



Quarterly statement for the period
from 1 January to 31 March 2023

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1

TO OUR SHAREHOLDERS

2

ASSETS, FINANCIAL POSITION,
AND RESULTS OF OPERATIONS

3

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

4

OTHER INFORMATION



1

TO OUR SHAREHOLDERS

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





Highlights and key figures

Krones made a very good start to the 2023 financial year

- Customer demand remained very strong at the beginning of the year. The order intake of €1,513.1 million in the first quarter of 2023 was only 2.6% below the very high level of the first quarter of 2022 (€1,553.8 million), but significantly higher than in the preceding quarter (Q4 2022: €1,183.1 million).
- Krones improved revenue to €1,198.8 million, 21.4% higher than in the first quarter of 2022.
- Despite challenging conditions, Krones significantly increased profitability in the reporting period. Earnings before interest, taxes, depreciation and amortisation (EBITDA) went up 32.1% to €114.9 million. The EBITDA margin improved to 9.6% (previous year: 8.8%).
- Based on the positive first-quarter trend, Krones is confident of meeting the forecast for 2023. For the full year, the company expects revenue growth of 8% to 11%, an EBITDA margin of 9% to 10% and ROCE of 15% to 17%.

		1 Jan – 31 Mar 2023	1 Jan – 31 Mar 2022	Change
Revenue	€ million	1,198.8	987.2	+ 21.4%
Order intake	€ million	1,513.1	1,553.8	– 2.6%
Orders on hand at 31 March	€ million	3,780.7	2,459.6	+ 53.7%
EBITDA	€ million	114.9	87.0	+ 32.1%
EBITDA margin	%	9.6	8.8	+ 0.8 PP*
EBIT	€ million	80.4	53.9	+ 49.2%
EBT	€ million	83.0	54.7	+ 51.7%
EBT margin	%	6.9	5.5	+ 1.4 PP*
Consolidated net income	€ million	63.5	40.1	+ 58.4%
Earnings per share	€	2.01	1.27	+ 58.3%
Capital expenditure for PP&E and intangible assets	€ million	35.2	26.0	+€9.2 million
Free cash flow	€ million	–21.0	77.4	–€98.4 million
Net cash and cash equivalents at 31 March**	€ million	640.0	447.6	+€192.4 million
Working capital to revenue***	%	17.9	23.0	–5.1 PP*
ROCE	%	17.8	11.7	+6.1PP*
Employees at 31 March				
Worldwide		17,500	16,386	+1,114
Germany		10,217	9,829	+ 388
Outside Germany		7,283	6,557	+ 726

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



Letter from the **Executive Board**

Dear shareholders and friends of Krones,

The first quarter of 2023 was very positive for Krones. We were able to seamlessly build on the very successful year 2022. Demand for our products and services continues to be exceptionally strong. From January to March 2023, we received orders worth €1.51 billion. Despite a 21% year-on-year increase in revenue, our order backlog grew by €314 million in the first three months to €3.78 billion.

This enormous order backlog has to be processed on time and with the usual Krones quality. It is therefore extremely important for us to continue improving our performance, despite the successes already achieved. The situation on the procurement markets has stabilized, but it is too early to speak of a return to normal. The shortage of electronic components is not expected to ease until the second half of 2023. However, I am sure that our creative, flexible and motivated team will once again rise to the challenge.

In addition to the resource shortages, we must also keep our eye on other uncertainties, such as the impacts of the Russia-Ukraine conflict and the weakening global economy. The International Monetary Fund thus recently downgraded its 2023 forecast for global economic growth to 2.8%.

Our fundamental advantage is that we operate in markets with stable growth, and demand is therefore hardly affected by cyclical fluctuations. This is a further reason why, despite the prevailing risks, we are confident of achieving our targets for the full year. We are targeting revenue growth of 8% to 11% and an EBITDA margin of 9% to 10%. In the first quarter, our EBITDA margin was 9.6%. We are also well on track to achieve our ambitious medium-term targets.

Krones also made strategic progress in the first few months of 2023. In late April, we expanded our capabilities in process technology in the stable components business with the purchase of 90% of the shares in Ampco Pumps, USA. At the same time, we are working every day to bring to life Krones' new target picture, "Solutions beyond tomorrow" – developing and providing visionary solutions that enable a future worth living for all.

Christoph Klenk
CEO



The Krones share

Equity markets supported by falling energy prices and inflation

In early 2023, a further decline in energy prices and inflation rates eased the situation in bond markets and boosted sentiment in global equity markets. Germany's leading share index, the DAX, rose by more than 10% through to the beginning of February. After the strong start to the year, the remainder of February then saw the markets move sideways. The positive beginning to March was followed by a sharp fall in international stock markets. This was triggered by several US bank failures and the collapse of Credit Suisse, the major Swiss bank, fuelling fears of a new global financial crisis. Rescue packages quickly put together by major countries and central banks proved effective in calming the markets. By the end of March, share prices had risen sharply again and most major indices ended the first quarter of 2023 with strong gains.

The DAX reached its low for the first quarter of 15,706 points on 7 March 2023. After a brief dip to 14,460 points in mid-March, the index recovered significantly by the end of the quarter, closing at 15,629 points, 12.2% higher than at the beginning of the year. The German mid-cap index, the MDAX, rose by 10.1% between January and March 2023.

Performance 1 January to 31 March 2023
Krones share
price: +3.5%
SDAX: +10.3%

Krones share data	First quarter 2023	First quarter 2022
Earnings per share (€)	2.01	1.27
High (€)	117.10	99.25
Low (€)	100.80	67.50
Price at 31 March (€)	108.70	75.45
Market capitalisation at 31 March (€ billion)	3.43	2.38

Source share price data: Xetra

The Krones share from 1 January to 31 March 2023



Krones shares gained 3.5% in first quarter, despite strong outperformance in 2022

Following the very positive performance in the fourth quarter of 2022 (up 15.8%), the Krones share price took a breather and moved sideways in January 2023. Our share price picked up again in February and by the end of the month had risen to €117.10, its highest level in the first quarter. The increase was supported by publication of the preliminary annual results for 2022 on 23 February and the positive outlook for the 2023 financial year. As a result, many analysts raised their price targets for Krones shares.

Together with all stock market barometers, the Krones share price fell sharply in mid-March as a result of the bank failures. Our share price reached its low for the first quarter at €100.80 on 20 March 2023. It then recovered towards the end of the quarter, closing at €108.70 at the end of March. Following their strong outperformance in 2022 (up 9.5%), Krones shares thus gained a further 3.5% in value in the first quarter of 2023. The SDAX, of which Krones is a component, went up by 10.3% in the same period (performance in 2022: minus 27.3%).



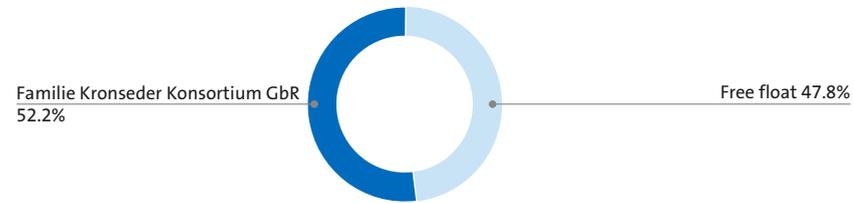
Shareholder structure

There were no significant changes in Krones' shareholder structure in the first quarter of 2023. At 31 March 2023, Familie Kronseder Konsortium GbR held the majority of Krones AG's shares, with 52.2%. The family intends to remain a stable majority shareholder of Krones AG. The free float came to 47.8% at the end of March 2023.



