

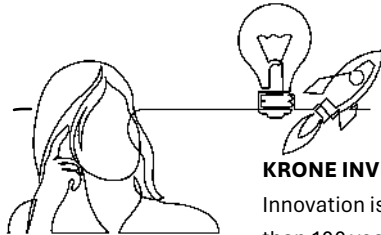
An aerial photograph of a lush green field with distinct rows of crops. A small green tractor is visible in the upper middle section, and a white semi-truck is parked on a paved road that curves through the field. The overall scene is vibrant and agricultural.

KRONE



2022/2023

KRONE. FOR MORE OF TOMORROW. ←

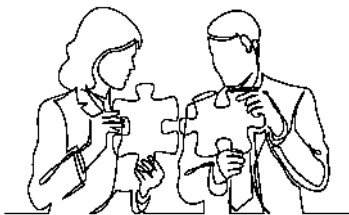
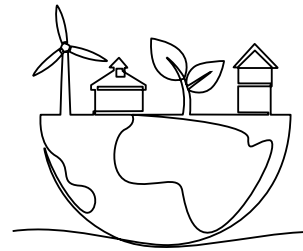


KRONE INVENTS.

Innovation is part of the Krone DNA. It's been that way for more than 100 years. During this period, we have consistently striven for efficiency and customer satisfaction. Our strength stems from mutually respectful way in which we treat our partners and from our ability to think outside the box.

KRONE ACTS RESPONSIBLY.

We take responsibility – for the work we do, for the Krone Group, for the environment in which we operate. Our customers, society and everyone in the Krone community can rely on this level of dedication at all times.



KRONE WORKS EFFICIENTLY.

By our actions, we aim to create a demonstrable and sustainable benefit – for our company and for society in general. We take great care to use resources responsibly in order to protect future generations. Efficiency allows flexibility to try new things.

KRONE LIVES AND BREATHES COMMUNITY.

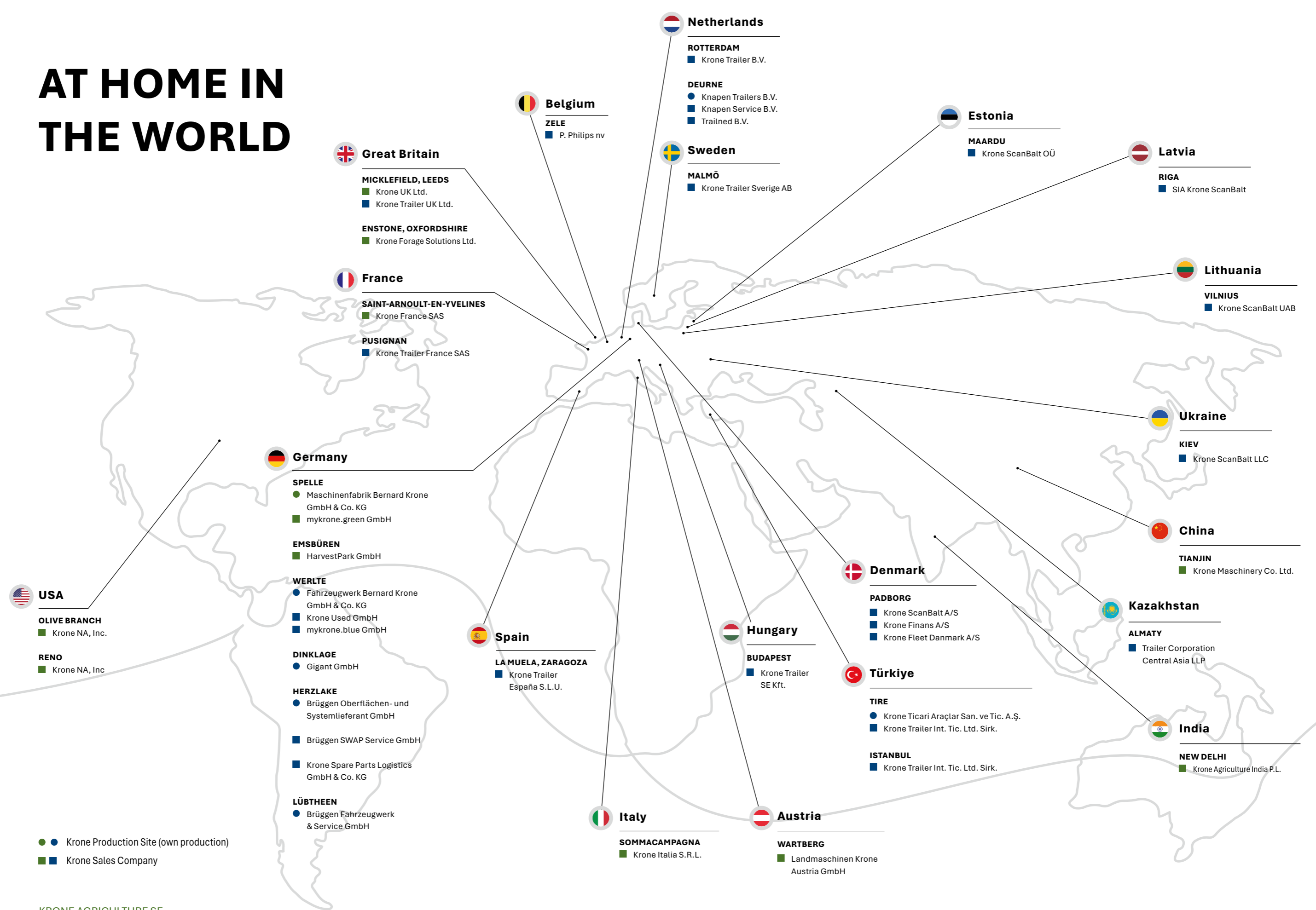
We treat each other with mutual appreciation and respect. The employees of the Krone Group are a community. We all work together - for our shared success and for the success of our customers.



KRONE IS CLOSE TO CUSTOMERS.

We understand our customers - their business model, their environment, their customers and markets as well as the social changes that determine our joint success. Customers are at the center of our activities. →

AT HOME IN THE WORLD



Netherlands
ROTTERDAM
 ■ Krone Trailer B.V.

DEURNE
 ● Knapen Trailers B.V.
 ■ Knapen Service B.V.
 ■ Trailned B.V.

Sweden
MALMÖ
 ■ Krone Trailer Sverige AB

Estonia
MAARDU
 ■ Krone ScanBalt OÜ

Latvia
RIGA
 ■ SIA Krone ScanBalt

Great Britain
MICKLEFIELD, LEEDS
 ■ Krone UK Ltd.
 ■ Krone Trailer UK Ltd.
ENSTONE, OXFORDSHIRE
 ■ Krone Forage Solutions Ltd.

France
SAINT-ARNOULT-EN-YVELINES
 ■ Krone France SAS
PUSIGNAN
 ■ Krone Trailer France SAS

Lithuania
VILNIUS
 ■ Krone ScanBalt UAB

Germany
SPELLE
 ● Maschinenfabrik Bernard Krone GmbH & Co. KG
 ■ mykrone.green GmbH
EMSBÜREN
 ■ HarvestPark GmbH

Ukraine
KIEV
 ■ Krone ScanBalt LLC

USA
OLIVE BRANCH
 ■ Krone NA, Inc.
RENO
 ■ Krone NA, Inc

China
TIANJIN
 ■ Krone Maschinery Co. Ltd.

WERLTE
 ● Fahrzeugwerk Bernard Krone GmbH & Co. KG
 ■ Krone Used GmbH
 ■ mykrone.blue GmbH

Denmark
PADBORG
 ■ Krone ScanBalt A/S
 ■ Krone Finans A/S
 ■ Krone Fleet Danmark A/S

Kazakhstan
ALMATY
 ■ Trailer Corporation Central Asia LLP

Spain
LA MUELA, ZARAGOZA
 ■ Krone Trailer España S.L.U.

Hungary
BUDAPEST
 ■ Krone Trailer SE Kft.

Türkiye
TIRE
 ● Krone Ticari Araçlar San. ve Tic. A.Ş.
 ■ Krone Trailer Int. Tic. Ltd. Sirk.

DINKLAGE
 ● Gigant GmbH
HERZLAKE
 ● Brüggen Oberflächen- und Systemlieferant GmbH
 ■ Brüggen SWAP Service GmbH
 ■ Krone Spare Parts Logistics GmbH & Co. KG

ISTANBUL
 ■ Krone Trailer Int. Tic. Ltd. Sirk.

India
NEW DELHI
 ■ Krone Agriculture India P.L.

Italy
SOMMACAMPAGNA
 ■ Krone Italia S.R.L.

