.9	131.6	7.7	+19.8
Western Europe	292.0	14.7	232.2	13.5	+25.8
Eastern Europe	81.3	4.1	74.0	4.3	+9.9
Russia, Central Asia (cis)	26.8	1.4	50.7	2.9	-47.1
Middle East/Africa	241.5	12.2	233.5	13.6	+3.4
Asia-Pacific	225.0	11.3	149.1	8.7	+50.9
China	169.6	8.5	124.0	7.2	+36.8
South America/Mexico	155.8	7.9	181.9	10.6	-14.3
North and Central America	428.2	21.6	346.2	20.1	+23.7
Total	1,984.8	100.0	1,720.1	100.0	+15.4



Order intake and order backlog

Very strong demand for Krones products and services

The contract value of orders from January to June 2022, at €3,106.4 million, was 52.0% higher than in the previous year. The order intake figure was not materially affected by exchange rates, acquisitions or divestments.

Despite the uncertain macroeconomic outlook, investment confidence in the international beverage industry was strong in the first six months of 2022. As a full-service supplier and the market leader in filling and packaging technology, Krones was able to take advantage of the good conditions. We also benefited from our position as a reliable partner for the implementation of capital expenditure projects worldwide. Order intake, at €1,552.6 million in the second quarter of 2022 (previous year: €975.5 million), was only marginally below the record figure from the first quarter (€1,553.8 million). The order intake from January to June 2022 was 52.0% higher than the previous year, rising from €2,044.3 million to €3,106.4 million. The price increases on all filling and packaging equipment and for process technology with effect from 1 August 2021 and 1 April 2022 did not affect investment by customers.

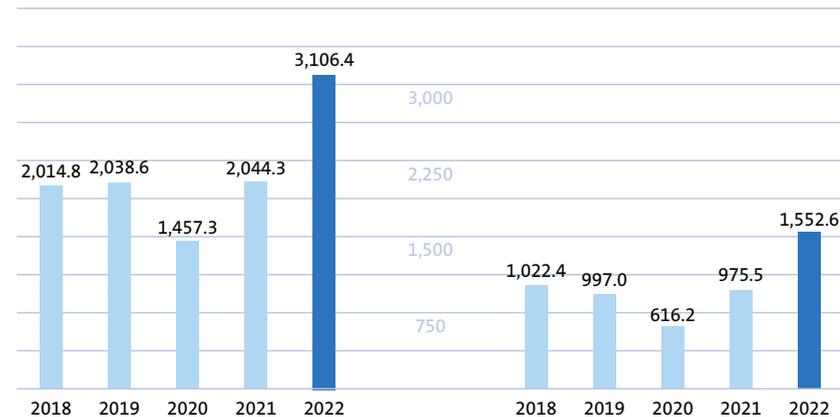
Despite the uncertain macroeconomic outlook, investment confidence in the international beverage industry was strong in the first six months of 2022. As a full-service supplier and the market leader in filling and packaging technology, Krones was able to take advantage of the good conditions. We also benefited from our position as a reliable partner for the implementation of capital expenditure projects worldwide. Order intake, at €1,552.6 million in the second quarter of 2022 (previous year: €975.5 million), was only marginally below the record figure from the first quarter (€1,553.8 million). The order intake from January to June 2022 was 52.0% higher than the previous year, rising from €2,044.3 million to €3,106.4 million. The price increases on all filling and packaging equipment and for process technology with effect from 1 August 2021 and 1 April 2022 did not affect investment by customers.

The contract value of orders grew disproportionately strongly relative to Group growth in the first half of 2022 in North and South America and in the Middle East/Africa. Order intake improved similarly to that for the entire company in China and Eastern Europe. In Asia/Pacific and Europe, order intake remained slightly below the group growth rate.

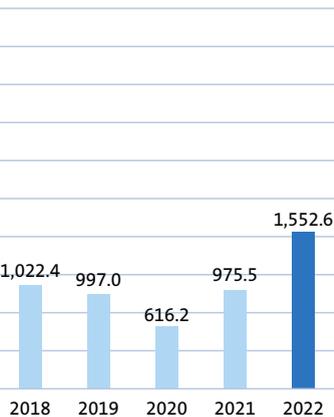
Order backlog increased to €3,014.6 million

Due once again to very high customer orders in the second quarter of 2022, Krones' order backlog has grown further. As of 30 June 2022, the company had an order backlog totalling €3,014.6 million. The order backlog was 96.3% up on the previous year (€1,535.5 million). Compared to the beginning of 2022, the increase is €1.12 billion or 59.3%. The forward reach of the order backlog is exceptionally large and secures stable production capacity utilisation for the coming quarters. Material shortages and supply chain problems are limiting production factors, however. It should also be noted that some orders will not be completed until 2023. As a result of the large order backlog, the delivery lead time for our customers is up to 60 weeks.

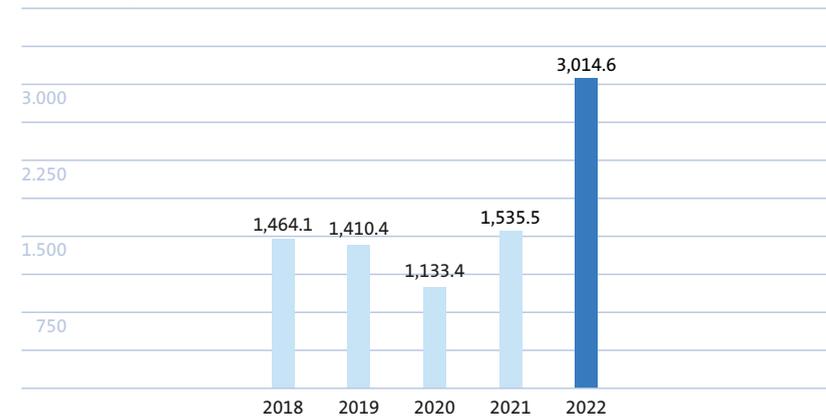
Order intake from 1 Jan to 30 Jun (€ million)



Order intake in Q2 (€ million)



Order backlog at 30 June (€ million)





Earnings

Krones increases profitability

Due to material shortages, Krones was unable to make full use of its production capacity in the first two quarters of 2022. Together with significantly rising material and freight costs, this affected the company's profitability. Due to the extensive efficiency improvement measures and initial effects from the price adjustments, earnings before interest, taxes, depreciation and amortisation (EBITDA) nevertheless rose by 27.2% year-on-year, from €137.7 million to €175.1 million in the first half of 2022. The EBITDA margin improved to 8.8% (previous year: 8.0%), at the upper end of our target range of 8% to 9% for the full year 2022.

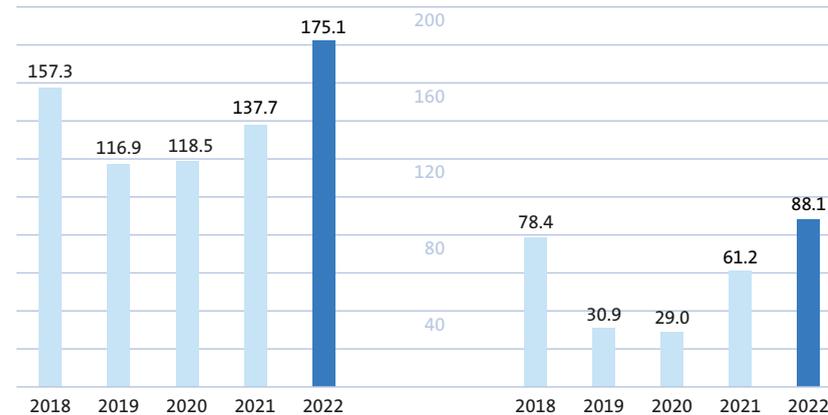
Earnings before taxes (EBT) went up in the reporting period by 49.5% from €75.7 million to €113.2 million. Krones improved the EBT margin to 5.7% (pre-

vious year: 4.4%). Consolidated net income increased by 46.2% in the first half of 2022, from €56.9 million to €83.2 million. This corresponds to earnings per share of €2.63 (previous year: €1.80).

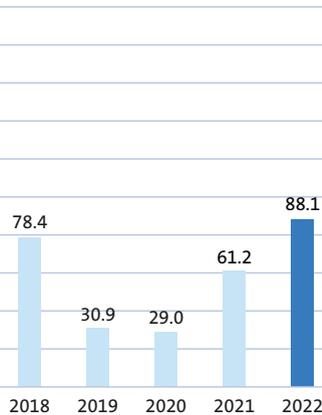
Earnings were not materially affected in the reporting period by exchange rates, acquisitions or divestments.

Between April and June 2022, the rates of increase in earnings were even higher. It should also be taken into account, however, that Krones paid a corona bonus of around €5 million to employees in the second quarter of 2021. In total, EBITDA climbed by 44.0% from €61.2 million in the previous year to €88.1 million from April to June. The EBITDA margin rose to 8.8% (previous year: 7.2%). EBT increased by 88.1% to €58.5 million and consolidated net income by 78.8% to €43.1 million. Krones generated earnings per share of €1.36 in the second quarter of 2022 (previous year: €0.76).