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

Shareholder structure as of 31 March 2023



Key data for the Krones share

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



2

ASSETS, FINANCIAL POSITION, AND RESULTS OF OPERATIONS

Revenue.....	9
Order intake and order backlog.....	11
Earnings	12
Consolidated cash flow	15
Assets and capital structure	17
Report from the segments	19
Employees.....	22
Report on expected developments	23





Revenue

Krones increases revenue by 21.4% in first quarter of 2023

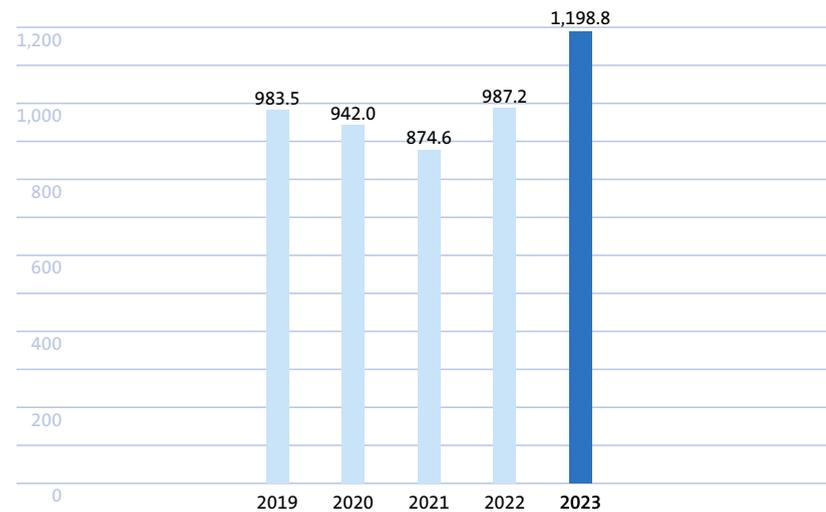
Krones made a very good start to the 2023 financial year. From January to March, revenue increased by 21.4% year on year, from €987.2 million to €1,198.8 million. It should be noted, however, that the first quarter of 2022 was heavily impacted by supply chain problems. Material availability was better in the reporting period than in the previous year, but still not optimal. Flexible production management by Krones had a positive impact on capacity utilisation and output in the first three months of 2023. In addition to volume effects, the

growth was also supported by our price increases. Krones' revenue in the reporting period was not materially affected by exchange rates, acquisitions or divestments.

First-quarter revenue significantly exceeded the previous year in 2023 both in the new machinery and in the service business. Overall, with the Group revenue generated in the first quarter, Krones has laid a good basis for attainment of its full-year growth target of 8% to 11% for 2023.

Krones set a high growth rate in the first quarter of 2023. Revenue was up 21.4% year on year, to €1,198.8 million.

Revenue from 1 January to 31 March (€ million)



Segment revenue from 1 Jan to 31 Mar 2023

Segment revenue from 1 Jan to 31 Mar 2022

Intralogistics
7.1%* (€84.9 million)

Process Technology
9.1%* (€109.5 million)

Filling and
Packaging Technology
83.8%* (€1,004.4 million)

Intralogistics
6.5%** (€63.7 million)

Process Technology
9.9%** (€98.1 million)

Filling and
Packaging Technology
83.6%** (€825.4 million)

* Share of consolidated revenue of €1,198.8 million ** Share of consolidated revenue of €987.2 million



Revenue by region

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' revenue in Germany increased by more than Group revenue in the first quarter of 2023. At €135.4 million, it was 30.4% higher than in the previous year (€103.8 million). The share of consolidated revenue in the first three months rose to 11.3% (previous year: 10.5%).

Krones generated almost 90% of first quarter revenue internationally

The large Western Europe sales region performed well in the reporting period. Revenue increased over the previous year's already high figure of €153.0 million by 26.7% to €193.8 million. Krones' sales in Eastern Europe also grew strongly in the first quarter of 2023. Revenue there increased by 28.0% to €57.1 million (previous year: €44.6 million). In Central Europe (Austria, Switzerland and the Netherlands), Krones recorded a 38.5% decline in revenue to €40.8 million during the reporting period (previous year: €66.3 million). In all, the company's revenue in Europe (excluding Germany) improved in the first quarter of 2023 by 10.5% to €291.7 million (previous year: €263.9 million). The share of consolidated revenue in the first quarter consequently fell to 24.4% (previous year: 26.7%).

As expected, business in the Russia/CIS region declined in the first quarter of 2023. Revenue went down there by 48.6% to €8.9 million, now accounting for just 0.7% of consolidated revenue.

In the non-European markets, revenue improved by 26.7% overall and thus outperformed the increase in total Group revenue. Krones recorded very high growth rates in the Americas between January and March 2023. In the South America/Mexico region, compared to the relatively weak €71.6 million in the previous year, revenue climbed by 73.2% to €124.0 million. Despite the already large increase in the previous year, revenue in North and Central America increased by 42.1% to €293.9 million. The first three months of 2023 also saw

Krones grow strongly in the Asia/Pacific region, which continues to recover from the effects of the Covid pandemic. At €157.4 million, revenue there was 53.9% higher than in the previous year (€102.3 million).

Krones' revenue in China declined in the reporting period, falling 28.5% year on year from €100.4 million to €71.8 million. However, it should be noted that revenue in China increased by 90% in the first quarter of the previous year. Business was stable in the Middle East/Africa region from January to March 2023. At €115.8 million, revenue was a slight 4.4% down on the €121.1 million prior-year figure.

Krones retained its very balanced revenue split overall in the first quarter of 2023. The company generated 44.6% of consolidated revenue in emerging markets (previous year: 46.3%). Mature industrialised countries accounted for 55.4% (previous year: 53.7%).

Krones Group revenue by region

Share of consolidated revenue	1 Jan to 31 Mar 2023		1 Jan to 31 Mar 2022		Change %
	€ million	%	€ million	%	
Germany	135.4	11.3	103.8	10.5	+30.4
Central Europe (excluding Germany)	40.8	3.4	66.3	6.7	-38.5
Western Europe	193.8	16.2	153.0	15.5	+26.7
Eastern Europe	57.1	4.8	44.6	4.5	+28.0
Russia, Central Asia (CIS)	8.9	0.7	17.3	1.8	-48.6
Middle East/Africa	115.8	9.7	121.1	12.3	-4.4
Asia-Pacific	157.4	13.1	102.3	10.4	+53.9
China	71.8	6.0	100.4	10.2	-28.5
South America/Mexico	124.0	10.3	71.6	7.3	+73.2
North and Central America	293.9	24.5	206.8	20.8	+42.1
Total	1,198.9	100.0	987.2	100.0	+21.4



Order intake and order backlog

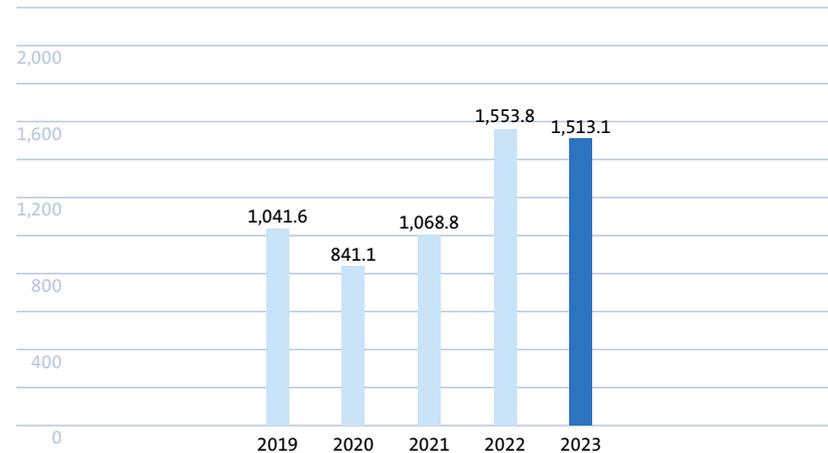
Krones records €1.51 billion order intake in first quarter

The contract value of orders once again exceeded the €1.5 billion mark in the first quarter of 2023.

Customer demand for our products and services remained very strong in the first quarter of 2023. At €1,513.1 million, the contract value of orders was only 2.6% below the extremely high level of the first quarter of 2022 (€1,553.8 million). Compared to the preceding quarter (Q4 2022: €1,183.1 million), order intake once again increased significantly between January and March 2023.

The international beverage industry continues to show a strong readiness to invest and high levels of market activity. As the international leader, Krones benefited from the good market conditions in the first quarter of 2023. Another important factor in the strong order intake was our very good standing with customers. 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.

Order intake from 1 January to 31 March (€ million)

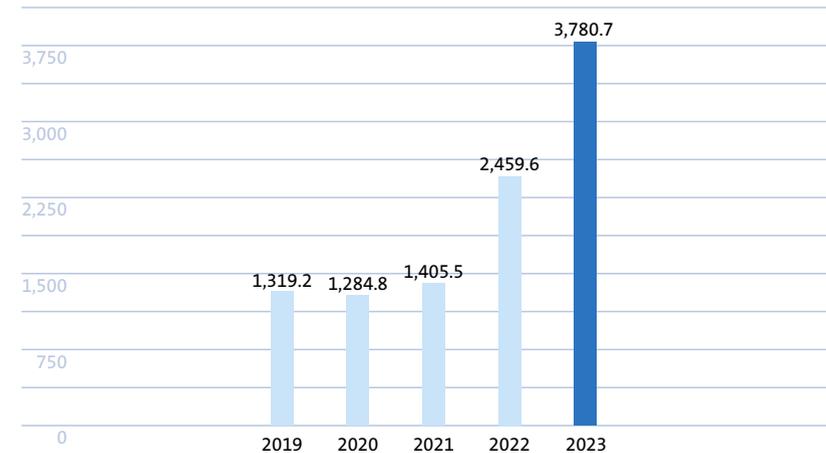


Krones' order intake increased in the first quarter of 2023 in Europe and particularly strongly in the Asia/Pacific region. The contract value of orders in South America/Mexico remained at the same high level as in the previous year. North and Central America, the Middle East/Africa region and China did not match the previous year's very high level.