Austria
WARTBERG
 ■ Landmaschinen Krone Austria GmbH

● ● Krone Production Site (own production)
 ■ ■ Krone Sales Company

KRONE BIG PICTURE.



The Krone Group BIG PICTURE illustrates the complexity of our distinguished family business. It is a testament to our identity and our vision for the future. It provides a window into the diverse sectors we thrive in, from agricultural machinery and commercial vehicles to the myriad of services and interests that span our portfolio.

Each operation, in production or administration, at every location is a vital building block for our joint success. The BIG PICTURE framed by our values and strategic guidelines, highlights the challenges faced by Krone but more importantly, it showcases the culture and relationships we've built to overcome them. Share your thoughts – Your insights will help to shape Krone's future.

FOREWORD

Despite complex challenges, investments in technologies and people are possible - thanks to the strong financial year 2022/2023 and solid financial planning.



Dear customers, business partners and employees,

the last year was the strongest in our history in terms of sales for the agricultural machinery and commercial vehicle divisions, thanks to your trust and the commitment of our teams. By dedication and support, we were able to drive innovative, sustainable solutions internationally.

In the field of agricultural machinery, we have set milestones with strategic investments, for example in our new spare parts center in Spelle and in robot-assisted production. The new intensity of automation in the commercial vehicles group guarantees efficiency and quality. Smart trailers from Krone are more in demand than ever.

This success story demonstrates the strength of our family business, which, despite all adversities, always invests in future technologies in order to meet the current and future challenges of our customers. In times of global uncertainty and technological change, flexibility is crucial.

As the fourth generation, we continue to run the company with reliability and stability. We would like to thank everyone for their support on our path of innovation.

Sincerely - Yours

A handwritten signature in blue ink that reads "Bernard Krone". The signature is written in a cursive, flowing style.

Bernard Krone
Chairman of the Supervisory Board of
Bernard Krone Holding SE & Co. KG



EFFICIENTLY

„At Krone, we focus on efficiency and innovation. In combination with state-of-the-art robotics, we are already achieving a level of precision that will enable us to shape the future of production.“

Dr. Stefan Binnewies - COO

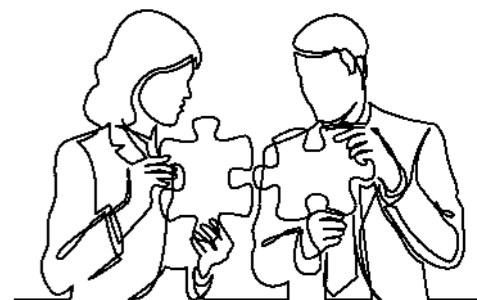
KRONE WORKS EFFICIENTLY.

At our production sites, we already combine a high degree of automation with human potential to create new, challenging work opportunities.

The plants of the commercial vehicles segment are characterized by efficient production lines, a high degree of automation and state-of-the-art coating systems. In production, this automation has constantly contributed to the optimization of the manufacturing process and further increase the quality of the products manufactured. Robots and connected machines are increasingly taking over repetitive tasks, relieving employees and allowing them to focus their energy on more demanding tasks.

We also benefit from automation in the area of logistics. The use of automated storage and transport systems, optimizes the material flow and enables precise monitoring and the management of inventory. This leads to a reduction in storage costs and an accelerated supply chain, which in turn increases customer satisfaction.

Our employees are actively involved in the implementation process. They have the opportunity to receive further training to keep up with the constantly evolving technologies. We invest in training and qualification programs to ensure that the workforce develops the necessary skills to work with automated systems.



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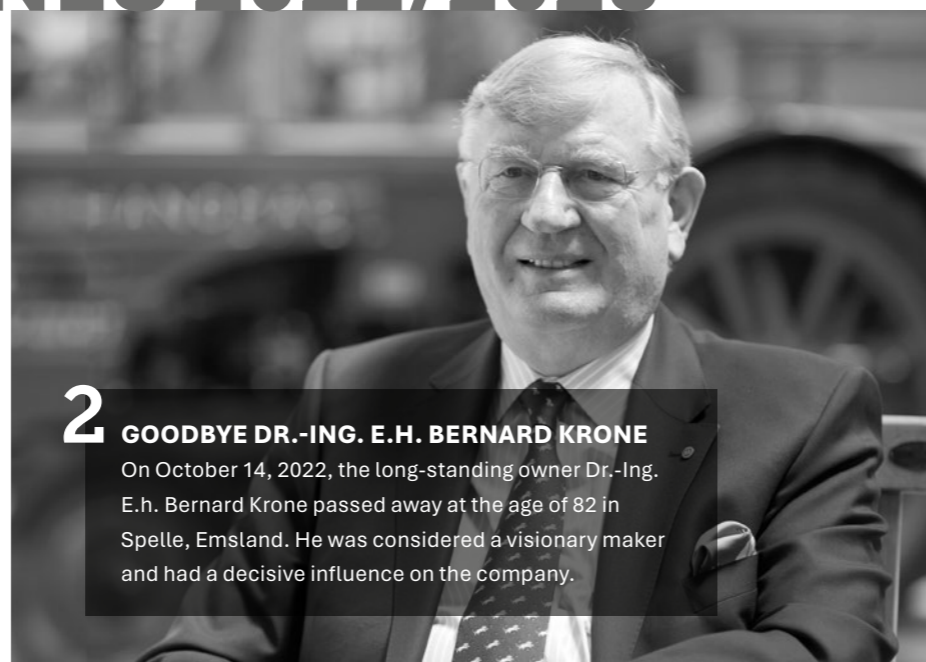
40 | **5 YEAR
OVERVIEW**
Our development
over the last
5 financial years

MILESTONES 2022/2023



1 MISSION FUTURE

With regard to the megatrends „digitalization, automation, sustainability, electrification“, Krone presented its new sustainability strategy at the IAA 2022. The aim is to reduce emissions with technologically sustainable trailers.



2 GOODBYE DR.-ING. E.H. BERNARD KRONE

On October 14, 2022, the long-standing owner Dr.-Ing. E.h. Bernard Krone passed away at the age of 82 in Spelle, Emsland. He was considered a visionary maker and had a decisive influence on the company.



3 KRONE FAMILY DAY 2023

In June, employees at the Spelle location had the opportunity to show their families around the plant and the customer center. In hot summer weather, there was a wide-ranging entertainment program, especially for the many children.



4 TOGETHER FOR AUTOMATED LOGISTICS

Krone and Fernride, the innovation leader for teleoperated transport solutions, have agreed a strategic partnership to significantly advance the automation of logistics and transport solutions, especially in the trailer sector.



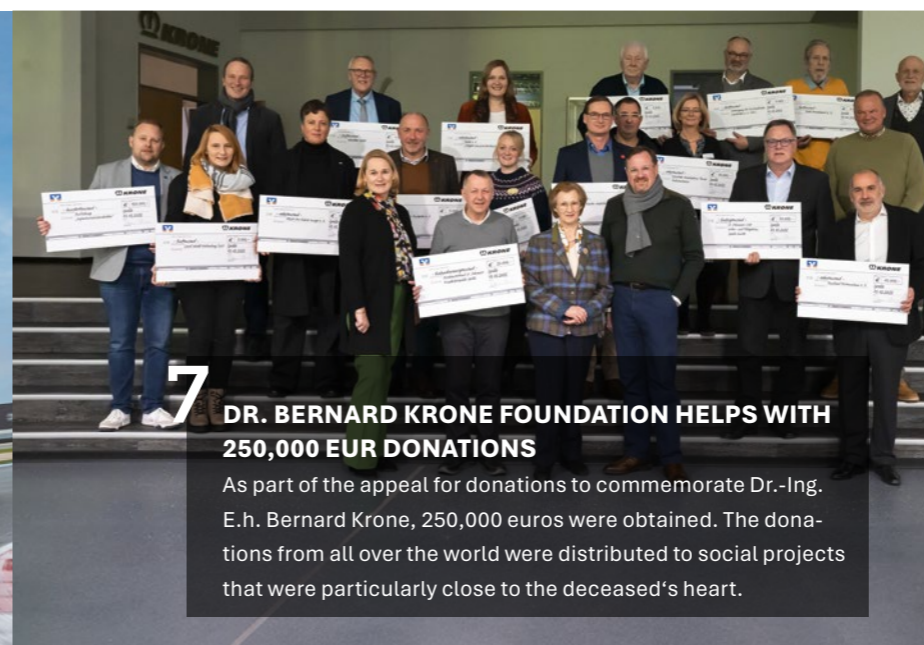
5 UNIVERSAL TRANSPORT WAGON GX

The new transport wagon with rigid side walls and hydraulically telescoping loading space extension has met with great customer demand from the arable and vegetable farming sectors.