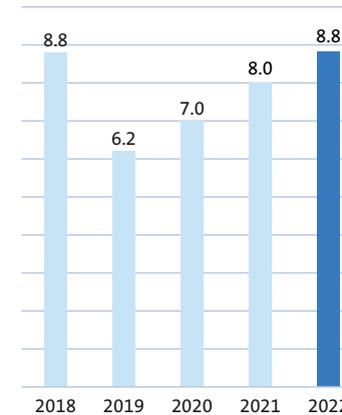
EBITDA from 1 Jan to 30 Jun (€ million)



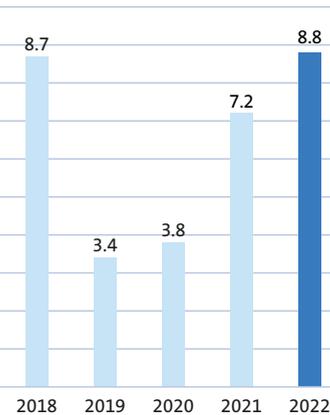
EBITDA in Q2 (€ million)



EBITDA margin from 1 Jan to 30 Jun in %



EBITDA margin in Q2 in %





Krones Group earnings structure

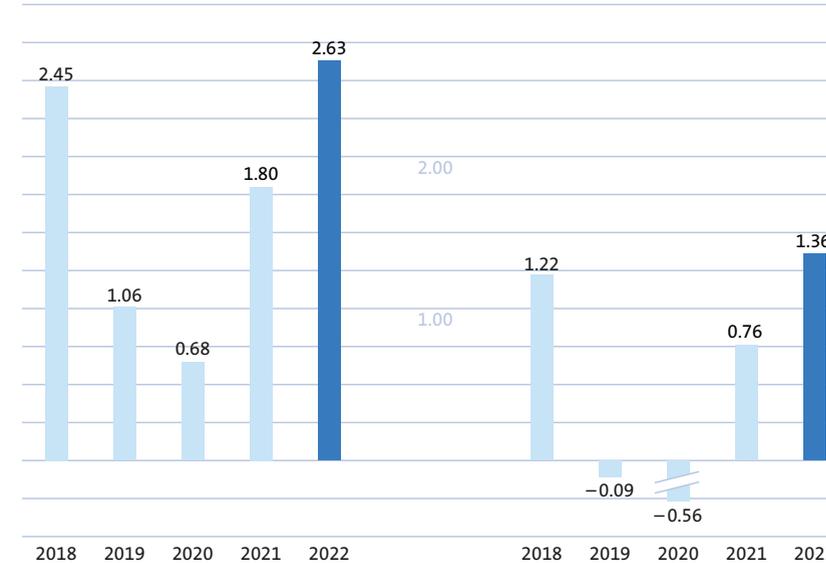
€ million	2022 1 Jan–30 Jun	2021 1 Jan–30 Jun	Change %
Revenue	1,984.8	1,720.1	+15.4
Changes in inventories of finished goods and work in progress	25.0	48.7	–48.7
Total operating performance	2,009.8	1,768.8	+13.6
Goods and services purchased	–988.0	–870.3	+13.5
Personnel expenses	–614.7	–597.4	+2.9
Other operating income/expenses and own work capitalised	–232.0	–163.4	+42.0
EBITDA	175.1	137.7	+27.2
Depreciation and amortisation on fixed assets	–67.0	–66.1	+1.4
EBIT	108.1	71.6	+51.0
Financial income/expense and profit/loss from equity-accounted associates	5.1	4.1	+24.3
EBT	113.2	75.7	+49.5
Income tax	–30.0	–18.8	+59.6
Consolidated net income	83.2	56.9	+46.2

Krones significantly increased both revenue and total operating performance from January to June 2022 compared to the first half of 2021, which was still affected by the pandemic. The company improved revenue in the first six months by 15.4% to €1,984.8 million. Total operating performance increased slightly less strongly by 13.6% to €2,009.8 million. This is due to lower additions to finished goods and work in progress. These increased by €25.0 million in the reporting period, compared with €48.7 million in the prior-year period.

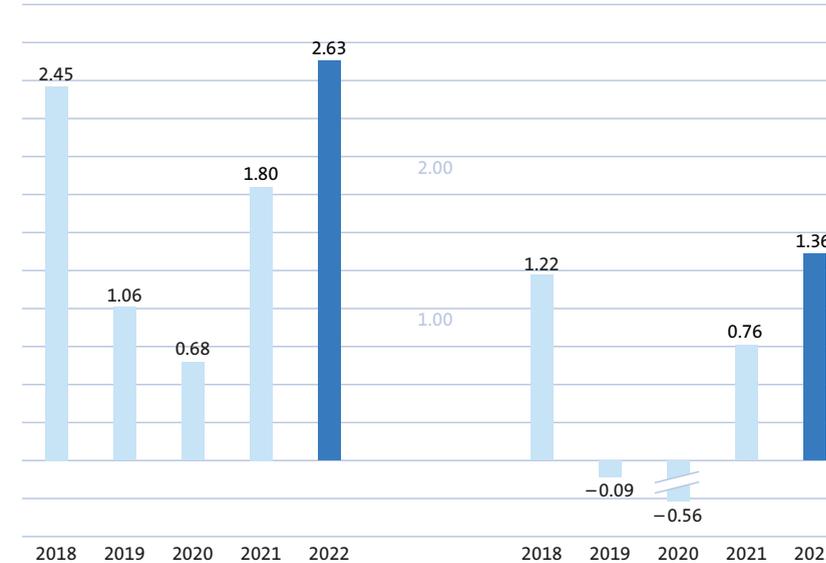
Despite higher material and freight costs, Krones improved the EBITDA margin from 8.0% to 8.8% in the first half of 2022. The income statement was not materially affected in the reporting period by exchange rates, acquisitions or divestments.

Goods and services purchased went up almost in step with total operating performance in the first half of 2022, increasing by 13.5% to €988.0 million. Krones was able to compensate well in the reporting period for higher material procurement prices.

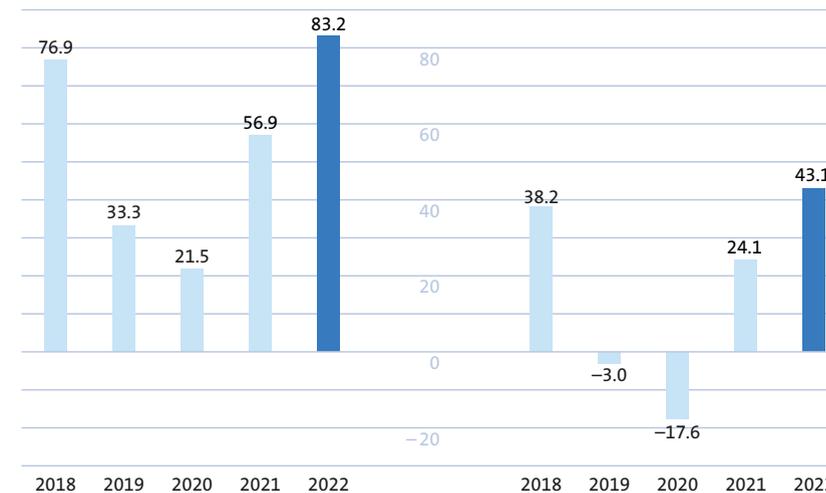
Earnings per share from 1 Jan to 30 Jun (€)



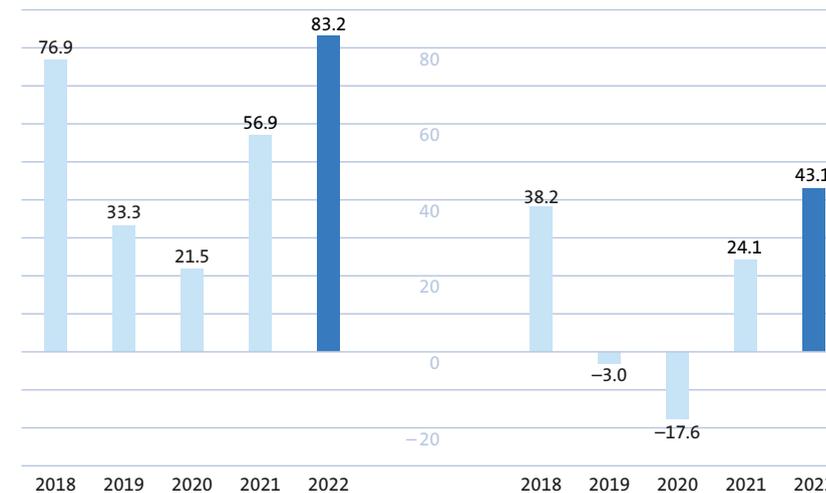
Earnings per share in Q2 (€)



Net income from 1 Jan to 30 Jun (€ million)