Krones order backlog increased to €3.78 billion

Due to sustained strong customer demand, Krones' order backlog further increased in the first quarter of 2023, despite the high revenue. The book-to-bill ratio was 1.3. At the end of March, the company had an order backlog totalling €3,780.7 million. The order backlog was thus 53.7% up on the previous year (€2,459.6 million). Compared to the end of 2022, the increase is 9.1% or €314.3 million. The orders already on hand will have a positive impact on production capacity utilisation in the coming quarters. However, it should be noted that the limited availability of electrical components continues to restrict production and we are consequently unable to maintain full capacity utilisation. As a result of the very large order backlog, delivery lead times for our customers extend into the 2025 financial year.

Order backlog at 31 March (€ million)





Earnings

Krones generated an EBITDA margin of 9.6% in the first quarter of 2023.

Following the first quarter, Krones is on track to achieve its EBITDA margin target range of 9% to 10% for 2023.

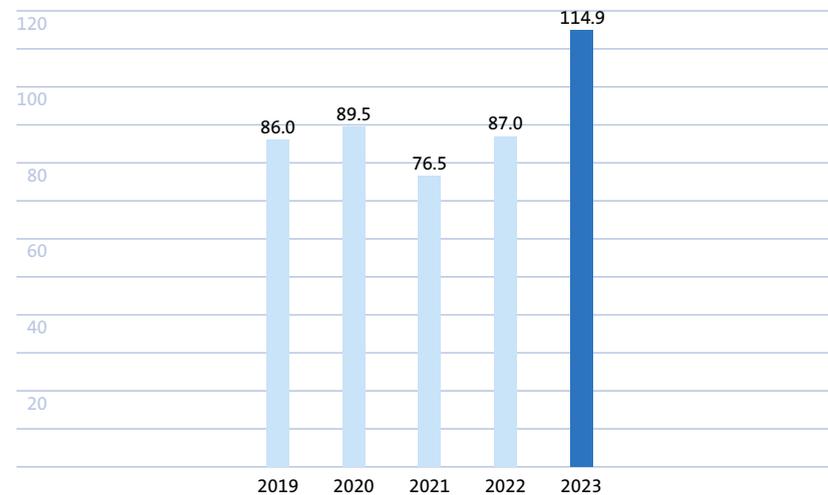
Krones continued to maintain good control of the still challenging conditions in the first quarter of 2023. Improvements in the company's efficiency and flexibility meant that, despite the limited availability of materials, production capacity was utilised to the best possible degree, although not to the full. Krones was able to offset rising material costs with price increases for its machines and lines. Overall, profitability improved significantly in the first quarter of 2023 compared to the previous year.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) went up by 32.1% year on year, from €87.0 million to €114.9 million. As a result, the

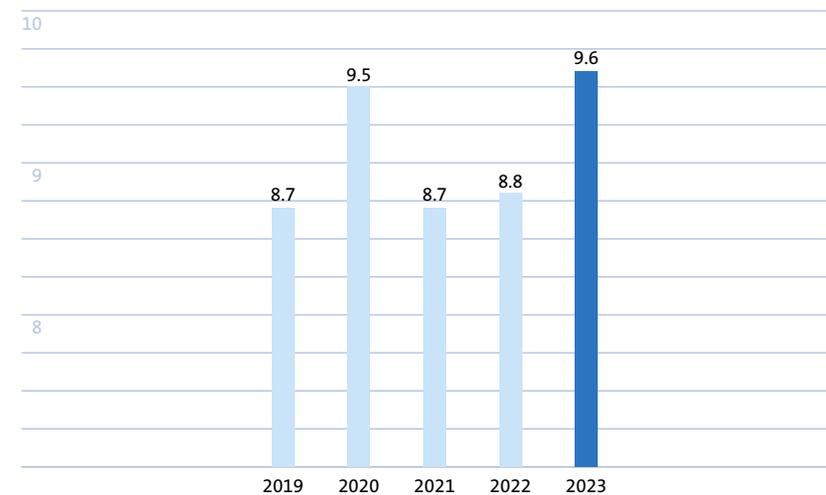
EBITDA margin increased from 8.8% in the previous year to 9.6% in the first quarter of 2023. This is within the EBITDA margin target range of 9% to 10% for the full year 2023.

Due to the only slight increase in depreciation and amortisation and the higher financial income, earnings before taxes (EBT) grew significantly more strongly than EBITDA between January and March 2023. EBT climbed by 51.7%, from €54.7 million in the previous year to €83.0 million. The EBT margin improved from 5.5% to 6.9%. On the bottom line, Krones generated consolidated net income of €63.5 million in the first quarter of 2023, up 58.4% year on year. Earnings per share climbed to €2.01 (previous year: €1.27).

EBITDA from 1 January to 31 March (€ million)



EBITDA margin from 1 January to 31 March (%)





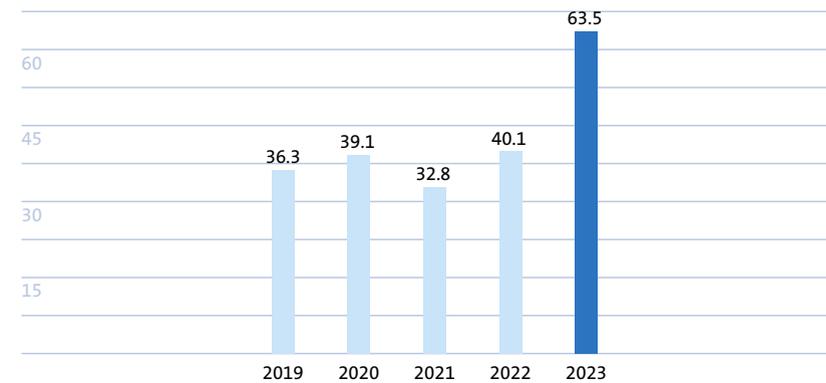
Krones Group earnings structure

€ million	2023 1 Jan – 31 Mar	2022 1 Jan – 31 Mar	Change %
Revenue	1,198.8	987.2	+21.4
Changes in inventories of finished goods and work in progress	-8.6	16.3	-
Total operating performance	1,190.2	1,003.5	+18.6
Goods and services purchased	-588.8	-486.1	+21.1
Personnel expenses	-353.8	-317.3	+11.5
Other operating income/expenses and own work capitalised	-132.7	-113.1	+17.3
EBITDA	114.9	87.0	+32.1
Depreciation and amortisation on fixed assets	-34.5	-33.1	+4.2
EBIT	80.4	53.9	+49.2
Financial income/expense	2.6	0.8	-
EBT	83.0	54.7	+51.7
Income tax	-19.5	-14.6	+33.6
Consolidated net income	63.5	40.1	+58.4

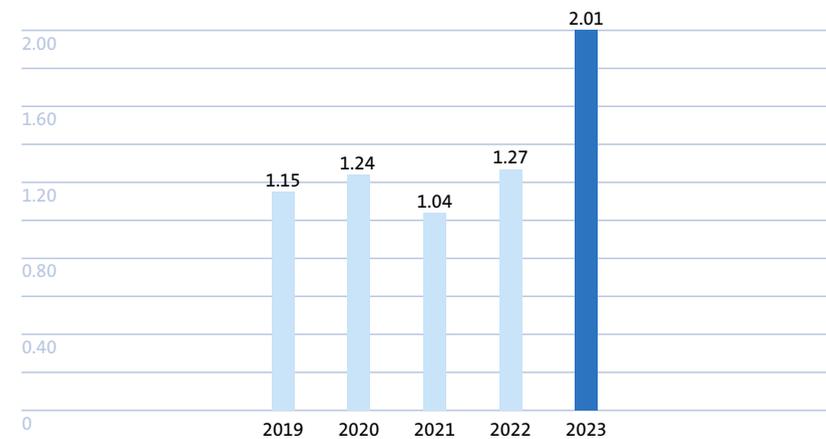
Despite higher material, freight and travel expenses, Krones significantly improved profitability in the first quarter of 2023 and generated an EBITDA margin of 9.6% (previous year: 8.8%). Earnings were not materially affected in the reporting period by exchange rates, acquisitions or divestments.