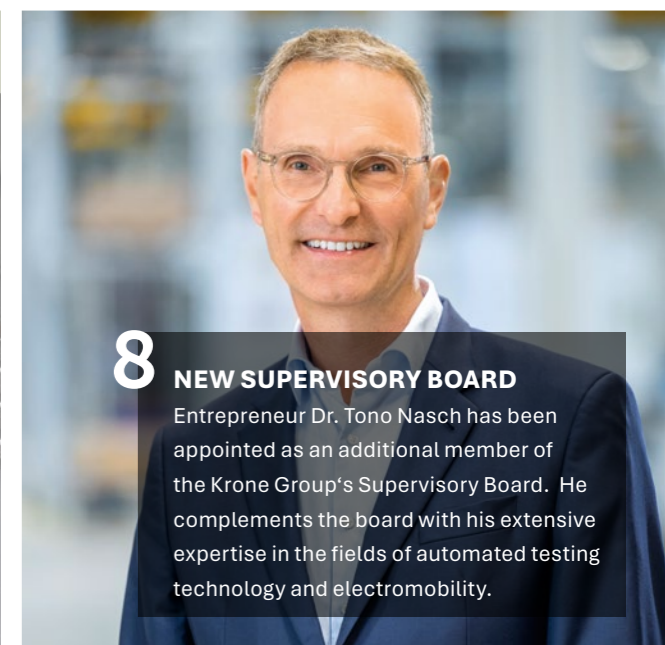
6 RECORD RUN

On various race tracks of the FIA European Truck Racing Championship, the revolutionary eTrailer demonstrated that sustainability is not only the commandment of the hour, but can also be highly emotional.



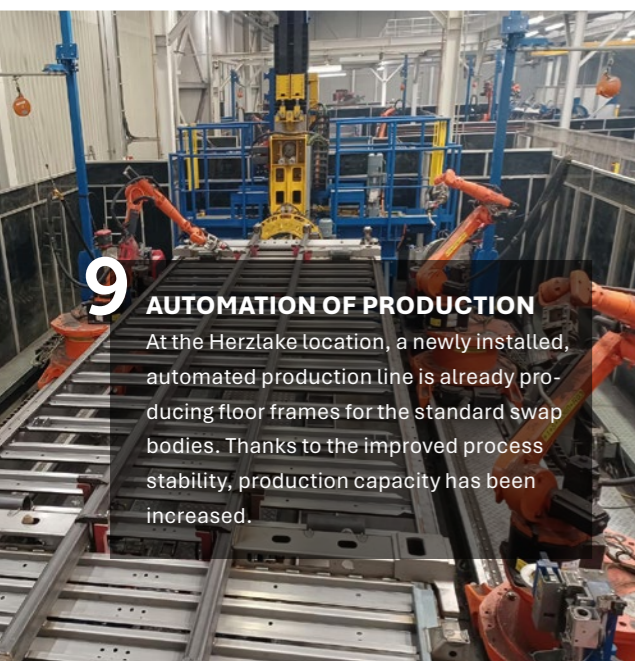
7 DR. BERNARD KRONE FOUNDATION HELPS WITH 250,000 EUR DONATIONS

As part of the appeal for donations to commemorate Dr.-Ing. E.h. Bernard Krone, 250,000 euros were obtained. The donations from all over the world were distributed to social projects that were particularly close to the deceased's heart.



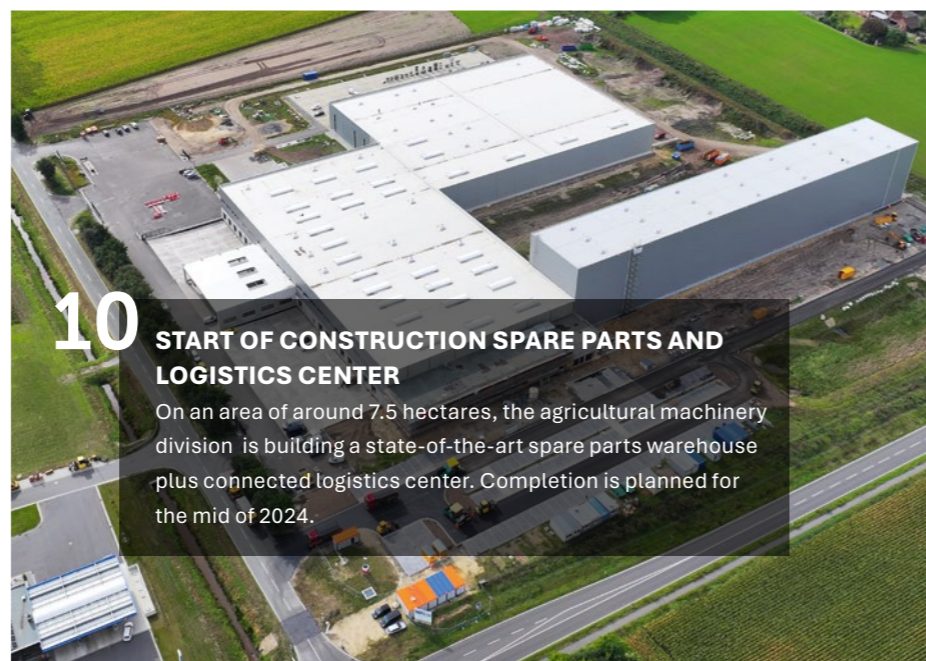
8 NEW SUPERVISORY BOARD

Entrepreneur Dr. Tono Nasch has been appointed as an additional member of the Krone Group's Supervisory Board. He complements the board with his extensive expertise in the fields of automated testing technology and electromobility.



9 AUTOMATION OF PRODUCTION

At the Herzlake location, a newly installed, automated production line is already producing floor frames for the standard swap bodies. Thanks to the improved process stability, production capacity has been increased.



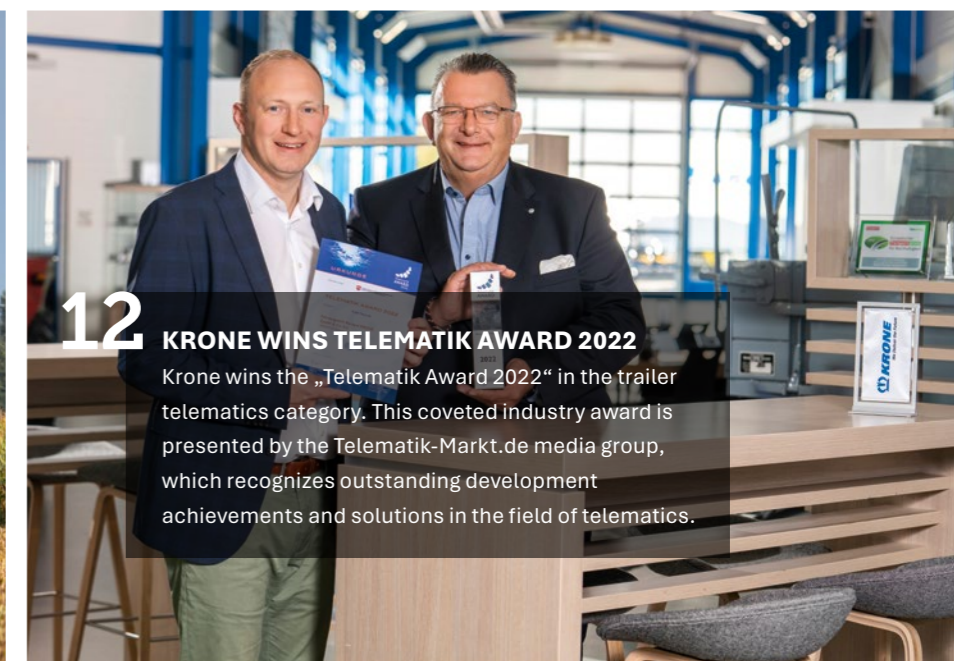
10 START OF CONSTRUCTION SPARE PARTS AND LOGISTICS CENTER

On an area of around 7.5 hectares, the agricultural machinery division is building a state-of-the-art spare parts warehouse plus connected logistics center. Completion is planned for the mid of 2024.



11 KNAPEN KX

Krone and Knapen Trailers are launching the KX walking floor trailer, which is characterized by its diverse possibilities of use and an absolute enrichment in the agricultural sector.



12 KRONE WINS TELEMATIK AWARD 2022

Krone wins the „Telematik Award 2022“ in the trailer telematics category. This coveted industry award is presented by the Telematik-Markt.de media group, which recognizes outstanding development achievements and solutions in the field of telematics.