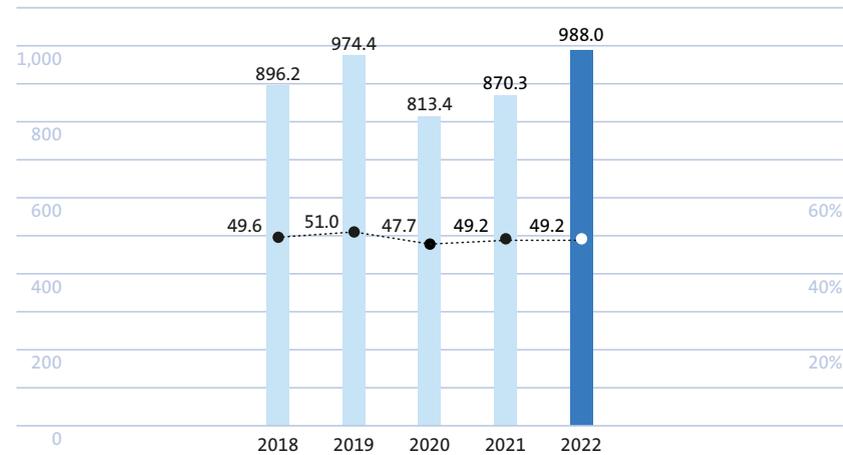


Net income in Q2 (€ million)





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



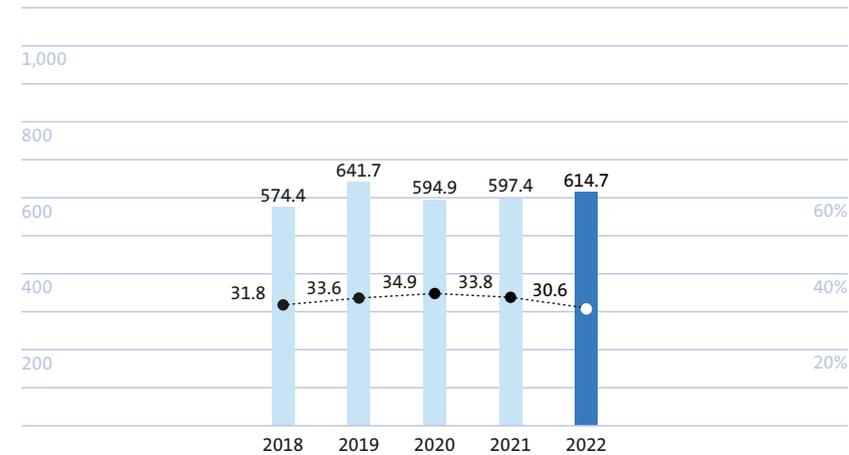
Material expense ratio: 49.2%
Personnel expense ratio: 30.6%

The material expense ratio – the ratio of goods and services purchased to total operating performance – was 49.2% in the reporting period, as in the previous year.

Personnel expenses increased by significantly less in the reporting period than total operating performance, rising by just 2.9% to €614.7 million. The personnel expense ratio – the ratio of personnel expenses to total operating performance – consequently fell sharply in the first half of 2022, from 33.8% in the previous year to 30.6%. This improvement in the personnel expense ratio was mainly due to the workforce adjustment measures primarily implemented and completed in 2021.

At €320.2 million, other operating expenses were 33.9% higher in the reporting period than the very low figure of €239.2 million recorded in the previous year. The increase was mainly due to a significant increase in freight and travel expenses because of the higher volume of business. Other operating income also increased, from €50.0 million to €67.6 million. Own work capitalised, on the other hand, fell from €25.8 million in the previous year to €20.6 million. The

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



net balance of other operating income and expenses and own work capitalised changed from –€163.4 million in the prior-year period to –€232.0 million in the first half of 2022. As a percentage of total operating performance, this represented an increase from 9.2% to 11.5%.

Krones improved EBITDA (earnings before interest, taxes, depreciation and amortisation) by 27.2% in the reporting period, from €137.7 million to €175.1 million. The EBITDA margin consequently rose from 8.0% to 8.8%. Due to only a slight increase in depreciation and amortisation of fixed assets to €67.0 million (previous year: €66.1 million), earnings before interest and taxes (EBIT) climbed 51.0% in the first half of 2022 to €108.1 million. Because financial income/expense, at €5.1 million, was slightly higher than last year (€4.1 million), earnings before taxes (EBT) increased by 49.5% in the reporting period to €113.2 million (previous year: €75.7 million). This results in an EBT margin of 5.7%, compared with 4.4% in the previous year. As the company's tax rate of 26.5% from January to June was slightly higher than in the previous year (24.8%), consolidated net income improved by 46.2% to €83.2 million (previous year: €56.9 million).

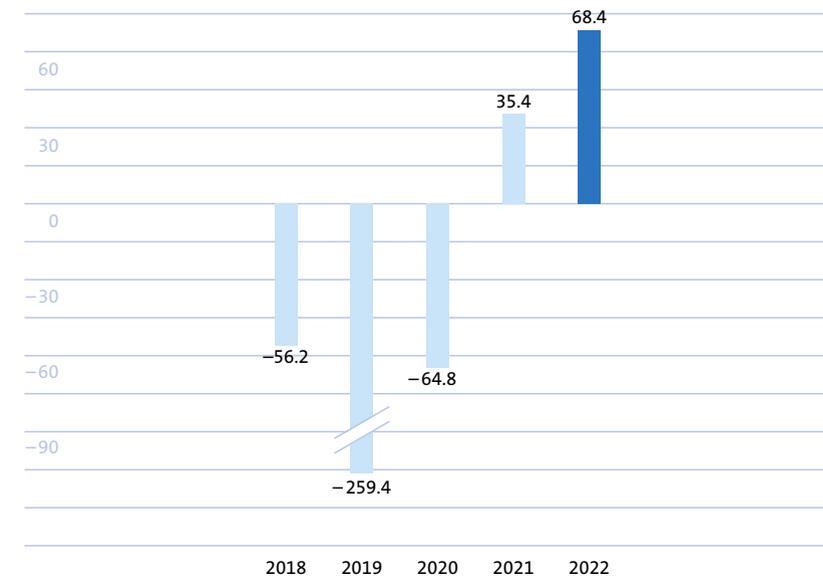


Statement of cash flow

€ million	2022 1 Jan – 30 Jun	2021 1 Jan – 30 Jun
Earnings before taxes	113.2	75.7
Other non-cash changes	+109.2	+156.0
Changes in working capital	-97.4	-43.6
Changes in other assets and liabilities	-2.8	-116.1
Cash flow from operating activities	122.2	72.0
Capital expenditure for PP&E and intangible assets	-55.4	-45.1
M&A activities	-0.0	-0.0
Other	+1.6	+8.5
Free cash flow	68.4	35.4
Cash flow from financing activities	-61.7	-33.9
Other	0.0	0.0
Net change in cash and cash equivalents	+7.0	+1.5
Cash and cash equivalents at the end of the period	390.4	218.5

Krones increased cash flow from operating activities in the first half of 2022 by €50.2 million year on year to €122.2 million. In addition to €37.5 million higher earnings before taxes, changes in other assets and liabilities also contributed to the better cash flow from operating activities. At -€2.8 million, these were significantly below the previous year's figure of -€116.1 million. The previous year's figure was still significantly influenced by the payments for the workforce programme. Non-cash changes increased cash flow from operating activities by €109.2 million in the reporting period, a smaller amount than in the previous year (€156.0 million). The increase in working capital by €97.4 million (previous year: €43.6 million) had a negative impact on cash flow.

Free cash flow from 1 January to 30 June (€ million)



Significant improvement in working capital and free cash flow

Krones significantly improved average working capital over the past four quarters as a percentage of revenue to 21.6% in the first half of 2022 (previous year: 28.1%). The large decrease reflects the higher revenue and rising advance payments from customers due to the greater order intake. By contrast, inventories increased disproportionately relative to revenue. The working capital to revenue ratio was 21.2% as of the 30 June reporting date (previous year: 26.9%).

Krones improved cash flow from operating activities by €50.2 million and free cash flow by €33.0 million in the first half of 2022.

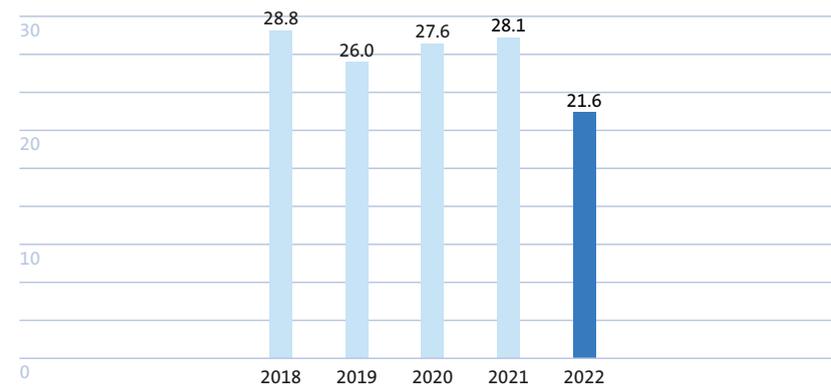


Average working capital improved significantly relative to revenue in the first half of 2022, falling from 28.1% to 21.6%.