Improved production processes meant that, despite continued material shortages, Krones recorded a significant increase in revenue and total operating performance between January and March 2023 relative to the first quarter of 2022. Revenue in the first three months went up by 21.4% year on year to €1,198.8 million. Our price increases contributed to the growth. Total operating performance increased by a slightly smaller rate of 18.6% to €1,190.2 million. This is due to a reduction in finished goods and work in progress by €8.6 million in the reporting period. In the previous year, these increased by €16.3 million.

Net income from 1 January to 31 March (€ million)

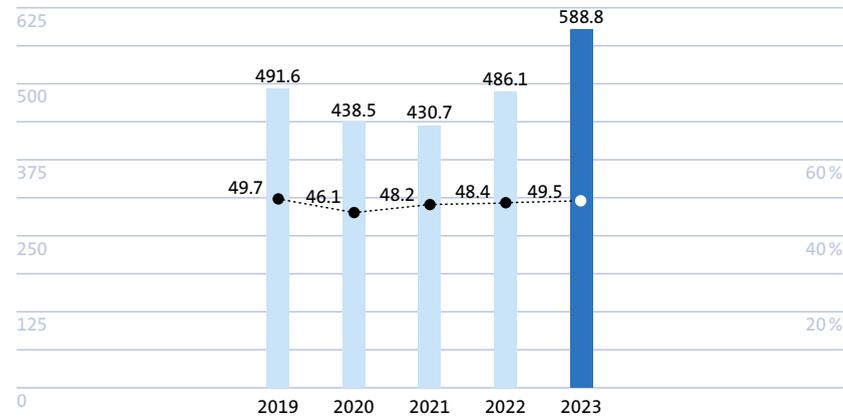


Earnings per share from 1 January to 31 March (€)





Goods and services purchased and material expense ratio from 1 January to 31 March (€ million, %)



Material expense ratio: 49.5%

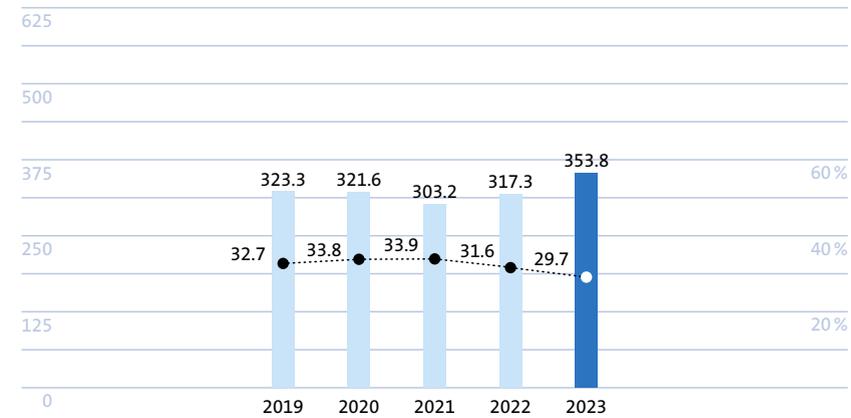
Personnel expense ratio: 29.7%

Goods and services purchased went up only slightly more strongly than total operating performance in the first quarter of 2023, increasing by 21.1% to €588.8 million. This means that, by means of sophisticated production and procurement management together with price rises, Kronos has been able to almost fully 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 49.5% in the reporting period (previous year: 48.4%) and thus slightly below the full-year figure for 2022 (49.7%).

Personnel expenses rose less strongly than total operating performance between January and March 2023, increasing by 11.5% to €353.8 million. The personnel expense ratio – the ratio of personnel expenses to total operating performance – was significantly down in the first quarter of 2023, at 29.7% (previous year: 31.6%), but on a similar level to the full year 2022 (29.8%).

Other operating expenses amounted to €185.4 million in the reporting period, a 24.9% increase on the previous year's figure of €148.4 million. This was mostly due to a significant rise in freight and travel expenses, partly because of the greater volume of business. Other operating income likewise increased, from €25.3 million to €42.4 million. Both other operating expenses and other

Personnel expenses and personnel expense ratio from 1 January to 31 March (€ million, %)



operating income were influenced by increasing currency effects, which, however, cancelled each other out. Own work capitalised was virtually stable at €10.3 million (previous year: €10.0 million). The net balance of other operating income and expenses and own work capitalised changed from –€113.1 million in the prior-year period to –€132.7 million in the first quarter of 2023. As a percentage of total operating performance, the figure remained stable at 11.1% (previous year: 11.3%).

In total, Kronos improved EBITDA (earnings before interest, taxes, depreciation and amortisation) by 32.1% in the reporting period, from €87.0 million to €114.9 million. The EBITDA margin increased from 8.8% in the previous year to 9.6%. Due to the only slightly higher depreciation and amortisation of fixed assets of €34.5 million (previous year: €33.1 million), earnings before interest and taxes (EBIT) increased more strongly than EBITDA in the first quarter of 2023, rising by 49.2% to €80.4 million. Because financial income, at €2.6 million, was better than last year (€0.8 million), earnings before taxes (EBT) increased by 51.7% in the reporting period to €83.0 million (previous year: €54.7 million). This results in an EBT margin of 6.9%, compared with 5.5% in the previous year. As the company's tax rate of 23.5% in the first quarter was lower than in the prior-year quarter (26.7%), consolidated net income improved by 58.4% to €63.5 million.



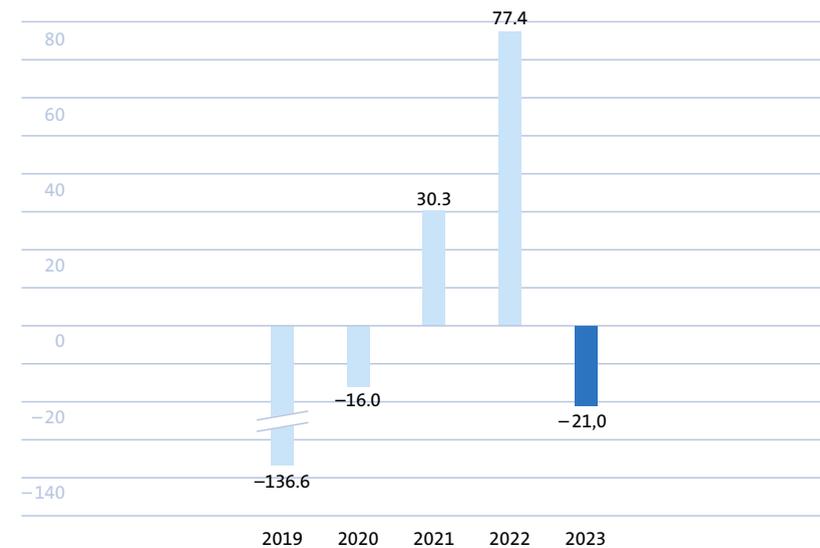
Statement of cash flows

€ million	2023 1 Jan – 31 Mar	2022 1 Jan – 31 Mar
Earnings before taxes	83.0	54.7
Other non-cash changes	+88.7	+95.9
Changes in working capital	–121.8	–48.7
Changes in other assets and liabilities	–36.2	–0.6
Cash flow from operating activities	13.7	101.3
Capital expenditure for PP&E and intangible assets	–35.2	–26.0
M&A activities	0.0	0.0
Other	+0.5	+2.1
Free cash flow	–21.0	77.4
Cash flow from financing activities	–8.8	–8.1
Other	0.0	0.0
Net change in cash and cash equivalents	–29.8	+69.3
Cash and cash equivalents at the end of the period	644.7	452.7

Mainly due to the strong increase in working capital, Krones' cash flow from operating activities declined by €87.6 million and free cash flow by €98.4 million in the first quarter of 2023.

Krones' cash flow from operating activities decreased from the high figure in the previous year by €87.6 million to €13.7 million in the first quarter of 2023. In addition to the €28.3 million increase earnings before taxes, non-cash changes also made a positive contribution to cash flow from operating activities. At €88.7 million, however, this was smaller in the reporting period than the €95.9 million recorded in the previous year. Cash flow was negatively impacted primarily by the stronger, €121.8 million increase in working capital (previous year: €48.7 million) and by changes in other assets and liabilities. These amounted to –€36.2 million (previous year: –€0.6 million).