KRUNE GROUP.

The reorganization of committees and processes has enabled us to expand our global expertise for worldwide growth - a strategic step for sustainable success.

What began 127 years ago as a small forge has now become an international production and service company. We have already achieved first-class market positions on several continents without losing sight of our regional Emsland founding philosophy. Our corporate culture is characterized by short decision-making processes and a sense of responsibility among our employees, which has had a significant impact on the company's success in the past and will continue to play a key role in the management of the company in the future.

In June 2023, Dr. Tono Nash was appointed as the sixth member of the Supervisory Board in order to make the best possible of his experience and steer the board towards growth and innovation. He has extensive expertise in both automated testing technology and electromobility and will play a key role in supporting Krone's global growth trajectory.

In the agricultural machinery segment, procurement benefited from a calmer economic environment in the 2022/2023 financial year. After years of steady increases, cost indices stabilized, particularly due to an easing of energy costs and a decline in the inflation rate. Agricultural machinery division recorded improved parts availability, although electronic components continued to pose a challenge. Further easing trends are expected for the 2023/2024 financial year, albeit with the challenge of managing supply chains flexibly.

In the commercial vehicles division, the 2022/2023 financial year was characterized by production increases at all plants. The first half of the year was characterized by cost increases, especially in wage developments, followed by moderate price declines for raw materials. The focus is now on strengthening sustainable supply networks and products. An innovative sustainability project was launched, and the Supply Chain Sustainability Act and the European



Carbon Border Adjustment Scheme will influence future procurement processes. The next steps will focus on the digital and collaborative networking of purchasing departments for optimized, efficient collaboration across all production plants and service areas.

The Krone Group is characterized by innovative strength, strategic foresight and the ability to adapt to global challenges. In the future, we will continue to assert ourselves as a pioneer in the fields of agricultural machinery and commercial vehicles and meet the strategic challenges of electrification, automation, sustainability and digitalization even more intensively.



Supervisory Board of the Krone Group
Left to right: Dr. Tono Nasch, Philip von dem Bussche,
Alfons Veer (Deputy Chairman),
Bernard Krone (Chair),
Dr. Wilfried Holtgrave, Bernd Meerpohl

„We are optimally prepared for the challenges of electrification and automation. A result of our commitment to technological progress to date.“

Dr. Tono Nasch - Member of the Supervisory Board

**BERNARD KRONE
HOLDING SE & CO. KG
SPELLE (D)**

KRONE AGRICULTURE SE

KRONE COMMERCIAL VEHICLE SE



ORGANIZATION

KRONE AGRICULTURE SE

- | | |
|---|---|
| 100 % Maschinenfabrik
Bernard Krone GmbH & Co. KG
Spelle (D) | 100 % Krone France SAS
Saint-Arnoult-en-Yvelines (FR) |
| 100 % mykrone.green GmbH
Spelle (D) | 100 % Krone UK Ltd.
Micklefield, Leeds (GB) |
| 40 % HarvestPark GmbH
Emsbüren (D) | 100 % Krone Forage Solutions Ltd.
Enstone, Oxfordshire (GB) |
| 100 % Landmaschinen
Krone Austria GmbH
Wartberg (AT) | 100 % Krone NA, Inc.
Olive Branch (USA) |
| 100 % Krone (Tianjin)
Machinery Co. Ltd.
Tianjin (CN) | 100 % Krone Agriculture India P.L.
New Delhi (IN) |
| 52 % Krone Italia S.R.L.
Sommacampagna (I) | |

KRONE COMMERCIAL VEHICLE SE

- | | |
|---|---|
| 100 % Fahrzeugwerk
Bernard Krone GmbH & Co. KG
Werlte (D) | 100 % Krone Trailer France SAS
Pusignan (FR) |
| 100 % Gigant GmbH
Dinklage (D) | 100 % Krone Trailer UK Ltd.
Micklefield, Leeds (GB) |
| 100 % Brüggen Fahrzeugwerk
& Service GmbH
Lübtheen (D) | 100 % Krone Trailer SE Kft
Budapest (HU) |
| 100 % Brüggen Oberflächen-
& Systemlieferant GmbH
Herzlake (D) | 100 % Trailer Corporation
Central Asia LLP
Almaty (KAZ) |
| 100 % Brüggen SWAP Service GmbH
Herzlake (D) | 100 % Knapen Trailers B.V.
Deurne (NL) |
| 100 % mykrone.blue GmbH
Werlte (D) | 100 % Trailned B.V.
Deurne (NL) |
| 100 % Krone Spare Parts Logistics
GmbH & Co. KG
Herzlake (D) | 100 % Knapen Service B.V.
Deurne (NL) |
| 100 % Krone Used GmbH
Werlte (D) | 100 % Krone Trailer B.V.
Rotterdam (NL) |
| 80 % P. Philips NV
Zeleveld (BE) | 100 % Krone Trailer Sverige AB
Malmö (SE) |
| 100 % Krone Finans A/S
Padborg (DK) | 100 % Krone Ticari Araçlar
San. ve Tic. A.Ş.
Tire (TR) |
| 100 % Krone ScanBalt A/S
Padborg (DK) | 100 % Krone Trailer International
Ticaret Ltd. Sirketi
Tire (TR) |
| 100 % Krone Trailer España S.L.U.
La Muela, Zaragoza (ES) | 40 % Krone Fleet Danmark A/S
Padborg (DK) |



„In our family business, we encourage creative decisions. Everyone has the freedom to make Krone more sustainable in their area of responsibility.“

Dr. David Frink - CEO



Members of the Executive Board of
Bernard Krone Holding SE & Co. KG
Left to right: Ole Klose (CFO), Dr. David Frink (CEO),
Dr. Stefan Binnewies (COO)

REPORT ON THE SITUATION

Analysis, development and future prospects - a comprehensive overview of the Krone Group's current situation and future outlook.

Sales development

Krone is one of the leading manufacturers in the agricultural machinery and commercial vehicles. Under the leadership of a strong management, the Krone Group pursues technological, quality and cost leadership, sound financial management and a good sales organization in both business areas.

In a volatile market environment in the 2022/2023 financial year, sales of just under EUR 3.2 billion were generated. This means that sales are once again well above the previous year's level (around EUR 2.5 billion).

Domestic sales in the Krone Group increased by EUR 166.9 million (24.2 percent) compared to the previous year to EUR 857.7 million. Around 32.0 percent of domestic sales were generated by the agricultural machinery segment and 67.1 percent by commercial vehicles. Meaning that the Krone Group generated 27.2 percent (previous year 27.4 percent) of its sales in Germany.

Krone's international sales increased by EUR 467.1 million to EUR 2,301.3 million in the 2022/2023 financial year compared to the previous year. Of the foreign turnover, 31.8% was generated in the agricultural machinery segment and 68.1% in the commercial vehicle segment. The foreign share of sales was therefore 72.8% (previous year: 72.6%).

Turnover agricultural machinery

Turnover in the agricultural machinery segment increased by EUR 177.8 million (21.5%) from EUR 828.3 million to EUR 1,006.1 million in the 2022/2023 financial year. The German market contributed 27.3 percent (previous year 26.8 percent) to this turnover, the Western European markets 32.8 percent (previous year 33.1 percent), Eastern Europe 10.3 percent (previous year 10.7 percent), North America 16.7 percent (previous year 16.6 percent) and the remaining countries 12.9 percent (previous year 12.8 percent).

Turnover commercial vehicles

In the 2022/2023 financial year, sales revenue in the commercial vehicle segment increased by 26.9% to around EUR 2,143.2 million (previous year: EUR 1,689.1 million). At 26.8%, domestic business remains the most important individual market, increasing by EUR 112.7 million (24.4%) to EUR 575.2 million compared to the previous year. In foreign markets, sales rose from EUR 1,226.6 million to EUR 1,567.9 million. The most important sales markets include the Western European markets with 45.3% (previous year 45.4%) and the Eastern European markets with 26.4% (previous year 21.7%).



Result

Consolidated net income for 2022/2023 increased by EUR 42.2 million compared to the previous year, from EUR 64.6 million to EUR 106.8 million. The sales targets issued for the financial year and the forecast earnings growth were both exceeded.