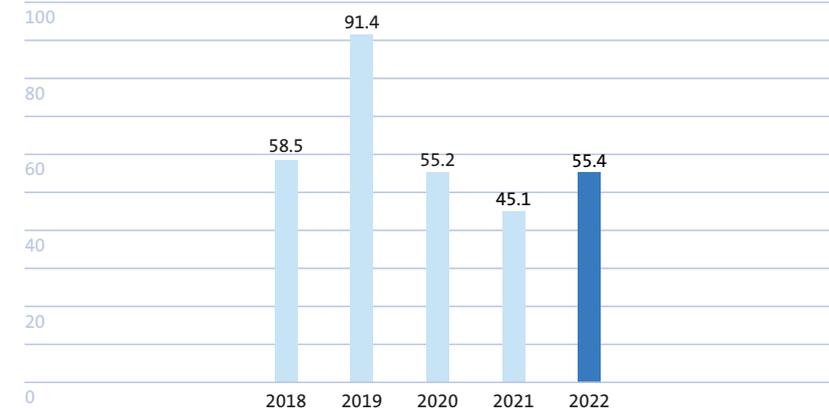
Krones invested €55.4 million in property, plant and equipment and intangible assets in the reporting period, a planned increase relative to the very low figure of €45.1 million in the previous year. The company increased free cash flow by €33.0 million to €68.4 million (previous year: €35.4 million).

Cash flow from financing activities amounted to –€61.7 million in the first half of 2022 (previous year: –€33.9 million). In the reporting period, this item includes the outflow of funds for the dividend payout of €44.2 million (previous year: €1.9 million) as well as €17.5 million for the repayment of lease liabilities (previous year: €14.7 million). Krones had cash and cash equivalents totalling €390.4 million at 30 June 2022 (previous year: €218.5 million).

Krones Group working capital to revenue from 1 January to 30 June (%) (LTM)



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





Assets and capital structure

€ million	30 Jun 2022	31 Dec 2021	30 Jun 2021	31 Dec 2020
Non-current assets	1,122	1,133	1,113	1,093
of which fixed assets	1,003	1,001	983	990
Current assets	2,636	2,362	2,181	1,957
of which cash and equivalents	390	383	219	217
Equity	1,505	1,392	1,274	1,200
Total debt	2,253	2,103	2,020	1,850
Non-current liabilities	372	434	473	476
Current liabilities	1,881	1,669	1,547	1,374
Total	3,758	3,495	3,294	3,050

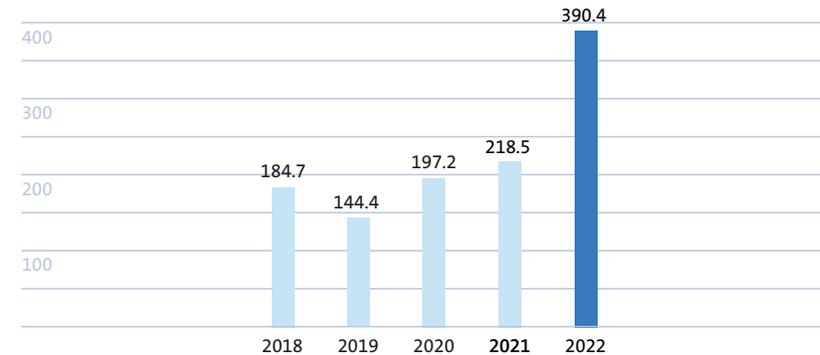
Krones' total assets rose by 7.5% in the reporting period, a significantly smaller increase than the rise in total operating performance (+13.6%).

The increase was mostly due to the rise in current assets and liabilities and the higher equity.

Non-current assets decreased slightly between January and June 2022 to €1,121.5 million (31 December 2021: €1,132.8 million). Fixed assets were virtually unchanged at €1,003.4 million as of 30 June 2022 (31 December 2021: €1,001.4 million). While property, plant and equipment and right-of-use assets increased slightly to €675.7 million (December 31, 2021: €667.0 million), non-current finan-

Krones' total assets increased due to the growth in business volume in the first half-year by 7.5%, a smaller increase than the 13.6% rise in total operating performance. Total assets came to €3,757.7 million as of 30 June 2022 (31 December 2021: €3,494.9

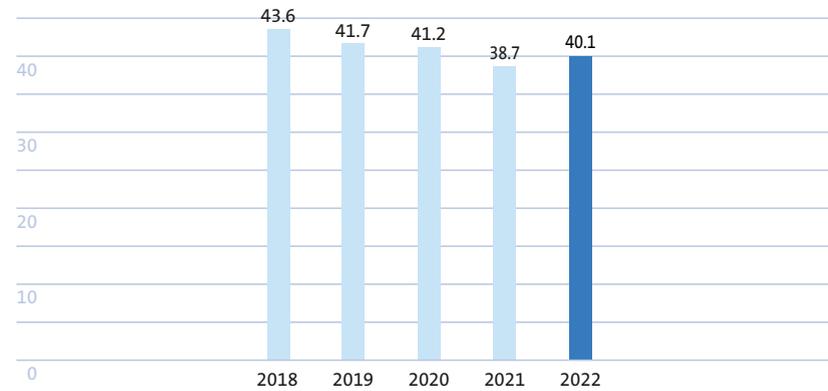
Cash and cash equivalents at 30 June (€ million)



cial assets decreased by €11.1 million to €17.7 million at the end of the first half-year. At €307.7 million, intangible assets at the end of the reporting period were slightly higher than at the 2021 year-end (€303.2 million).

Krones' current assets increased significantly in the first two quarters. These stood at €2,636.2 million as of 30 June 2022, marking an increase of 11.6%. This was mainly due to the rise in trade receivables and inventories because of the sharp growth in business volume. Trade receivables went up in the first half-year by €98.8 million to €842.1 million and inventories by €111.2 million to €544.8 million. Contract assets also increased. These were up €45.2 million to €639.2 million. Krones' cash and cash equivalents rose in the reporting period, despite the dividend distribution (€44.2 million), by €383.4 million to €390.4 million.

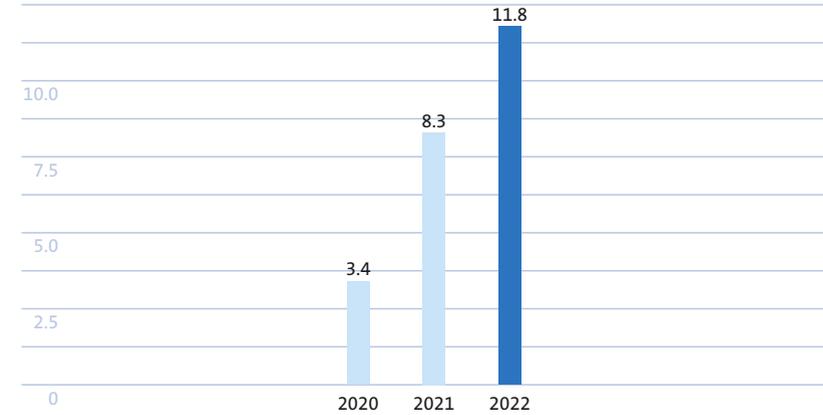
Equity ratio Krones Group at 30 June (%)



Current liabilities at Krones also increased between January and June 2022. These climbed 12.7% to €1,881.0 million. This was primarily due to a €170.6 million rise in contract liabilities to €770.9 million (31 December 2021: €600.3 million). That increase mainly reflected the higher prepayments from customers. Other liabilities and provisions also went up due to the larger business volume, increasing to €391.5 million (31 December 2021: €319.9 million). Krones reduced trade payables in the reporting period by €14.3 million to €500.8 million.

Non-current liabilities decreased by €62.5 million to €371.9 million as of 30 June 2022. This was due to a decrease in provisions for pensions, accounted for in other comprehensive income, by €72.2 million to €179.0 million. The reason for this was primarily the increased discount factor in the reporting period. At the end of the first half-year, the company had non-current bank debt totalling €5.0 million (31 December 2021: €5.1 million).

ROCE in %, from 1 January to 30 June



Equity ratio and ROCE increased in first half of 2022

Mainly due to the positive consolidated net income for the first half-year and the decrease in pension provisions accounted for in other comprehensive income, equity increased relative to the 2021 reporting date by €113.2 million to €1,504.8 million (31 December 2021: €1,391.6 million). The equity ratio went up slightly despite the increase in total assets and came to 40.1% as of 30 June 2022 (31 December 2021: 39.8%). With net cash (cash and cash equivalents less bank debt) of €385.4 million at the end of the reporting period, Krones continues to have a stable and solid financial and capital structure. In addition, the group had just under €1 billion in free lines of credit as of 30 June 2022.

With an equity ratio of 40.1% and net cash of €385.4 million, Krones has a very stable capital structure in the current volatile economic environment.

Krones improved return on capital employed (ROCE) – the ratio of EBIT to average net capital employed over the last four quarters – from 8.3% to 11.8% in the reporting period, mainly as a result of the higher EBIT.



Report from the segments

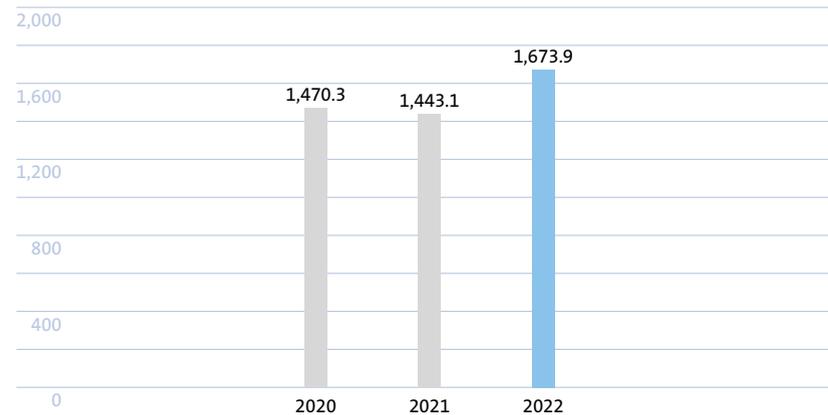
Filling and Packaging Technology

Segment revenue

Core segment revenue increased in the first half of 2022 by 16.0% to €1,673.9 million, slightly more than the increase in consolidated revenue.