Free cash flow from 1 January to 31 March (€ million)

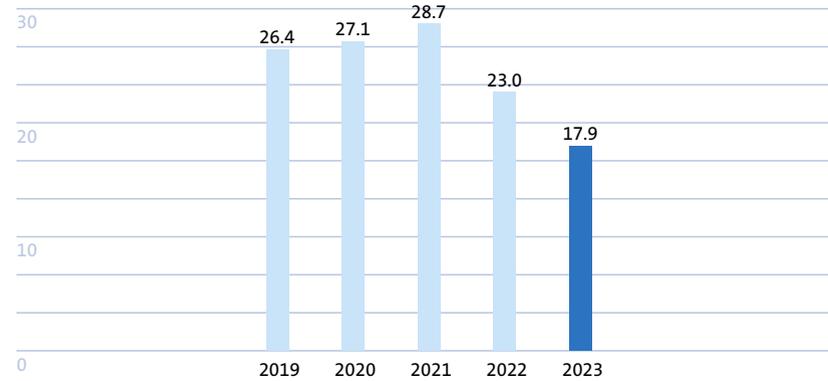


Free cash flow below the high level of the previous year

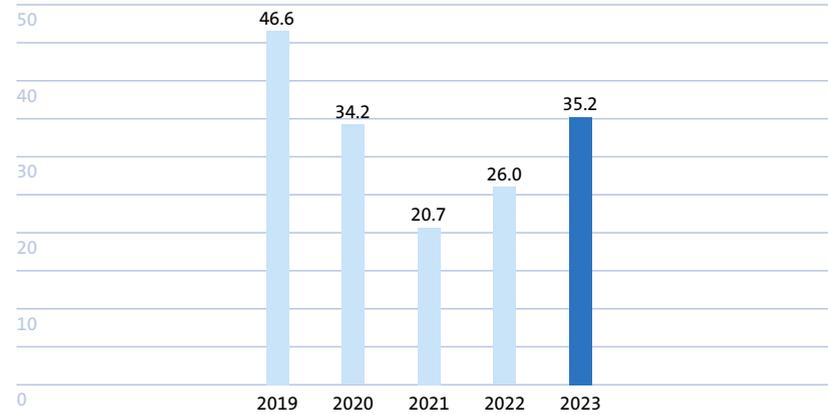
Krones invested €35.2 million in property, plant and equipment and intangible assets in the reporting period, a planned increase relative to the low figure of €26.0 million in the previous year. The level of capital expenditure was also affected by delivery-related deferrals of payments from the fourth quarter of 2022 to the first quarter of 2023. Free cash flow (net cash generated from operating activities) decreased by €98.4 million to –€21.0 million (previous year: +€77.4 million). Free cash flow is mainly influenced by the rise in working capital resulting from the increased business activity in the first quarter of 2023.



Working capital to revenue at 31 March (% average over 4 quarters)



Capital expenditure for PP&E and intangible assets from 1 January to 31 March (€ million)



With repayments of lease liabilities in the amount of €8.5 million (previous year: €8.1 million) and of bank debt in the amount of €0.3 million (previous year: €0.0 million), the company's cash outflow from financing activities totalled €8.8 million in the first quarter of 2023 (previous year: €8.1 million). Kronen had cash and cash equivalents of €644.7 million at 31 March 2023 (previous year: €452.7 million).

Working capital to revenue ratio improved to 17.9%

Average working capital improved relative to revenue in the first quarter of 2023, falling from 23.0% in the previous year to 17.9%.

Working capital increased by €121.8 million in the first three months of 2023. The sharp rise in advances received was offset by a disproportionately large increase in contract assets and higher trade receivables and inventories. There was little change in trade payables.

As a percentage of revenue, average working capital over the past four quarters improved to 17.9% in the first quarter of 2023 (previous year: 23.0%). The working capital to revenue ratio was 16.2% as of the 31 March reporting date (previous year: 20.8%).



Balance sheet structure

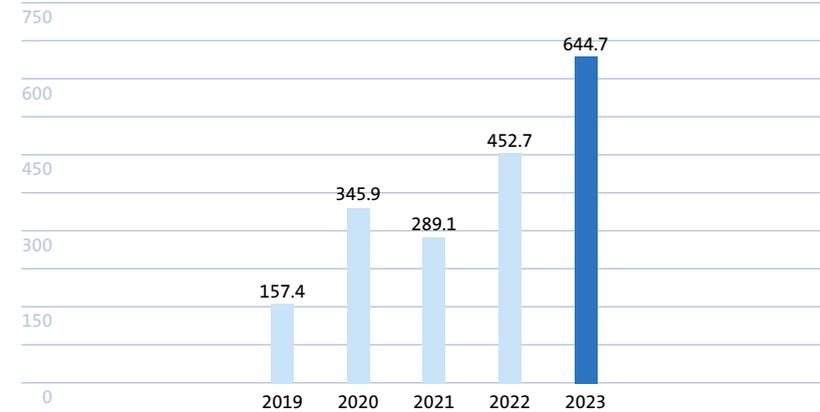
€ million	31 Mar 2023	31 Dec 2022	31 Mar 2022	31 Dec 2021
Non-current assets	1,151	1,164	1,141	1,133
of which fixed assets	1,061	1,064	997	1,001
Current assets	3,223	3,007	2,557	2,362
of which cash and equivalents	645	675	453	383
Equity	1,658	1,598	1,453	1,392
Total debt	2,716	2,573	2,245	2,103
Non-current liabilities	371	375	439	434
Current liabilities	2,345	2,198	1,806	1,669
Total	4,374	4,171	3,698	3,495

Krones' total assets rose by 4.9% in the first quarter, a significantly smaller increase than the rise in total operating performance (+18.6%).

Krones' total assets increased, due to the growth in business volume, by 4.9% in the first quarter of 2023, a smaller increase than the 18.6% rise in total operating performance. Total assets came to €4,374.5 million as of 31 March 2023 (31 December 2022: €4,171.2 million). The increase was mostly due to the rise in current assets and liabilities.

Non-current assets were virtually unchanged in the first quarter, at €1,151.1 million (31 December 2022: €1,164.2 million). The same applies to fixed assets, which stood at €1,060.8 million as of 31 March 2023 (31 December 2022: €1,064.0 million). The slight decrease in fixed assets mostly related to intangible assets, which went down from €349.3 million at the end of 2022 to €346.4 million. At €693.2 million, property, plant and equipment and right-of-use assets were at the same level at the end of the first quarter as at the 2022 year-end (€693.7 million).

Cash and cash equivalents at 31 March (€ million)



Krones' current assets showed a marked increase. Current assets came to €3,223.4 million at the end of the reporting period, a rise of 7.2% or €216.4 million on the figure as of 31 December 2022. The main reason for this was the marked increase in contract assets by €179.8 million to €907.4 million. This was mainly due to a larger volume of work in progress. Trade receivables and inventories increased less strongly. In the first quarter of 2023, trade receivables went up by €12.8 million to €833.1 million and inventories by €13.2 million to €602.6 million. Due to the negative free cash flow in the first quarter of 2023, Krones' cash and cash equivalents decreased in the reporting period from €674.5 million to €644.7 million.

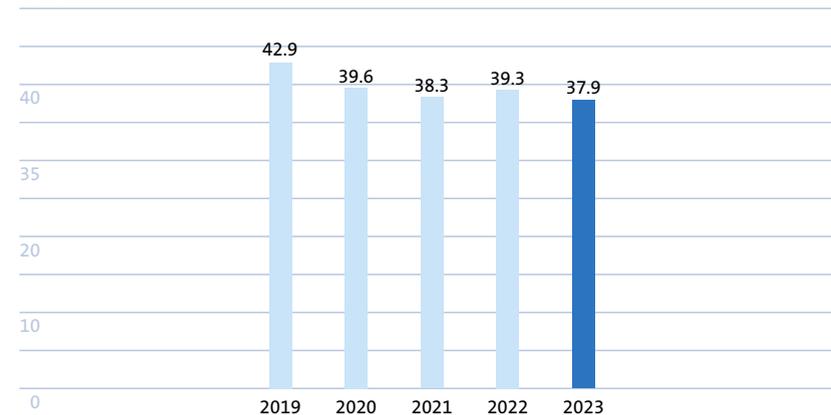


Net cash and cash equivalents:
€640.0 million
Equity ratio:
37.9%

Current liabilities increased between January and March 2023, rising by 6.7% or €146.7 million to €2,345.0 million. This was primarily due to a €121.6 million rise in contract liabilities to €1,023.0 million (31 December 2022: €901.4 million). These mainly reflect higher prepayments from customers. Other liabilities and provisions went up due to the larger business volume, increasing to €423.5 million (31 December 2022: €391.9 million). Kronos reduced trade payables in the reporting period by €19.9 million to €664.3 million. As of the end of March 2023, the company had current bank debt totalling €1.2 million (31 December 2022: €0.0 million).