„Financial stability is the basis of our success at Krone. Through smart management, we create a solid basis for opportunities and sustainable growth.“

Ole Klose - CFO



Employees

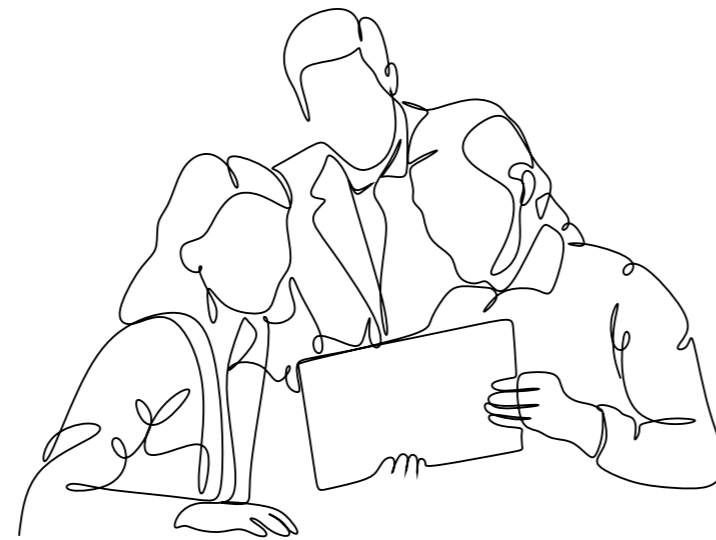
As a fourth-generation family business, we at Krone value the passionate commitment and long-standing loyalty of our employees. Our personnel policy is geared towards promoting continuity and identification with Krone. In order to meet the increasing demands of our ever more complex products, we continuously invest in qualification and training measures - both internally and externally. We recruit highly qualified junior managers through intensive contact with universities, participation in training fairs and local presentations. Our trainee programs offer career starters professional preparation for future management tasks in the Krone Group. We are intensifying our collaboration through cooperation agreements with various schools in the region.

In the 2022/2023 financial year, the number of Krone Group employees worldwide rose to 6.121 (previous year: 5.768), which is due not least to the successful expansion of our business activities. We also employed an average of 265 trainees in the 2022/2023 financial year (previous year: 261).

Investments to secure the future

In the last financial year, the Krone Group increased its research and development investments in order to drive forward forward-looking topics such as digitalization, automation, electrification and sustainability. The agricultural machinery branch focused on extensive new developments, including a new generation of loader wagons (RX and ZX) with optimized forage and cutting quality as well as innovative triple mower combinations such as the EasyCut B 1050 CV. A new generation of electronics improves operating comfort. Autonomous agricultural machines and digitalization are the focus for customers, with connections to over 100 agricultural software solutions.

The commercial vehicles sector invested in sustainable solutions such as lightweight chassis, aerodynamic attachment parts and the e-trailer. Research into automated driving, automated coupling and “Krone Smart Capacity Management” for optimum loading capacities was driven forward. “SmartLoad” uses artificial intelligence to automatically detect available loading areas. Together with all our employees, customers and partners, we are shaping the future of global megatrends.



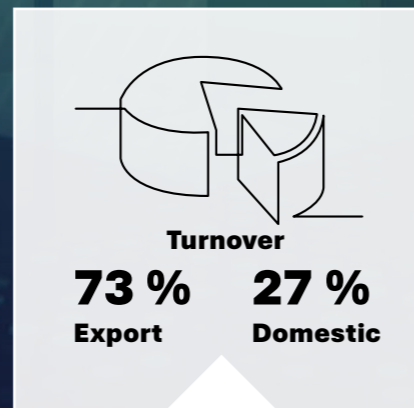
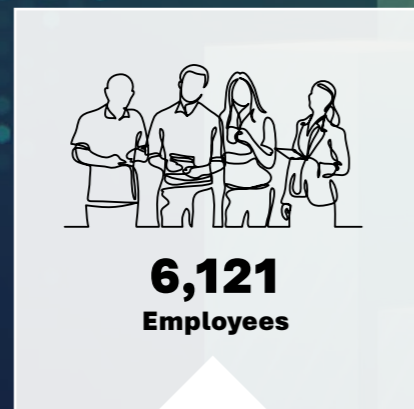
Outlook

In the financial year 2023/2024, the Krone Group expects a decline in sales due to geopolitical tensions and declining customer demands. Despite the uncertainties, also triggered by global megatrends such as population growth, changing consumer behavior, market transformations and technological change, the German economy is showing resilience in some sectors. There will be a temporary decline in economic output and a slow recovery is forecast from 2024.

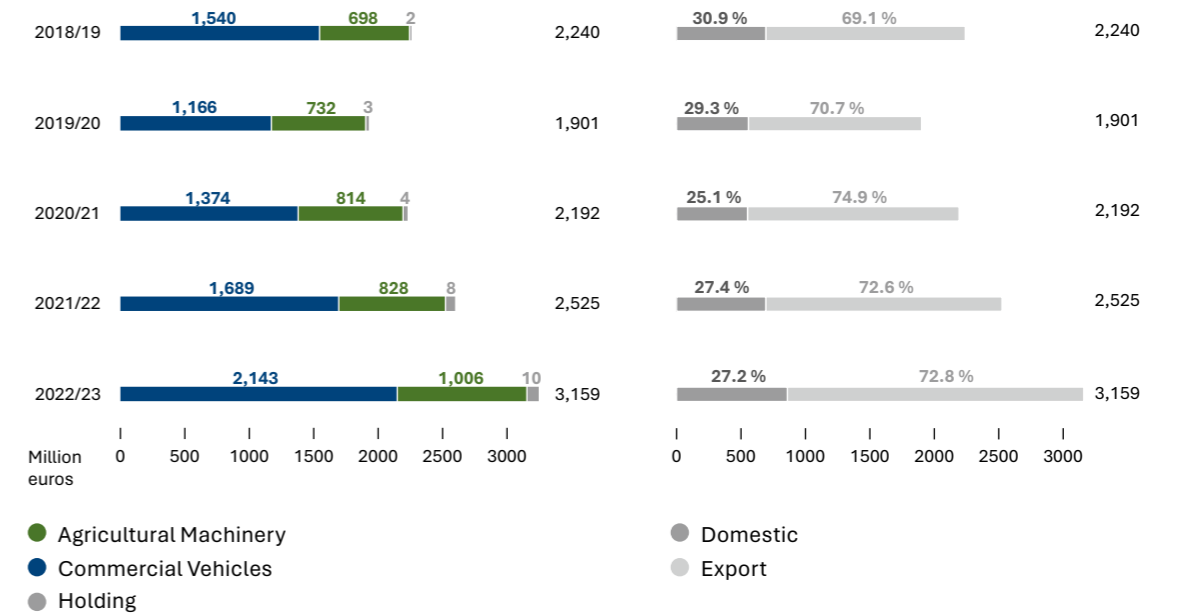
For the Krone Group, the long-term outlook is positive and will be driven by the global demand for innovative technology. Due to the uncertainties, Krone is planning very conservatively for 2024. The production is flexibly adaptable and the focus is in order acquisition, supported by the EMK funding program in Germany for example.



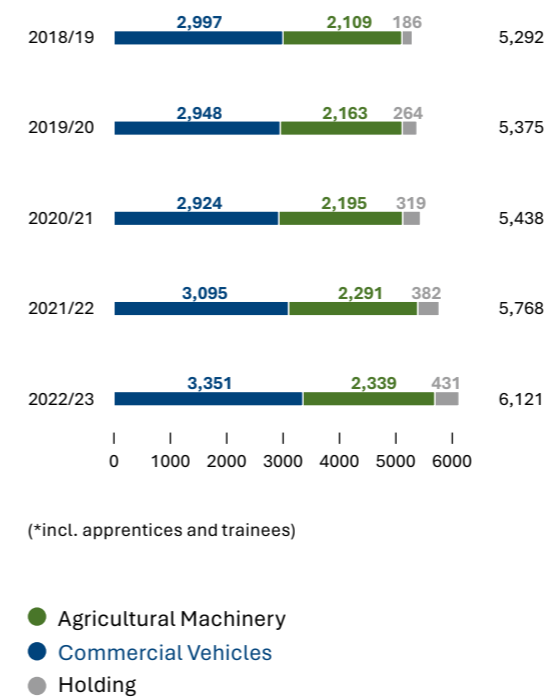
AT A GLANCE



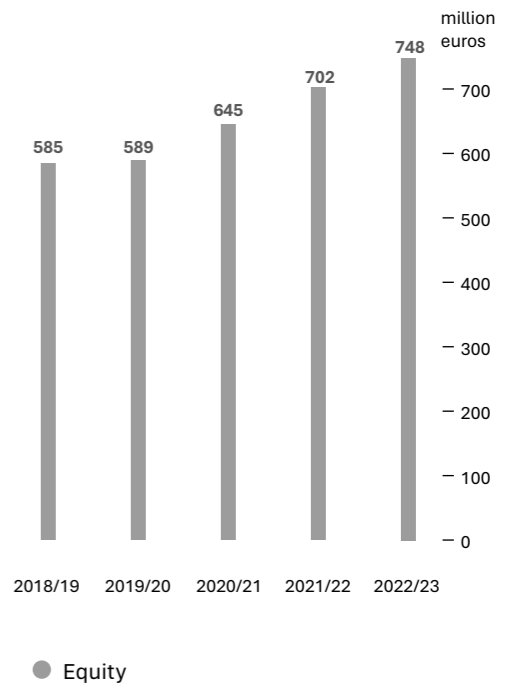
Sales development of the Krone Group



Development of core workforce*



Equity development Krone Group



COMMUNITY

„Our collaboration is characterized by mutual appreciation as well as open and direct communication - for our common success and for the success of our customers.“

Bernard Krone - Chairman of the Supervisory Board

KRONE LIVES COMMUNITY SPIRIT.