Revenue in the core segment, Filling and Packaging Technology, increased by 16.0% in the first half of 2022, from €1,443.1 million to €1,673.9 million. This also means that segment revenue exceeded the level from before the coronavirus crisis (H1 2019: €1,581.5 million). New machinery business improved disproportionately strongly in the reporting period. This reflects the large order intake in the preceding quarters. However, service revenue was also significantly higher between January and June 2022 than in the previous year. In the first six months, Krones has laid a sound basis for achieving the upper end of the core segment growth target of 5% to 7% for the full year 2022. The segment contributed 84.3% to consolidated revenue in the first half year (previous year: 83.9%).

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

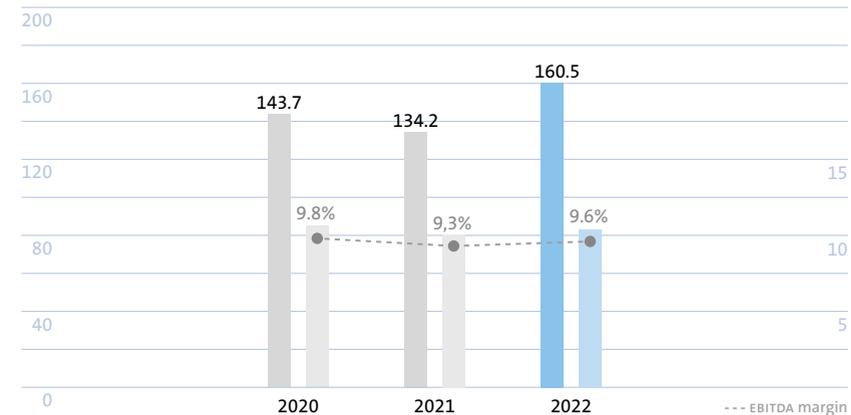


Segment earnings

Even though rising material prices and new machinery business accounted for a larger share of segment revenue than in the previous year, profitability in the Filling and Packaging Technology segment improved in the reporting period. From January to June 2022, earnings before interest, taxes, depreciation and amortisation (EBITDA) improved by 19.6% year on year, from €134.2 million to €160.5 million. The EBITDA margin increased from 9.3% to 9.6%. This was partly due to efficiency improvement measures. The EBITDA margin target for the core segment in the full year 2022 remains at 9% to 10%.

Despite challenging conditions, the growth of the core segment had a positive impact on profitability in the reporting period. The EBITDA margin rose to 9.6% (previous year: 9.3%).

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



Krones renamed its segments at the beginning of 2022. The core segment, which up to the end of 2021 was called Machines and Lines for Product Filling and Decoration, has been renamed to Filling and Packaging Technology.

Krones' second segment, previously Machines and Lines for Beverage Production/Process Technology, is now referred to as Process Technology.

The new segment names better reflect Krones' activities and capabilities.

From 1 January 2022, Krones reports on a third segment, Intra-logistics.



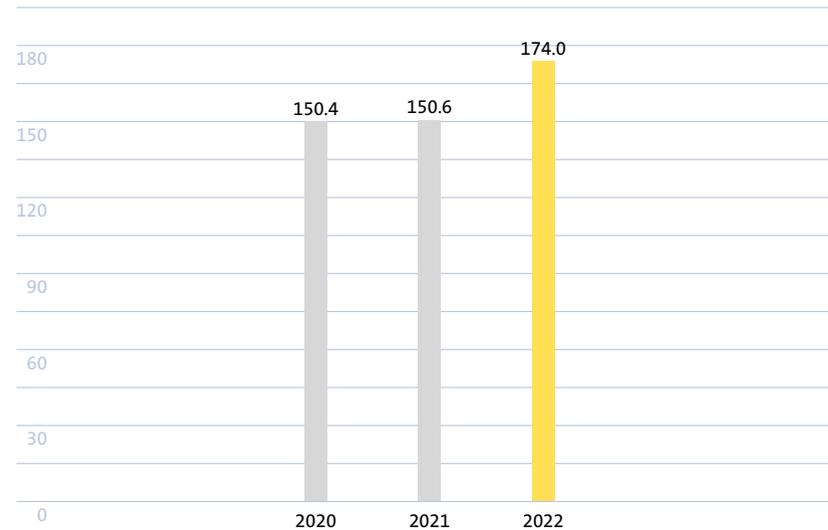
Process Technology

Segment revenue

In the Process Technology segment, Kronos provides products and services for producing and processing, for example, beer, soft drinks, juices, milk and dairy drinks.

In the Process Technology segment, revenue performance in the first half of 2022 was similar to that for the company as a whole. Revenue from January to June showed a year-on-year increase of 15.5%, from €150.6 million to €174.0 million. The first half-year saw revenue grow both with international breweries and in the non-alcoholic sector. Kronos continues to forecast growth of 10% to 15% for the Process Technology segment in the full year 2022. The segment's share of consolidated revenue in the first half-year was 8.8%, as in the previous year.

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



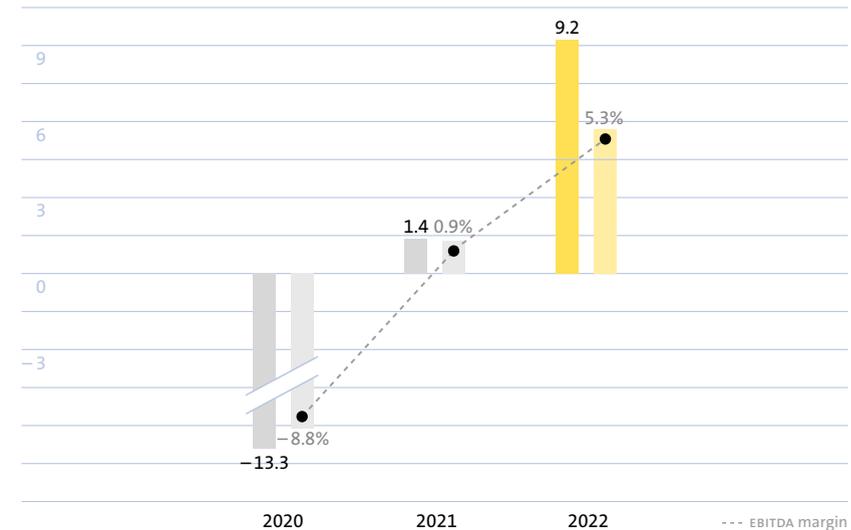
Segment earnings

After positive results in the first quarter of 2022, profitability in the segment further improved in the second quarter. The EBITDA margin in Process Technology in the period from April to June was 7.6%

(Q1 2022: 3.5%). In total, earnings before interest, taxes, depreciation and amortisation (EBITDA) increased in the first half-year from €1.4 million to €9.2 million. The EBITDA margin went up from 0.9% to 5.3%. As this shows, the measures for long-term improvement of segment earnings are beginning to take effect. Kronos has spun off its brewery business into a separate company and streamlined the processes. For the full year 2022, the Executive Board continues to forecast an EBITDA margin for the segment of 5% to 7%.

Profitability in the Process Technology segment improved significantly in the first half of 2022.

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





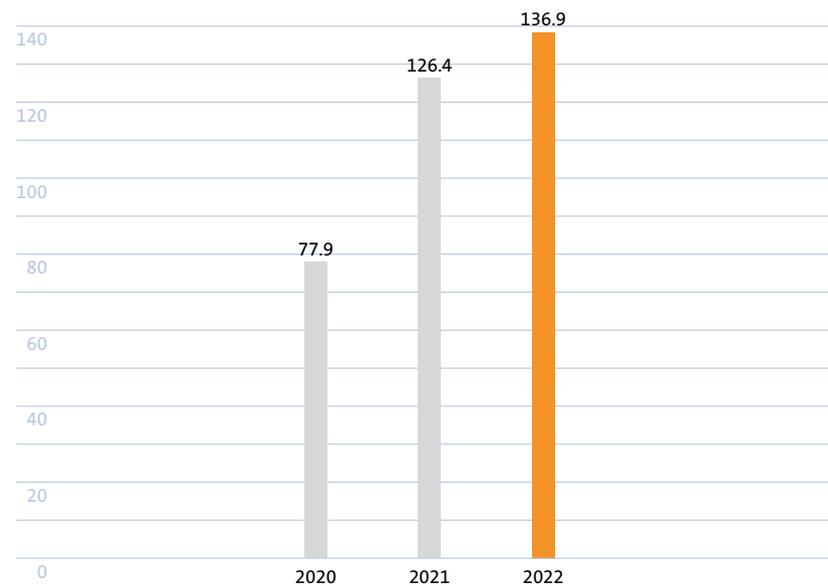
Intralogistics

Segment revenue

Revenue in Intralogistics, the new third segment as of 2022, increased by 8.3% in the first half-year.