Non-current liabilities were virtually unchanged at €371.1 million as of 31 March 2023 (31 December 2022: €374.8 million). There were likewise only minor changes within this category relative to the 2022 year-end. The largest item, provisions for pensions, thus changed only minimally to €166.1 million (31 December 2022: €166.6 million). Other financial liabilities and lease liabilities went down €5.3 million to €103.6 million. The company had €3.5 million in non-current bank debt at the end of the quarter (31 December 2022: €5.0 million).

Equity ratio at 31 March (%)



There were no material exchange rate, acquisition or divestment effects in the reporting period on any assets side or equity and liabilities side items of the statement of financial position.

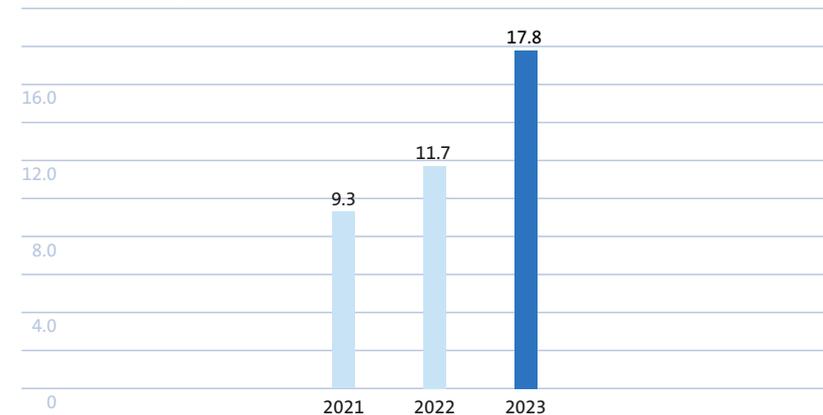
Equity and ROCE increased in first quarter of 2023

Due to the positive consolidated net income for the quarter, equity increased by 3.8% relative to the 2022 reporting date to €1,658.4 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 37.9% as of 31 March 2023 (31 December 2022: 38.3%). With net cash (cash and cash equivalents less bank debt) of €640.0 million at the end of the reporting period, Kronos continues to have a very stable and solid financial and capital structure. In addition, the group had approximately €870 million in unused lines of credit as of 31 March 2023.

The solid 37.9% equity ratio and €640.0 million in net cash give Kronos the stability needed in the current volatile economic environment.

Kronos significantly improved return on capital employed (ROCE) – the ratio of EBIT to average net capital employed over the last four quarters – to 17.8% in the reporting period (previous year: 11.7%), mainly as a result of the higher EBIT.

ROCE from 1 January to 31 March (%)





Report from the segments

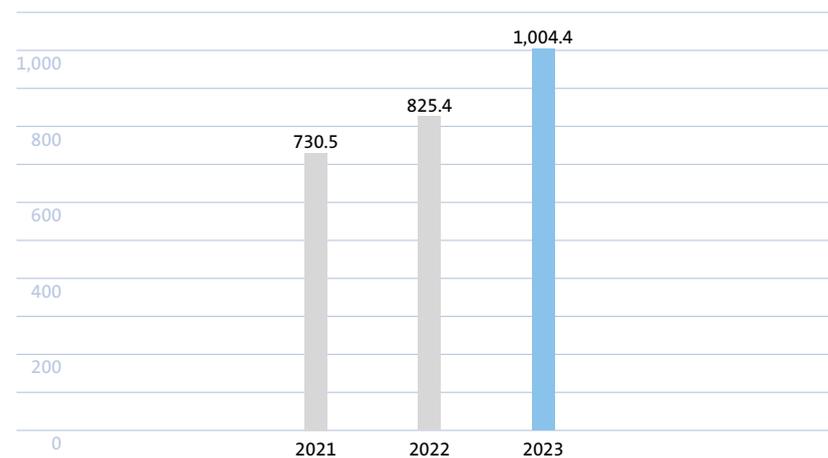
Filling and Packaging Technology

Segment revenue

Core segment revenue grew by a strong 21.7% in the first quarter of 2023. In the second half-year, growth is expected to slow due to the base effect.

From January to March 2023, revenue in Filling and Packaging Technology increased by 21.7% year on year, from €825.4 million to €1,004.4 million. As a result of successful production and procurement management, Krones maintained good but not full production capacity utilisation despite the shortage of electronic components. Our price increases also supported growth in the reporting period. In the second half of 2023 especially, growth is expected to slow due to the base effect. Due to the very high order intake in recent quarters, revenue from sales of new machinery increased more strongly in the reporting period than revenue in the after-sales business. The core segment's share of consolidated revenue in the first quarter of 2023 was 83.8% (previous year: 83.6%).

Segment revenue (€ million) from 1 January to 31 March



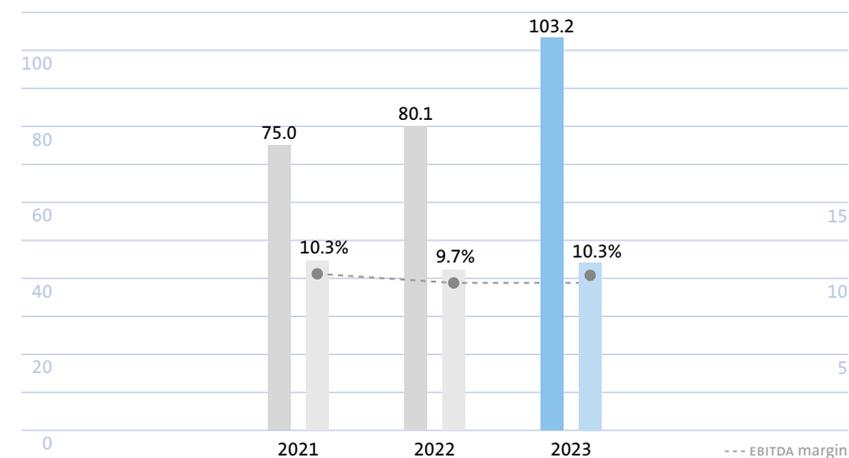
Segment earnings

The profitability of the Filling and Packaging Technology segment benefited in the first quarter of 2023 from the more efficient production capacity utilisation compared to the previous year and from the resulting revenue growth. In addition, Krones has been able to offset material price increases with higher product prices.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) from January to March improved by a significant 28.8% year on year, from €80.1 million to €103.2 million. As a result, the EBITDA margin in the core segment rose to 10.3% (previous year: 9.7%). The target range for the margin in the full year 2023 is 9% to 11%.

Efficiency improvements had a positive effect on the core segment's profitability. The EBITDA margin improved to 10.3% in the first quarter of 2023 (previous year: 9.7%).

Segment EBITDA (€ million) and EBITDA margin (%) from 1 January to 31 March





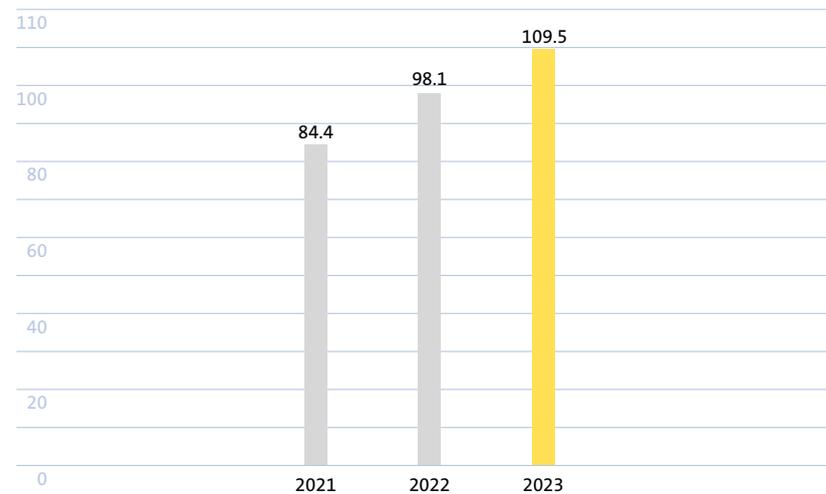
Process Technology

Segment revenue

Revenue in the Process Technology segment increased by 11.6% in the reporting period. Krones expects growth of 15% to 20% in the full year.

Following strong growth in 2022 (by 23.9%), Process Technology made a moderate start to the new financial year. Segment revenue increased less strongly in the first quarter of 2023 than consolidated revenue, rising 11.6% from €98.1 million in the previous year to €109.5 million. Fluctuations during the course of the year are not unusual in project-based business. For the full year 2023, Krones continues to expect revenue growth in Process Technology of 15% to 20% (before acquisitions). The segment's share of consolidated revenue in the first three months decreased from 9.9% a year earlier to 9.1%.