*Krone is one company.
One brand. One community.*

At Krone, community is not just a concept, but a living part of our identity. Our employees are more than just colleagues. They see themselves as a team that works together, supports each other and celebrates joint successes.

We come from the Emsland region and are deeply connected to our home. We therefore act in harmony with the region, its natural resources and the people who live here. This is reflected in local initiatives, partnerships and support for projects that strengthen our region.

The sense of community at Krone reflects our conviction that shared values and strong cooperation are the basis for long-term success. We offer an environment in which everyone can develop their potential - for the benefit of the community and the company.



THE SMART TRAILER



FOR REAL
EFFICIENCY





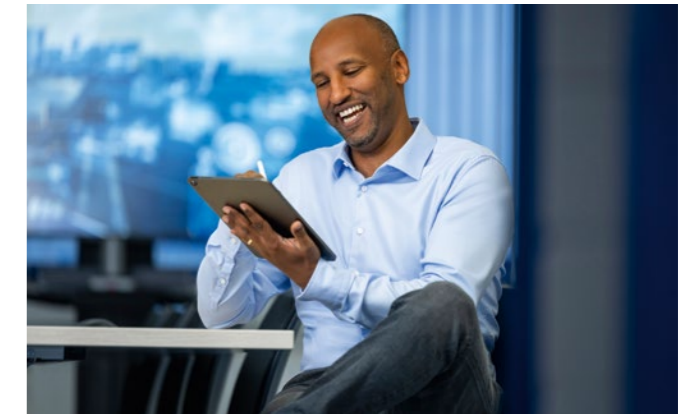
Management of the Krone Commercial Vehicle Group
Left to right: Dr. Frank Albers, Ralf Faust, Markus Stegen,
Astrid Janke, Bernhard Brügggen, Alfons B. Veer, Ingo Geerdes

KRONE COMMERCIAL VEHICLES.

Krone offers optimum solutions for all transportation requirements with smart trailers that set standards in terms of innovation and quality.

Initial situation

The Krone Commercial Vehicle Group operates six production sites where safety for employees, the environment and the neighborhood is a top priority. Established management systems for health, safety, environmental protection, energy and quality control the processes. High procurement prices and component shortages affected the production plants at the beginning of the 2022/2023 financial year, but the situation eased over the course of the year. The Russia-Ukraine conflict and the chip crisis impacted the availability of primary materials and limited production capacity in the first half of the financial year. Supply bottlenecks for steel, wood and electronic components were partially compensated for by support purchases on the spot market. Although the plants were not fully utilized due to external influences, the sites in Tire (TR), Deurne (NL) and Dinklage were able to expand their stable market positions. Supply bottlenecks temporarily affected operational processes at times in the first half of the financial year, but intensive coordination with suppliers and flexible employment models prevented significant production losses.



Investments

In the 2022/2023 financial year, the topic of “sustainability in production” increasingly became the focus of all locations. Photovoltaic investments with a capacity of 2.9 megawatts have been realized and further projects to increase energy efficiency are being planned. The increasing demands on production require more agility and integration of development and production. The Krone Commercial Vehicle Group has laid the foundations for this at all locations and will drive forward automation, digitalization, flexibility and sustainability in production processes in the coming financial year. The implementation of smart trailers, the use of artificial intelligence and the further development of Krone telematics solutions through to the automation of loading processes in container processes and the Krone Box Liner Automatic will continue to be the focus in order to meet the growing demands for innovative technologies.



„Our goal is to reduce emissions with technologically sustainable and intelligent trailers.“

Alfons B. Veer - CTO
Krone Commercial Vehicle Group

Sales locations

- | | | |
|------------------------|-------------|----------------|
| Albania | Ireland | Poland |
| Algeria | Iceland | Portugal |
| Belgium | Israel | Romania |
| Bosnia and Herzegovina | Kazakhstan | Sweden |
| Bulgaria | Croatia | Switzerland |
| Chile | Luxembourg | Slovakia |
| Denmark | Morocco | Slovenia |
| Denmark Germany | Macedonia | Spain |
| Finland | Montenegro | Czech Republic |
| Finland France | Netherlands | Türkiye |
| Greece | Norway | Ukraine |
| Great Britain | Austria | Hungary |



„We are consistently expanding our sales activities and services in Europe in order to meet the needs in the best possible way.”
 Dr. Frank Albers - Managing Director Sales & Marketing



Service requirements

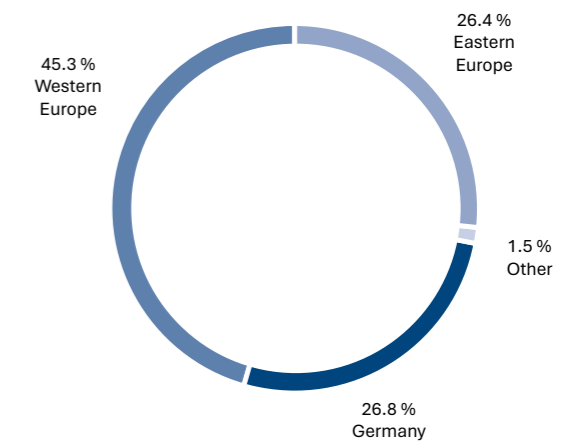
With regard to the accelerated structural change in the logistics industry, the professional range of services offered for trailers is becoming increasingly important in order to ensure the long-term satisfaction of our customers. To enable customers to concentrate fully on their core business, the modular service concept “Krone 360° Trailer Service” is available to them, allowing them to outsource a wide range of tasks relating to the mobility of their trailers. Throughout Krone 360° Trailer Service, the focus is on digitalization and networking with customers.

Future transport solutions

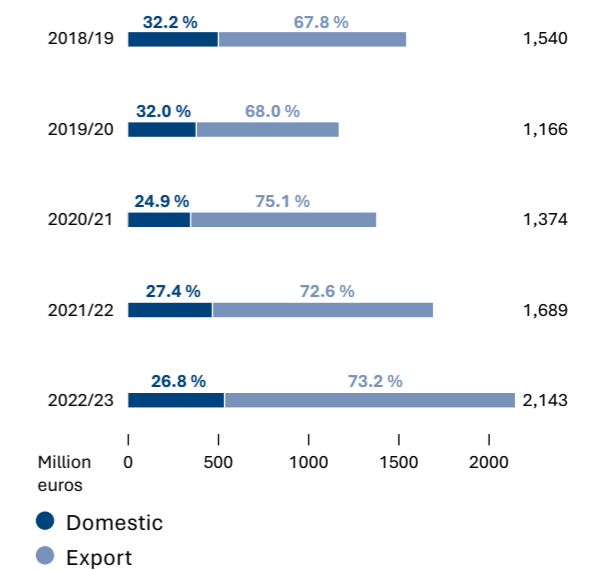
All Krone’s digital solutions are bundled under the umbrella of the Krone Intelligent Transport Solutions (KITS) digital strategy, which is an important part of the Krone 360° Trailer Service. These include data management, telematics products and increasingly digitized service components. From location tracking to temperature monitoring, KITS has proven to be an indispensable tool for modern logistics. Not least by winning the Telematics Award 2022, Krone has once again demonstrated its ongoing excellence in digital transformation.

AT A GLANCE

Regional distribution of turnover Commercial Vehicles 2022/2023



Turnover development in Commercial Vehicles (consolidated)



INNOVATIVE STRENGTH

“We are working on the production of the future. With the latest collaborative robotics and artificial intelligence, we are cleverly increasing process stability and thus the quality of our products.”

Volker Perk – Head of Construction and Investments

KRUNE INVENTS.

Innovations are part of the Krone DNA. This applies to products and completely digitalized production processes. Where solutions are created, old things are replaced and new things are started.