Business in the Intralogistics segment – a separate segment from 2022 – developed according to plan in the first half-year. Due to seasonal factors, revenue increased at a lower rate year on year than in the group, rising 8.3% from €126.4 million to €136.9 million. Revenue in the Intralogistics segment is usually stronger in the second half of the year than in the first six months. For the full year 2022, we continue to expect revenue growth of 8% to 13%. Intralogistics contributed 6.9% to consolidated revenue between January and June (previous year: 7.3%).

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

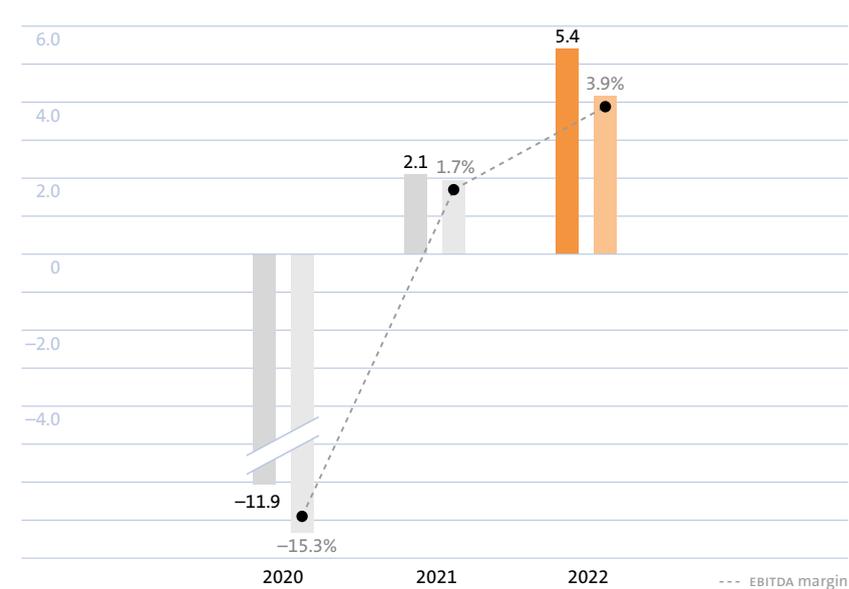


Segment earnings

Production capacity utilisation in the Intralogistics segment was relatively stable in the first half of 2022. This benefited the segment's profitability. Earnings before interest, taxes, depreciation and amortisation (EBITDA) climbed from €2.1 million in the previous year to €5.4 million in the reporting period. The EBITDA margin improved significantly from 1.7% to 3.9%. We expect a slightly higher margin in the second half-year. Overall, the segment is well on track to achieve its full-year target for the EBITDA margin of 4% to 6% in 2022.

The Intralogistics segment generated EBITDA of €5.4 million from January to June 2022 (previous year: €2.1 million). This corresponds to an EBITDA margin of 3.9% (previous year: 1.7%).

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

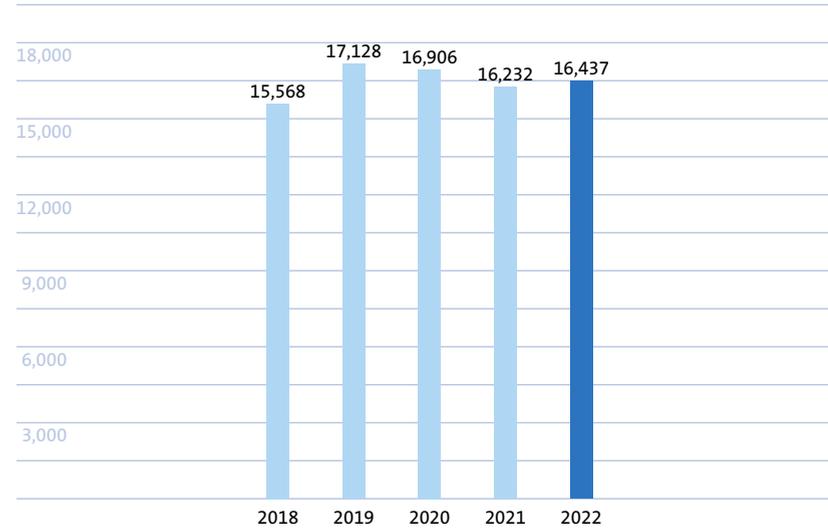




Employees

Employees
in Germany: 9,811
Employees outside
Germany: 6,626

Krones employees worldwide at 30 June



Krones employs 16,437 people worldwide

The size of the workforce at Krones increased in the reporting period following the workforce adjustments in the preceding years. This mainly reflects the recovery of our international markets.

Krones' workforce increased by 205 employees year-on-year to 16,437 employees as of 30 June 2022. Compared to 31 December 2021, the number of employees worldwide increased by 134. Most of the increase over the first six months of 2022 was in the international workforce, which grew to 6,626

(December 31, 2021: 6,482). Growth in the workforce was concentrated above all in the emerging markets and on the service side. The number of employees in Germany fell slightly to 9,811 (31 December 2021: 9,821).

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 2022, the Krones Group had 374 young people in training (previous year: 427).



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. For orders that exceed a specified volume, we also conduct a multidimensional risk analysis. Apart from profitability, we also individually record and evaluate financing risks, technological 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 process are documented in our risk policy. 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, Krones 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 2021 Group Annual Report, on pages 101 to 112.

The assessment of risks and opportunities has not fundamentally changed since presentation of the management report for 2021. In addition to this fundamental assessment, we provide an updated or supplementary assessment of the following risks.

General economic risks

Notable general economic risks for Krones are that the economy in Europe and the USA could slide into recession as a result of tighter central bank interest rate policies. This would negatively impact demand for the company's products and services and hence its earnings. There is additionally a risk of a renewed worsening of the Covid-19 pandemic in certain regions, such as China, and of new lockdowns hitting the economy. This could also affect our customers' willingness to invest.

Risks from the Ukraine-Russia conflict

A further major factor involving uncertainty is the war in Ukraine. Even five months after the Russian troops invaded, it is still completely unclear how the war will develop and how long it will go on for. We described the risks to Krones due to the Ukraine-Russia conflict in detail on page 112 of the 2021 Annual Report. There has been no significant change in that risk assessment as of 30 June 2022.

Risks from impending energy shortages

The security of supply with natural gas is currently almost impossible to predict. Krones is prepared for reduced gas supplies. From today's perspective, major disruption to our own production operations could be prevented with the aid of savings in building energy usage and by switching to alternative energy sources for power generation. There is also an indirect risk, however, as critical suppliers may be hit harder by the gas shortage. This could potentially result in material shortages and further cost increases. Another indirect risk is of our customers – especially in Europe – being restricted in their business operations due to gas/energy shortages and consequently postponing any planned investment in production facilities.

Events after the reporting period

There were no reportable events after the half-year reporting date.



Report on **expected developments**

Krones confirms full-year guidance for 2022 after good first half-year

Despite the difficult market conditions, Krones came well through the first half of 2022 to end the half-year with a very large order backlog. The company is consequently also confident for the full year 2022. Krones' business environment nevertheless remains challenging. Uncertainties and risks include material shortages and problems in global supply chains, rising material and energy procurement prices, political risks in Europe and other parts of the world, and also strong inflation in many countries. It is also uncertain how the Covid-19 pandemic will continue to play out around the world and how the impacts of the war in Ukraine will affect the growth of the global economy in 2022. Threatened energy supply shortages or a complete halt to Russian gas supplies would have consequences that are almost impossible to predict.

Based on the prevailing macroeconomic outlook and the current expected development of the markets relevant to Krones, the company continues to forecast consolidated revenue growth of 5% to 8% in 2022, with good chances of achieving the upper end of this guidance range.

Krones Group		
	Guidance for 2022	H1 2022 actual
Revenue growth	5 – 8%	15.4%
EBITDA margin	8 – 9%	8.8%
ROCE	10 – 12%	11.8%

Thanks to higher revenue, higher selling prices and continued implementation of the cost optimisation measures, Krones aims to improve its profitability this year compared with 2021. At group level for 2022, the company continues to forecast an EBITDA margin of 8% to 9%, with the upper end of the target range likely to be achieved. The same applies to the third performance target, return on capital employed (ROCE), for which Krones expects an increase this year to between 10% and 12%.

The guidance for revenue growth and the EBITDA margin given for the three segments of the Krones Group in the 2021 Annual Report also remains unchanged.