Segment revenue (€ million) from 1 January to 31 March



Segment earnings

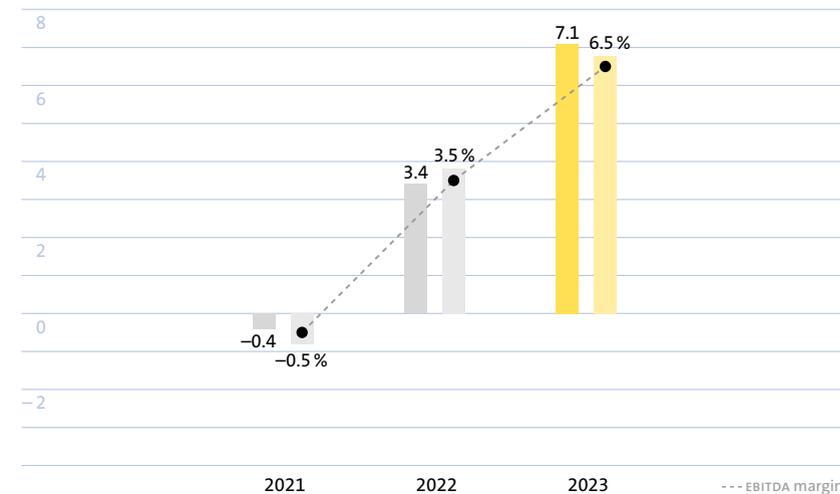
The profitability of the Process Technology segment improved significantly in January to March 2023.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) went up from €3.4 million to

€7.1 million. The increased profitability reflects the success of the implemented strategic measures. In addition to spinning off the brewery business into a separate company and adapting the processes to the project business, the strategic strengthening of the components business has also delivered lasting benefits. The segment generated an EBITDA margin of 6.5% in the first quarter of 2023 (previous year: 3.5%). This is within the guidance range of 6% to 7% for the full year.

The segment's EBITDA margin improved substantially from 3.5% in the previous year to 6.5% in the reporting period.

Segment EBITDA (€ million) and EBITDA margin (%) from 1 January to 31 March





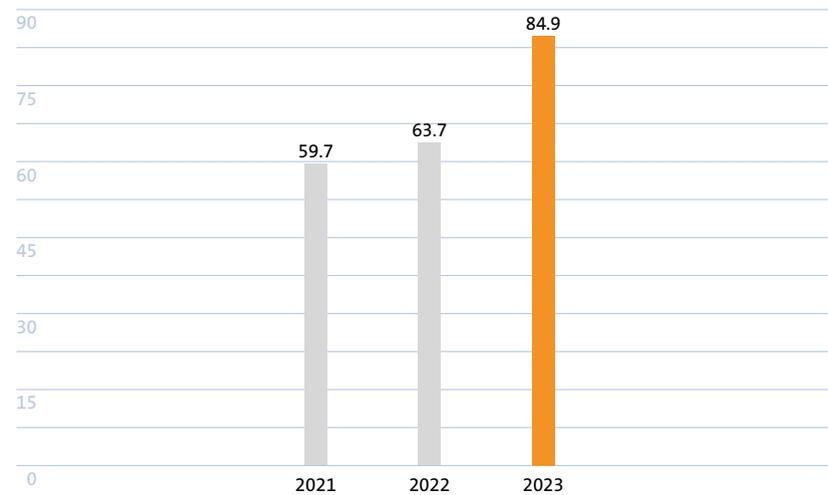
Intralogistics

Segment revenue

Revenue in the Intralogistics segment went up in the first three months of 2023 by a substantial 33.3% year on year to €84.9 million.

The Intralogistics segment started the 2023 financial year with strong revenue growth. Revenue from January to March showed a year-on-year increase of 33.3%, from €63.7 million to €84.9 million. However, the relatively low previous year's level must be taken into account here. For the full year, we expect revenue to increase by 10% to 15% compared to 2022. Krones is benefiting in the Intralogistics segment from sustained growth in demand for innovative automation solutions. This was also one of the growth drivers in the first quarter of 2023. Intralogistics contributed 7.1% to consolidated revenue in the reporting period (previous year: 6.5%).

Segment revenue (€ million) from 1 January to 31 March

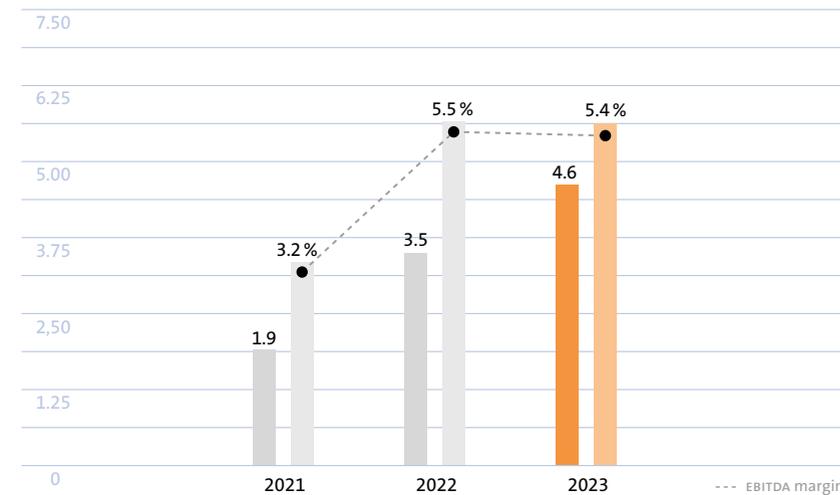


Segment earnings

The profitability of the Intralogistics segment was stable in the first quarter of 2023. Earnings before interest, taxes, depreciation and amortisation (EBITDA) improved broadly in line with revenue, rising 31.4% from €3.5 million to €4.6 million. The EBITDA margin was 5.4%, slightly below the prior-year figure of 5.5%. Due to seasonal effects, earnings in Intralogistics are usually higher in the second half of the year than in the first two quarters. Overall, the segment laid a good basis in the reporting period for achieving the EBITDA margin target of 6% to 7% for the full year 2023.

Intralogistics generated an EBITDA margin of 5.4% in the first quarter of 2023 (previous year: 5.5%).

Segment EBITDA (€ million) and EBITDA margin (%) from 1 January to 31 March

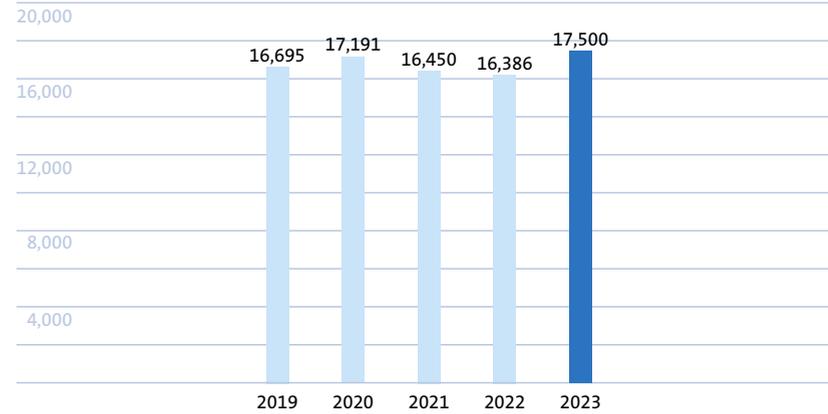




Employees

Employees in
Germany: 10,217
Employees outside
Germany: 7,283

Workforce at 31 March



Krones employs 17,500 people worldwide

The size of the workforce at Krones increased in the reporting period. This reflects the dynamic recovery of our markets. Most of the increase was in the international workforce.

Krones' workforce has increased by 1,114 people year on year to 17,500 as of March 31, 2023. The focus of the increase was in service and IT personnel and at our plant in Hungary. Compared to 31 December 2022, the number of employees worldwide went up by 336. Most of the increase over the first

three months of 2023 was in the international workforce, which grew by 249 to 7,283 (December 31, 2022: 7,034). The number of people employed in Germany rose to 10,217 (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 31 March 2023, the Krones Group had 308 young people in training (previous year: 390).