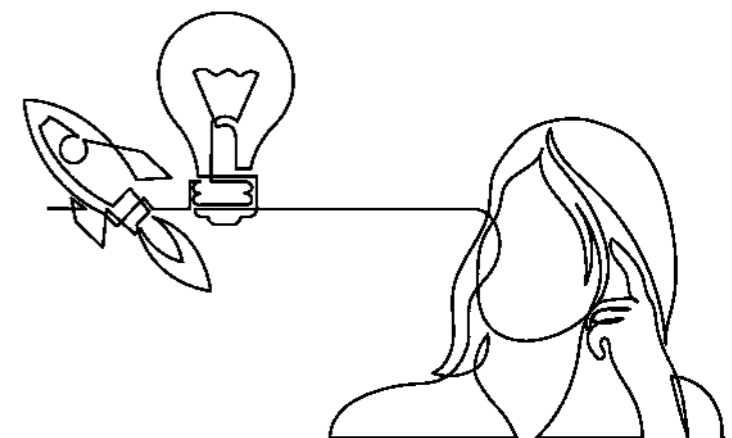
Krone's commitment to innovation and process reliability is clearly reflected in our new production technologies. Our site in Herzlake is a prime example of how automation and digitalization go hand in hand. In a rapidly changing economy, driven by technological innovation, Krone relies on innovative methods to increase efficiency and remain competitive. Targeted investments in advanced KTL, powder and conveying technology in the commercial vehicle sector have enabled us to reduce our dependence on external services and at the same time expand our capacities.

Another step forward is the newly installed, automated floor frame production for swap cases, which significantly increases our production capacities. We are pursuing progressive, intelligent and sustainable production concepts at all sites. A current key project in our production automation strategy is the development of an „event-based“ IT architecture in collaboration with the Research Institute for Rationalization at RWTH Aachen University. This system, centered around innovative data brokers, enables us to comprehensively record and analyze data from every production step. This leads to more efficient and responsive production of high-quality components.

Quality assurance is an essential part of our production philosophy. By automatically measuring our manufactured components and comparing them with production data, we can ensure quality and precision. Irregularities not only lead to immediate adjustments, but also to independent learning processes in the system, which continuously improve production processes and design standards.



Our goal is to create a self-optimizing system that ensures near-perfect repeatability. Through these continuous efforts in process innovation and safety, Krone demonstrates its deep-rooted commitment to progress. Our determination to constantly develop manufacturing processes sets new standards in efficiency and quality - living proof of our corporate culture and identity.



HARVESTING
SUSTAINABLY

TODAY
AND IN THE
FUTURE





Management of the
Krone Agricultural Machinery Group
Left to right: Jan Horstmann,
Martin Eying, Heiner Brüning,
Thomas Veismann

KRUNE AGRICULTURAL MACHINERY.

Thanks to the right mix of innovation, expertise and customer proximity, we are a genuine Emsland family business and one of the leading manufacturers of of hay and forage technology.

Initial situation

In the 2022/2023 financial year, the after-effects of the coronavirus pandemic impacted the machine factory in Spelle. Despite the improved overall situation, there were supply chain disruptions. The high demand required additional staff and scaling of processes. Material bottlenecks led to unfinished machines that required additional work steps.

The agricultural machinery sector started the financial year with large stocks of materials and initiated measures to optimize logistics processes, including the „digital gatekeeper“. This not only improves the delivery process, but also prioritizes time-critical components.

Despite record output, the infrastructure was reaching its limits. Parallel to day-to-day operations, the conditions for new plant structure planning were created. Workshops and a case study on logistics and assembly served as preparation for master planning in the 2023/2024 financial year.



Investments

The agricultural machinery group secures its competitiveness at the Spelle site by investing in automated processes. A highly automated tube bending machine was put into series production. In addition, projects were launched for order processing, product life cycle management and product management.

Despite challenges in the 2022/2023 financial year with record output volumes at the Spelle site, the agricultural machinery group was able to operate successfully. Overcoming uncertainties through short- and long-term measures underlines the positive development and the achievement of the goals set.



„Appreciative relationships, expertise and mutual trust are what count in sales. We also cultivate these core virtues of our family business in our expansion.“

**Martin Eying -
Managing Director Sales & Marketing**

Sales locations

Egypt	Great Britain	Mexico	Slovenia
Argentina	India	New Zealand	Spain
Belgium	Iran	Netherlands	South Africa
Brazil	Ireland	Norway	South Korea
Bulgaria	Iceland	Austria	Taiwan
Chile	Israel	Pakistan	Thailand
China	Italy	Paraguay	Czech Republic
Costa Rica	Japan	Poland	Türkiye
Denmark	Canada	Portugal	Ukraine
Denmark Germany	Kazakhstan	Romania	Hungary
Estonia	Colombia	Saudi Arabia	Uruguay
Finland	Croatia	Sweden	USA
Finland France	Latvia	Switzerland	United Arab. Emir.
Georgia	Lithuania	Serbia	Belarus
Greece	Luxembourg	Slovakia	Cyprus



Service requirements

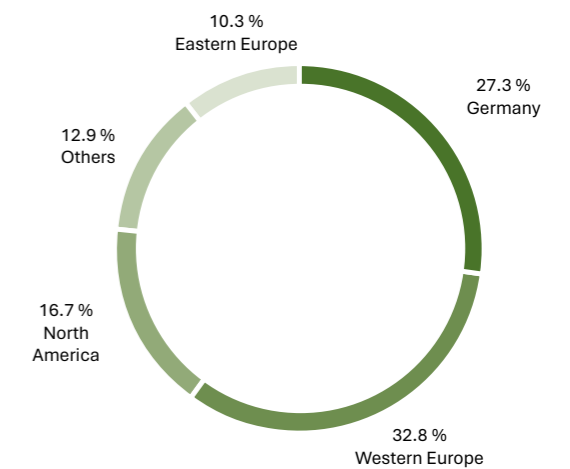
Service requirements are at the heart of the agricultural machinery industry. With “Krone Smart Support”, remote diagnostics have been introduced that provide partners with valuable machine data. This enables future-oriented service by providing insights into error codes, locations and lifetime counters. This allows preventative measures to be taken and downtimes to be minimized. In addition, face-to-face and online training courses facilitate access to individual machine training worldwide. The myKrone. green portal - now available worldwide - has doubled the number of users and offers centralized access to a wide range of Krone services for sales partners and end customers.

Over 100 years of quality

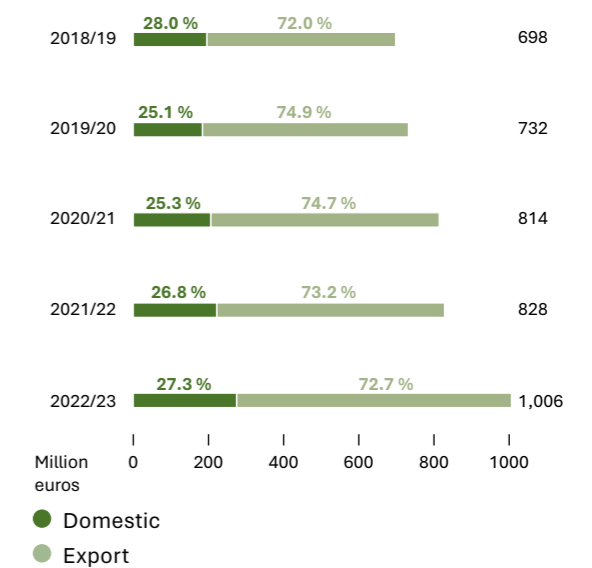
The agricultural business segment continues to focus on quality and innovation. A new generation of loader wagons and mowing technology, such as the EasyCut B 1050 CV triple mower combination, underlines the progress made in the development of new machines and digital services. The rotary rakes have been supplemented by the world’s largest four-rotor rake, the Swadro TC1570. In terms of “electronics and software”, Krone is focusing on a new generation with an ISOBUS user interface for greater convenience. The focus is on autonomous agricultural machines, particularly in the “Combined Powers” project, and intelligent implements. Digitalization is being driven forward by connecting Krone machines to agricultural software solutions and advanced services such as “Krone SmartTelematics”. We continue to set standards for automation and digitalization - firmly aware of our more than 100-year tradition.

AT A GLANCE

Regional distribution of turnover Agricultural Machinery 2022/2023



Turnover development in Agricultural Machinery (consolidated)



„I firmly believe that automation in agriculture not only increases efficiency, but also opens up sustainable prospects for a future-oriented agricultural economy.“

Jan Hörstmann - Managing Director Research & Development

„Our investments in automated processes are aimed at continuously optimizing services for our customers – fast and reliable.“

Heiner Brüning - Managing Director Services & Parts

KRUNE IS CLOSE TO CUSTOMERS.