Segment Filling and Packaging Technology

	Guidance for 2022	H1 2022 actual
Revenue growth	5 – 7%	16.0%
EBITDA margin	9 – 10%	9.6%

Segment Process Technology

	Guidance for 2022	H1 2022 actual
Revenue growth	10 – 15%	15.5%
EBITDA margin	5 – 7%	5.3%

Segment Intralogistics

	Guidance for 2022	H1 2022 actual
Revenue growth	8 – 13%	8.3%
EBITDA margin	4 – 6%	3.9%



3

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022

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Condensed consolidated **statement of profit or loss** from 1 January to 30 June 2022

€ million	2022 1 Jan – 30 Jun	2021 1 Jan – 30 Jun	Change %
Revenue	1,984.8	1,720.1	+15.4
Changes in inventories of finished goods and work in progress	25.0	48.7	
Total operating performance	2,009.8	1,768.8	+13.6
Other own work capitalised	20.6	25.8	-20.2
Other operating income	67.6	50.0	+35.2
Goods and services purchased	-988.0	-870.3	+13.5
Personnel expenses	-614.7	-597.4	+2.9
Other operating expenses	-320.2	-239.2	+33.9
EBITDA	175.1	137.7	+27.2
Depreciation and amortisation of intangible assets and property, plant and equipment	-67.0	-66.1	+1.4
EBIT	108.1	71.6	+51.0
Financial income/expense	5.1	4.1	
Income from equity-method investments	0.0	0.0	
Earnings before taxes	113.2	75.7	+49.5
Income tax	-30.0	-18.8	+59.6
Consolidated net income	83.2	56.9	+46.2
Profit share of non-controlling interests	0.1	0.1	
Profit share of Kronos Group shareholders	83.1	56.8	
Earnings per share (diluted/basic) in €	2.63	1.80	

Condensed consolidated **statement of profit or loss** from 1 April to 30 June 2022

€ million	2022	2021	Change %
	1 Apr – 30 Jun	1 Apr – 30 Jun	
Revenue	997.6	845.5	+18.0
Changes in inventories of finished goods and work in progress	8.7	29.6	
Total operating performance	1,006.3	875.1	+15.0
Other own work capitalised	10.6	14.7	-27.9
Other operating income	42.3	24.0	+76.3
Goods and services purchased	-501.9	-439.6	+14.2
Personnel expenses	-297.4	-294.2	+1.1
Other operating expenses	-171.8	-118.8	+44.6
EBITDA	88.1	61.2	+44.0
Depreciation and amortisation of intangible assets and property, plant and equipment	-33.9	-32.6	+4.0
EBIT	54.2	28.6	+89.5
Financial income/expense	4.3	2.5	
Income from equity-method investments	0.0	0.0	
Earnings before taxes	58.5	31.1	+88.1
Income tax	-15.4	-7.0	+120.0
Consolidated net income	43.1	24.1	+78.8
Profit share of non-controlling interests	0.1	0.1	
Profit share of Kronos Group shareholders	43.0	24.0	
Earnings per share (diluted/basic) in €	1.36	0.76	

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

€ million	30 June 2022	31 Dec 2021
Intangible assets	307.7	303.2
Property, plant and equipment and right of use assets	675.7	667.0
Non-current financial assets	17.7	28.8
Investments accounted for using the equity method	2.3	2.4
Fixed assets	1,003.4	1,001.4
Deferred tax assets	56.5	75.2
Trade receivables	42.8	43.0
Tax receivables	6.4	1.6
Other assets	12.4	11.6
Non-current assets	1,121.5	1,132.8
Inventories	544.8	433.6
Trade receivables	842.1	743.3
Contract assets	639.2	594.0
Tax receivables	13.3	12.0
Other assets	206.4	195.8
Cash and cash equivalents	390.4	383.4
Current assets	2,636.2	2,362.1
Total	3,757.7	3,494.9

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

€ million	30 June 2022	31 Dec 2021
Equity	1,504.8	1,391.6
Provisions for pensions	179.0	251.2
Deferred tax liabilities	7.9	5.3
Other provisions	79.6	78.8
Tax liabilities	5.0	4.5
Liabilities to banks	5.0	5.1
Trade payables	0.0	0.0
Other financial obligations and lease liabilities	86.8	79.7
Other liabilities	8.6	9.8
Non-current liabilities	371.9	434.4
Other provisions	155.3	164.5
Liabilities to banks	0.0	0.0
Contract liabilities	770.9	600.3
Trade payables	500.8	515.1
Tax liabilities	26.7	26.1
Other financial obligations and lease liabilities	35.8	43.0
Other liabilities and accruals	391.5	319.9
Current liabilities	1,881.0	1,668.9
Total	3,757.7	3,494.9

Condensed consolidated **statement of cash flows**

€ million	2022	2021
	1 Jan – 30 Jun	1 Jan – 30 Jun
Earnings before taxes	113.2	75.7
Depreciation and amortisation	67.0	66.1
Increase in provisions and accruals	35.8	89.7
Interest and similar expenses and income	-1.4	-2.1
Gains and losses from the disposal of fixed assets	-0.7	-0.1
Other non-cash expenses and income	8.5	2.4
Increase in inventories, trade receivables, contract assets and other liabilities not attributable to investing or financing activities	-243.5	-212.7
Increase in trade payables, contract liabilities and other liabilities not attributable to investing or financing activities	172.9	80.5
Cash generated from operating activities	151.8	99.5
Interest paid	-1.2	-1.7
Income tax paid and refunds received	-28.4	-25.8
Cash flow from operating activities	122.2	72.0
Cash payments to acquire intangible assets	-24.2	-23.0
Proceeds from the disposal of intangible assets	0.1	0.0
Cash payments to acquire property, plant and equipment	-31.2	-22.1
Proceeds from the disposal of property, plant and equipment	1.9	1.9
Cash payments to acquire non-current financial assets	-0.5	-0.2
Proceeds from the disposal of non-current financial assets and equity interests	0.1	1.6
Deferred purchase price payment for prior-period acquisitions	-7.0	-0.2
Interest received	3.6	3.5
Dividends received	3.4	1.9
Cash flow from investing activities	-53.8	-36.6
Cash payments to company owners	-44.2	-1.9
Proceeds from new borrowing	0.0	9.8
Cash payments from the repayment of financial liabilities	0.0	-27.1
Cash payments from the repayment of leasing liabilities	-17.5	-14.7
Cash flow from financing activities	-61.7	-33.9
Cash change in cash and cash equivalents	6.7	1.5
Changes in cash and cash equivalents arising from changes in the consolidated group	0.3	0.0
Cash and cash equivalents at the beginning of the period	383.4	217.0
Cash and cash equivalents at the end of the period	390.4	218.5



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				
At 31 December 2020	40.0	141.7	370.7	-87.0	-126.4	861.5	1,200.5	-0.6	1,199.9
Dividend payment						-1.9	-1.9		-1.9
Consolidated net income H1 2021						56.8	56.8	0.1	56.9
Allocation to profit reserves			0.1			-0.1	0.0		0.0
Changes in the consolidated group			2.6				2.6		2.6
Other comprehensive income				22.1	-6.0		16.1		16.1
At 30 June 2021	40.0	141.7	373.4	-64.9	-132.4	916.3	1,274.1	-0.5	1,273.6
Dividend payment							0.0		0.0
Consolidated net income H2 2021						84.5	84.5	-0.1	84.4
Allocation to profit reserves							0.0		0.0
Changes in the consolidated group							0.0		0.0
Other comprehensive income				14.0	19.6		33.6		33.6
At 31 December 2021	40.0	141.7	373.4	-50.9	-112.8	1,000.8	1,392.2	-0.6	1,391.6
Dividend payment						-44.2	-44.2		-44.2
Consolidated net income H1 2022						83.1	83.1	0.1	83.2
Withdrawal from 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
At 30 June 2022	40.0	141.7	365.3	-8.7	-73.0	1,040.0	1,505.3	-0.5	1,504.8



Consolidated statement of comprehensive income

€ million	2022 1 Jan – 30 Jun	2021 1 Jan – 30 Jun
Consolidated net income	83.2	56.9
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit plans	51.4	0.5
	51.4	0.5
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation	42.2	22.1
Cash flow hedges	-11.6	-6.5
	30.6	15.6
Other comprehensive income after income taxes	82.0	16.1
Total comprehensive income	165.2	73.0
of which attributable to non-controlling interests	0.1	0.1
of which attributable to Krones Group shareholders	165.1	72.9

Consolidated **segment reporting**

First half year € million	Filling and Packaging Technology		Process Technology		Intralogistics		Krones Group	
	2022 1 Jan–30 Jun	2021 1 Jan–30 Jun	2022 1 Jan–30 Jun	2021 1 Jan–30 Jun	2022 1 Jan–30 Jun	2021 1 Jan–30 Jun	2022 1 Jan–30 Jun	2021 1 Jan–30 Jun
Revenue	1,673.9	1,443.1	174.0	150.6	136.9	126.4	1,984.8	1,720.1
EBITDA	160.5	134.2	9.2	1.4	5.4	2.1	175.1	137.7
EBITDA margin	9.6%	9.3%	5.3%	0.9%	3.9%	1.7%	8.8%	8.0%

Second quarter € million	Filling and Packaging Technology		Process Technology		Intralogistics		Krones Group	
	2022 1 Apr–30 Jun	2022 1 Apr–30 Jun	2022 1 Apr–30 Jun	2022 1 Apr–30 Jun	2022 1 Apr–30 Jun	2022 1 Apr–30 Jun	2022 1 Apr–30 Jun	2022 1 Apr–30 Jun
Revenue	848.5	712.6	75.9	66.2	73.2	66.7	997.6	845.5
EBITDA	80.4	59.2	5.8	1.8	1.9	0.2	88.1	61.2
EBITDA margin	9.5%	8.3%	7.6%	2.7%	2.6%	0.3%	8.8%	7.2%



General disclosures

■ Legal basis

The interim consolidated financial statements of Krones AG (the “Krones Group”) for the period ended 30 June 2022 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 2022, 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 16: Proceeds before Intended Use
- Amendments to IFRS 3: Reference to the Conceptual Framework
- Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021 (exempting lessees from determining whether rent concessions are lease modifications)
- Annual Improvements to IFRS – 2018–2020 Cycle

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 2022 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 2022 include all material domestic and foreign subsidiaries over which Krones AG has direct or indirect control.