Report on **expected developments**

Krones confirms full-year financial targets for 2023

Krones has made a very good start to the 2023 financial year, ending the first quarter with significant year-on-year increases in revenue and earnings. The order backlog has further increased due to the high order intake in the first three months of 2023. Our markets continued their stable growth, which is hardly affected by economic cycles. At the same time, the business environment remains challenging for Krones due to various uncertainties that could affect Krones' business processes and production. These include geopolitical risks in Europe and other parts of the world, and also high inflation and interest rates in many countries. Material shortages and problems in global supply chains likewise remain a source of uncertainty. We expect that the situation on the procurement markets relevant to Krones, especially for electronic components, may ease slightly only in the second half of 2023.

Based on the prevailing macroeconomic outlook and the current expected development of the markets relevant to Krones, and after the very good first quarter, we are confident of achieving our financial targets for 2023.

Krones Group		
	Guidance for 2023	Q1 2023 actual
Revenue growth	8 – 11 %	21.4 %
EBITDA margin	9 – 10 %	9.6 %
ROCE	15 – 17 %	17.8 %

We expect consolidated revenue growth of 8% to 11%. With increasing revenue, continued implementation of the cost optimisation measures and the effects of our price rises, with which we will offset future cost increases, Krones aims to further improve profitability. At group level for 2023, the company forecasts an EBITDA margin of 9% to 10%. For the third performance target, return on capital employed (ROCE), Krones expects an increase this year to between 15% and 17%.

The forecast for Krones' individual segments also remains unchanged and is as follows:

Segment Filling and Packaging Technology

	Guidance for 2023	Q1 2023 actual
Revenue growth	7 – 9 %	21.7 %
EBITDA margin	9 – 11 %	10.3 %

Segment Process Technology

	Guidance for 2023	Q1 2023 actual
Revenue growth	15 – 20 %	11.6 %
EBITDA margin	6 – 7 %	6.5 %

Segment Intralogistics

	Guidance for 2023	Q1 2023 actual
Revenue growth	10 – 15 %	33.3 %
EBITDA margin	6 – 7 %	5.4 %



3

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

Condensed consolidated statement of profit or loss	25
Condensed consolidated statement of financial position.....	26
Condensed consolidated statement of cash flows.....	28
Consolidated segment reporting.....	29



Condensed consolidated **statement of profit or loss**

€ million	2023	2022	Change %
	1 Jan – 31 Mar	1 Jan – 31 Mar	
Revenue	1,198.8	987.2	+21.4
Changes in inventories of finished goods and work in progress	-8.6	16.3	
Total operating performance	1,190.2	1,003.5	+18.6
Other own work capitalised	10.3	10.0	+3.0
Other operating income	42.4	25.3	+67.6
Goods and services purchased	-588.8	-486.1	+21.1
Personnel expenses	-353.8	-317.3	+11.5
Other operating expenses	-185.4	-148.4	+24.9
EBITDA	114.9	87.0	+32.1
Depreciation and amortisation of fixed assets	-34.5	-33.1	+4.2
EBIT	80.4	53.9	+49.2
Financial income/expense	2.6	0.8	
Profit or loss shares attributable to associates that are accounted for using the equity method	0.0	0.0	
Earnings before taxes	83.0	54.7	+51.7
Income tax	-19.5	-14.6	+33.6
Consolidated net income	63.5	40.1	+58.4
Profit share of non-controlling interests	0.0	0.0	
Profit share of Krones Group shareholders	63.5	40.1	
Earnings per share (diluted/basic) in €	2.01	1.27	

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

€ million	31 Mar 2023	31 Dec 2022
Intangible assets	346.4	349.3
Property, plant and equipment and right-of-use assets	693.2	693.7
Non-current financial assets	18.8	18.6
Investment accounted for using the equity method	2.4	2.4
Fixed assets	1,060.8	1,064.0
Deferred tax assets	58.6	59.9
Trade receivables	22.6	27.0
Income tax receivables	2.5	2.0
Other assets	6.6	11.3
Non-current assets	1,151.1	1,164.2
Inventories	602.6	589.4
Trade receivables	833.1	820.3
Contract assets	907.4	727.6
Income tax receivables	4.9	5.2
Other assets	230.7	190.0
Cash and cash equivalents	644.7	674.5
Current assets	3,223.4	3,007.0
Total	4,374.5	4,171.2

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

€ million	31 Mar 2023	31 Dec 2022
Equity	1,658.4	1,598.1
Provisions for pensions	166.1	166.6
Deferred tax liabilities	10.4	5.0
Other provisions	79.1	80.3
Tax liabilities	4.7	4.8
Liabilities to banks	3.5	5.0
Other financial obligations and lease liabilities	103.6	108.9
Other liabilities	3.7	4.2
Non-current liabilities	371.1	374.8
Other provisions	159.6	162.0
Liabilities to banks	1.2	0.0
Contract liabilities	1,023.0	901.4
Trade payables	664.3	684.2
Tax liabilities	27.5	20.1
Other financial obligations and lease liabilities	45.9	38.7
Other liabilities and accruals	423.5	391.9
Current liabilities	2,345.0	2,198.3
Total	4,374.5	4,171.2



Condensed consolidated statement of cash flows

€ million	2023	2022
	1 Jan – 31 Mar	1 Jan – 31 Mar
Earnings before taxes	83.0	54.7
Depreciation, amortisation and impairments	34.5	33.1
Increase in provisions and accruals	41.2	63.8
Interest and similar expenses and income	-2.7	-0.6
Gains and losses from the disposal of fixed assets	-0.9	-0.2
Other non-cash expenses and income	16.6	-0.2
Increase in inventories, trade receivables, contract assets, and other assets not attributable to investing or financing activities	-251.1	-138.0
Increase in trade payables, contract liabilities and other liabilities not attributable to investing or financing activities	103.2	94.5
Cash generated from operating activities	23.8	107.1
Interest paid	-0.9	-0.5
Income tax paid and refunds received	-9.2	-5.3
Cash flow from operating activities	13.7	101.3
Cash payments to acquire intangible assets	-11.0	-12.8
Cash payments to acquire property, plant and equipment	-24.2	-13.2
Proceeds from the disposal of property, plant and equipment	1.1	0.4
Cash payments to acquire non-current financial assets and time deposits	-5.1	-0.4
Proceeds from the disposal of non-current financial assets and time deposits	0.0	7.1
Deferred purchase price payment for business acquisitions from prior periods	0.0	-7.0
Interest received	4.5	2.0
Cash flow from investing activities	-34.7	-23.9
Cash payments to service debt	-0.3	0.0
Cash payments for the repayment of lease liabilities	-8.5	-8.1
Cash flow from financing activities	-8.8	-8.1
Net change in cash and cash equivalents	-29.8	69.3
Cash and cash equivalents at the beginning of the period	674.5	383.4
Cash and cash equivalents at the end of the period	644.7	452.7

Consolidated **segment reporting**

	Filling and Packaging Technology		Process Technology		Intralogistics		Krones Group	
	2023	2022	2023	2022	2023	2022	2023	2022
	1 Jan–31 Mar	1 Jan–31 Mar	1 Jan–31 Mar	1 Jan–31 Mar	1 Jan–31 Mar	1 Jan–31 Mar	1 Jan–31 Mar	1 Jan–31 Mar
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Revenue	1,004.4	825.4	109.5	98.1	84.9	63.7	1,198.8	987.2
EBITDA	103.2	80.1	7.1	3.4	4.6	3.5	114.9	87.0
EBITDA margin	10.3%	9.7%	6.5%	3.5%	5.4%	5.5%	9.6%	8.8%



4

OTHER INFORMATION

Members of the Supervisory Board and the Executive Board	31
Publication information and financial calendar	32
Contact.....	32





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

Nora Diepold

Chief Executive Officer
nk Immobilienverwaltungs GmbH,
Regensburg

Robert Friedmann

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

Oliver Grober**

Deputy Chairman of the Employees'
Council, Rosenheim

Thomas Hiltl**

Chairman of the Employees'
Council, Nittenau

Markus Hüttner**

Deputy Group Employees'
Council Chairman
Deputy Composite Employees'
Council Chairman
Deputy Employees' Council
Chairman, Neutraubling

Professor Dr. jur. Susanne Nonnast

Professor at Ostbayerische
Technische Hochschule (OTH)
Regensburg

Dr. Verena Di Pasquale**

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

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

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

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.



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This English language report is a translation of the original German Krones Quarterly statement for the period from 1 January to 31 March 2023 (Quartalsmitteilung für den Zeitraum vom 1. Januar bis 31. März 2023).

In case of discrepancies the German text shall prevail.

You can find the Quarterly statement in the Investor Relations section at <https://www.krones.com/de/unternehmen/investor-relations/finanzberichte.php>

Financial calendar

23 May 2023	Annual general meeting 2023
1 August 2023	Interim report for the period ended 30 June 2023
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