Our focus is on the customer. Everything we do must ultimately benefit the customer. For example, the construction of a fully automated spare parts warehouse with a connected logistics center.



Our robotics ensure the fastest possible supply of spare parts.

A state-of-the-art, fully automated spare parts center is being built on a 7.5-hectare site at the entrance to Spelle, adjacent to a logistics center and an office wing. Construction has already begun and we are aiming to complete and commission this innovative project by mid-2024. This investment underlines our clear commitment to innovative solutions to further optimize service for farmers and contractors.

In an efficient agricultural sector characterized by short harvest windows, a reliable supply of spare parts is of crucial importance. Agriculture and agricultural machinery are simply indispensable. But professional farmers and contractors need not only powerful, efficient machines, but also a first-class supply of spare parts as quickly as possible. We are meeting these requirements and are positioning ourselves with the new building as a sustainable long-term, reliable partner for our customers.

The advantages of an autonomously designed spare parts warehouse are obvious: warehouse processes - from inventory management to picking - are optimized, resulting in faster processes and minimized waiting times for customers. Precise processes reduce errors during order picking and ensure a high level of accuracy. The flexibility of autonomous warehouses makes it possible to adapt to changing requirements, from storage conditions to article sizes. Faster delivery times, real-time monitoring of stock levels and automated ordering processes also contribute to improved service quality and customer satisfaction.

With this major project with over 21,600 storage spaces for Euro pallets and 51,000 boxes in the auto store area, we are making a clear commitment to our service philosophy and demonstrate our commitment to outstanding customer care. We understand our customers, their business model, their environment, their customers and markets as well as the social changes that determine their success or failure.



CUSTOMER FOCUS

COMMITMENT

„At Krone, we take responsibility because we are aware that our actions not only have an impact on the company, but also on the environment and society.“

Philipp Sander - Head of Sustainability Management

Learn more

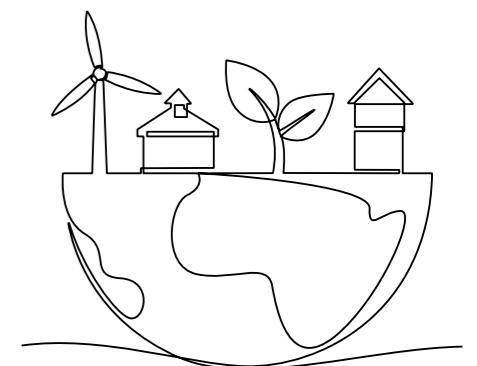


KRONE ACTS BINDINGLY.

A sense of responsibility is the basis for the transparency that we maintain among ourselves and in relation to our customers and our environment.

At Krone, we actively assume responsibility in order to harmonize ecological, social and economic aspects. This holistic approach is reflected in various areas - such as the topic of „sustainability“, which is an integral part of our actions. We integrate environmentally conscious principles into all our activities and thus make a positive contribution to the future.

A comprehensive carbon footprint (Scope 1-3) was prepared for the Krone Group for the first time in the 2022/2023 financial year. Emissions are being gradually reduced through investments in renewable energies and energy efficiency measures. A first step is the installation of PV systems across all locations, which will cover 10% of electricity purchases (Scope 2 reduction). We were also able to present our eTrailer, which reduces the diesel consumption of the tractor unit by around 40 percent (Scope 3 reduction). Together, we are making a meaningful contribution to a better tomorrow.



BALANCE SHEET

31 July 2023

ASSETS	31 July 2023	31 July 2022	31 July 2021
	KEUR	KEUR	KEUR
A. Fixed assets			
I. Intangible assets	26,190	29,718	34,403
II. Property, plant and equipment	366,242	326,680	308,622
III. Financial assets	124,410	88,488	77,069
Total fixed assets	516,842	444,886	420,094
B. Current assets			
I. Inventories	607,850	584,483	406,456
II. Receivables and other assets	425,347	334,644	277,678
III. Cash on hand, bank balances	230,341	281,893	337,056
Total current assets	1,263,538	1,201,020	1,021,190
C. Prepaid expenses	13,444	12,071	9,865
D. Deferred tax assets	37,919	29,439	25,668
Balance sheet total	1,831,743	1,687,416	1,476,817

LIABILITIES	31 July 2023	31 July 2022	31 July 2021
	KEUR	KEUR	KEUR
A. Equity	748,014	701,647	645,371
B. Difference from capital consolidation	26,024	26,024	26,024
C. Provisions			
1. Provisions for pensions and similar obligations	88,152	88,219	79,873
2. Tax provisions	30,058	11,719	18,687
3. Other provisions	169,188	131,602	124,697
Total provisions	287,398	231,540	223,257
D. Liabilities			
1. Liabilities to credit institutions	472,736	400,232	448,184
2. Liabilities from deliveries and services	167,028	186,414	53,267
3. Liabilities to shareholders	282	388	384
4. Amounts owed to affiliated companies	3,295	5,009	1,056
5. Liabilities to companies in which participations are held	175	288	99
6. Other liabilities	120,628	130,593	73,716
Total liabilities	764,144	722,924	576,706
E. Prepaid expenses	6,163	5,281	5,459
Balance sheet total	1,831,743	1,687,416	1,476,817

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the period 1 August to 31 July	2022/2023	2021/2022	2020/2021
	kEUR	KEUR	KEUR
Revenues	3,158,997	2,524,998	2,191,613
Increase or decrease in the stock of finished goods and work in progress	20,910	116,199	-20,584
Other own work capitalised	668	856	1,220
Cost of materials	-2,357,914	-2,007,774	-1,561,770
Gross profit	822,661	634,279	610,479
Other operating income	35,213	43,928	27,478
Personnel expenditure	-385,383	-346,392	-321,090
Amortisation of intangible assets and property, plant and equipment	-40,141	-39,381	-38,947
Other operating expenses	-287,568	-209,092	-181,796
Other taxes	-1,025	-977	-838
Operating result	143,757	82,365	95,286
Income from investments	3,571	4,574	3,847
Financial result	-7,232	-2,291	-3,169
Result before income taxes	140,096	84,648	95,964
Taxes on income and earnings	-33,302	-20,092	-26,321
Consolidated net profit	106,794	64,556	69,643
Profit or loss attributable to minority interests	-1,116	-765	-686
Consolidated profit	105,678	63,791	68,957

5-YEAR OVERVIEW

Financial year (in kEUR, 1 August – 31 July
in each case)

	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019
Profit and loss account					
Revenues	3,158,997	2,524,998	2,191,613	1,900,697	2,240,052
– Domestic share	in % 27.2	27.4	25.1	29.3	30.9
– Foreign share	in % 72.8	72.6	74.9	70.7	69.1
Return on sales	in % 4.4	3.4	4.4	2.2	3.5
Result before income taxes	140,096	84,648	95,964	41,999	78,186
Net profit for the year	106,794	64,556	69,643	30,475	58,918
Asset/capital structure					
Balance sheet total	1,831,743	1,687,416	1,476,817	1,333,594	1,305,493
Fixed assets	516,842	444,886	420,094	415,708	406,391
Current assets	1,263,538	1,201,020	1,021,190	884,449	871,763
Equity	748,014	701,647	645,371	588,712	585,135
Equity ratio	in % 40.9	41.6	43.7	44.1	44.8
Return on equity	in % 18.7	12.1	14.9	7.1	13.4
Provisions	287,398	231,540	223,257	176,104	160,056
Liabilities	764,144	722,924	576,706	532,521	529,095
Financial position					
Investments in property, plant and equipment	78,073	42,135	33,958	47,604	78,070
Depreciation of property, plant and equipment	30,902	29,966	29,912	28,443	31,059
Cash Flow	180,170	132,375	140,634	85,020	124,095
Net debt	242,395	118,339	111,128	130,097	225,146
Employees					
Number of employees	6,121	5,768	5,438	5,375	5,292
Personnel expenditure	385,383	346,392	321,090	300,154	311,611

DEFINITION

Return on sales

$$\frac{\text{Result before income taxes}}{\text{Revenues}} \times 100$$

Equity ratio

$$\frac{\text{Equity}}{\text{Balance sheet total}} \times 100$$

Return on equity

$$\frac{\text{Result before income taxes}}{\text{Equity}} \times 100$$

Cash Flow

The cash flow is calculated from the result before income taxes + depreciation + change in long-term provisions.

Net debt

The net debt includes the sum of all financial liabilities to credit institutions, less cash and cash equivalents.

Number of employees

Average number of employees in the financial year (including apprentices and trainees)



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