Systorelog Isreal Ltd, Tel Aviv, Israel was established during the financial year and added to the scope of consolidation together with Unicorn Industries Ltd, Telangana, India.

Initial accounting was completed as of the acquisition date and the date of establishment, respectively.

■ 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 equity.

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 Krones 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 Krones 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 2022	31 Dec 2021	H1 2022	H1 2021
us Dollar	USD	1.040	1.132	1.094	1.205
British Pound	GBP	0.859	0.840	0.842	0.868
Swiss franc	CHF	0.998	1.033	1.032	1.095
Danish krone	DKK	7.439	7.437	7.440	7.437
Canadian dollar	CAD	1.344	1.442	1.391	1.503
Japanese yen	JPY	141.830	130.320	134.254	129.817
Brazilian real	BRL	5.390	6.307	5.561	6.491
Chinese renminbi (yuan)	CNY	6.980	7.217	7.084	7.796
Mexican peso	MXN	21.039	23.141	22.195	24.330
Ukrainian hryvnia	UAH	30.706	30.884	31.921	33.445
South African rand	ZAR	16.949	18.054	16.842	17.534
Kenyan shilling	KES	122.622	128.085	125.879	131.027
Nigerian naira	NGN	431.620	465.250	454.601	490.453
Russian ruble	RUB	56.165	84.976	85.465	89.545
Thai baht	THB	36.776	37.542	36.858	37.134
Indonesian rupiah	IDR	15,494.100	16,133.700	15,807.011	17,198.287
Angolan kwanza	AOA	443.062	639.750	512.443	778.672
Turkish lira	TRY	17.301	15.142	16.229	9.506
Kazakhstan tenge	KZT	489.200	492.420	494.500	511.369
Australian dollar	AUD	1.513	1.561	1.521	1.562
New Zealand dollar	NZD	1.674	1.657	1.649	1.681

		Closing rate		Average rate	
		30 Jun 2022	31 Dec 2021	H1 2022	H1 2021
Swedish krona	SEK	10.723	10.256	10.478	10.131
Vietnamese dong	VND	24,197.000	25,872.000	25,072.244	27,767.246
Philippine peso	PHP	57.209	57.684	57.027	58.155
Bangladeshi taka	BDT	97.219	97.034	95.505	102.157
Singapore dollar	SGD	1.448	1.528	1.493	1.606
Myanmar kyat	MMK	1,925.650	2,012.680	1,980.974	1,775.627
United Arab Emirates dirham	AED	3.820	4.158	4.019	4.426
Hungarian forint	HUF	396.530	369.850	374.855	358.046
Malaysian ringgit	MYR	4.584	4.716	4.670	4.937
Pakistani rupee	PKR	212.222	199.796	203.206	188.622
Polish zloty	PLN	4.688	4.594	4.638	4.539
Norwegian krone	NOK	10.334	9.989	9.973	10.176
Indian rupee	INR	82.033	84.168	83.318	88.323
Guatemalan quetzal	GTQ	8.063	8.736	8.421	9.322
Cambodian riel	KHR	4,229.900	4,609.500	4,442.572	4,898.407
Bulgarian lev	BGN	1.956	1.956	1.956	1.956
South Korean Won	KRW	1,352.030	1,341.470	1,347.949	1,347.161
Moroccan dirham	MAD	10.564	10.516	10.610	10.750
Saudi riyal	SAR	3.902	4.250	4.105	4.435
Shekel	ILS	3.632		3.577	
Romanian leu	RON	4.947	4.928	4.946	4.901



■ Accounting policies

The separate financial statements of Krones 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 2021.

■ 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.

Due to the still not entirely foreseeable repercussions of the war in Ukraine and the ongoing global coronavirus pandemic, those judgements, estimates and assumptions are subject to increased uncertainty. Actual amounts can differ from the judgements, estimates and assumptions; changes can have a material impact on the interim 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 the fair values of put/call options for the acquisition of remaining non-controlling inter-

ests. With regard to the recoverability of intangible assets, in particular goodwill, the previous year's impairment tests were reviewed as of 30 June 2022 in light of the war in Ukraine. None of the goodwill allocated to the CGUs was classified as critical. Accordingly, no new impairment test was performed.

Overall, the war in Ukraine has so far had no significant direct impact on the company's financial position, financial performance and cash flows. Krones has no production sites in Ukraine or Russia. Although Krones will not be accepting any new projects from Russia until further notice, existing commitments made before the war in Ukraine will still be fulfilled. Business operations at the sales and service unit in Moscow have been maintained.

■ 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 2022			Measurement under IFRS 9			Measurement under IFRS 16	Measurement hierarchy		
€ million	Carrying amount 30 Jun 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 (FVOCI)		Level 1	Level 2	Level 3
Assets									
Non-current financial assets	17.7	2.8	2.8						
Trade receivables	884.9	884.9	884.9						
Contract assets	639.2	639.2	639.2						
Other assets	218.8	58.9	55.2	3.5	0.2		3.7		
of which derivatives	3.7	3.7		3.5	0.2		3.7		
Cash and cash equivalents	390.4	390.4	390.4						
Liabilities									
Liabilities to banks	5.0	5.0	5.0						
Trade payables	500.8	500.8	500.8						
Other financial liabilities and lease liabilities	122.6	122.6	6.7	11.5		104.4			11.5
Other liabilities and provisions	400.1	135.1	111.2	1.0	22.9		23.9		
of which derivatives	23.9	23.9		1.0	22.9		23.9		



31 Dec 2021			Measurement under IFRS 9			Measurement under IFRS 16	Measurement hierarchy		
€ million	Carrying amount 31 Dec 2021	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 (FVOCI)		Level 1	Level 2	Level 3
Assets									
Non-current financial assets	28.8	2.5	2.5						
Trade receivables	786.3	786.3	786.3						
Contract assets	594.0	594.0	594.0						
Other assets	207.4	74.2	72.1	1.9	0.2		2.1		
of which derivatives	2.1	2.1		1.9	0.2		2.1		
Cash and cash equivalents	383.4	383.4	383.4						
Liabilities									
Liabilities to banks	5.1	5.1	5.1						
Trade payables	515.1	515.1	515.1						
Other financial liabilities and lease liabilities	122.7	122.7	6.3	19.0		97.4			19.0
Other liabilities and provisions	329.7	84.3	76.9	0.8	6.6		7.4		
of which derivatives	7.4	7.4		0.8	6.6		7.4		



■ 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 2022.



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

* Universitätsklinikum
Regensburg

* Wirtschaftsbeirat
Bayerische Landesbank

Josef Weitzer**

Deputy Chairman of the
Supervisory Board, Chairman of
Group Central Works Council
Chairman of the Works Council
Neutraubling

* Bay. Betriebskrankenkassen

Markus Hüttner**

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

Nora Diepold

Chief Executive Officer

nk Immobilienverwaltungs GmbH,
Regensburg

Dr. Verena Di Pasquale**

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

Robert Friedmann

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

Oliver Grober**

Chairman of the Employees'
Council, Rosenheim

Thomas Hiltl**

Chairman of the Employees'
Council, Nittenau

Professor Dr. jur. Susanne Nonnast

Professor at Ostbayerische
Technische Hochschule (OTH)
Regensburg

Beate Eva Maria Pöpperl**

Independent Member of the
Employees' Council

Stefan Raith**

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

Norbert Samhammer

Chief executive of
Samhammer Holding GmbH
*Samhammer AG

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

Hans-Jürgen Thaus

* Maschinenfabrik Reinhausen
GmbH

Matthias Winkler

Managing partner at
WW+KN Steuerberatungs-
gesellschaft mbH
Managing partner at
WW+KN Treuhand GmbH

Executive Board

Christoph Klenk

Chief Executive Officer

Norbert Broger

Chief Financial Officer

Thomas Ricker

Chief Sales Officer

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 (%*)
Dekron GmbH, Kelkheim, Germany	100.00
Ecomac Gebrauchtmachines 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 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
Krones Holding GmbH, Wackersdorf, Germany (former Syskron Holding 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 EOOD, 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 Portugal Equipamentos Industriais Lda., Barcarena, Portugal	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 S.A., 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 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	100.00
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-Izumi Processing PTE LTD., Singapore, Republic of Singapore	73.00
Krones Singapore LTD., Singapore, Republic of Singapore	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
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
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.



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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 2022

Christoph Klenk
CEO

Norbert Broger
CFO

Thomas Ricker
CSO

Markus Tischer

Ralf Goldbrunner



Publishing information

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This English language report is a translation of the original German Krones Interim report for the period from 1 January to 30 June 2022 (Krones Bericht über den Zeitraum vom 1. Januar bis 30. Juni 2022). 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

4 November 2022 Quarterly statement for the period ended 30 September 2022

Contact

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