

Press release | No. 53, July, 27, 2023

Dräger with significant increase in net sales and earnings in the first half of 2023

- **Net sales increase of around 20 percent compared to the prior-year period**
- **Noticeable improvement in delivery capabilities**
- **Net sales growth across both segments and all regions**
- **EBIT well up at around EUR 48 million**
- **Order intake slightly below high prior-year level**
- **Annual forecast confirmed**

Lübeck – Drägerwerk AG & Co. KGaA increased its net sales by 19.6 percent (net of currency effects) to EUR 1,532.4 million in the first six months of 2023 (6 months 2022: EUR 1,302.4 million) and significantly improved its profitability: earnings before interest and taxes (EBIT) were clearly positive at EUR 47.7 million (6 months 2022: EUR -111.7 million), while the EBIT margin rose by 11.7 percentage points to 3.1 percent (6 months 2022: -8.6 percent). Dräger confirms its full-year guidance.

“Following the disappointing financial year 2022, our situation improved significantly during the first six months of 2023. Our net sales increased by around a fifth, and our earnings were also well up,” said Stefan Dräger, Chairman of the Executive Board of Drägerwerk Verwaltungs AG. “On the net sales side, we mainly benefited from the large order backlog and improved delivery capabilities. On the earnings side, in addition to the significantly higher net sales volume, our active price management also paid off. However, we are not fully satisfied with order intake.”

Net sales growth across both segments and all regions

In the medical division, net sales in the first six months of 2023 increased by 19.3 percent (net of currency effects) to EUR 910.7 million (6 months 2022: EUR 777.2 million). Growth was driven by all regions, but in particular by Europe as well as Africa, Asia, and Australia, where net sales increased very significantly in the first quarter, primarily due to the significant rise in demand for ventilators in China at the beginning of the year.

In the safety division, net sales increased by 20.0 percent (net of currency effects) to EUR 621.6 million (6 months 2022: EUR 525.2 million), driven by significant growth in all regions, but particularly in Europe, where net sales rose by around a fifth, mainly due to strong growth in Germany. Both divisions benefited from a noticeable improvement in delivery capabilities, which enabled strong net sales growth from the high order backlog.

Contact

Communications: Melanie Kamann, Tel. +49 451 882-3202, melanie.kamann@draeger.com
Investor Relations: Thomas Fischler, Tel. +49 451 882-2685, thomas.fischler@draeger.com

Drägerwerk AG & Co. KGaA
Moislinger Allee 53–55
23558 Lübeck, Germany
www.draeger.com

Press release | No. 53, July, 27, 2023

Significant improvement in profitability

Earnings development in the first six months of 2023 was positively impacted in particular by the high net sales growth and the improved gross margin which rose to 44.0 percent (6 months 2022: 40.4 percent) as a result of higher production and service utilization and more effective price enforcement. Earnings after income taxes also improved significantly and amounted to EUR 28.6 million (6 months 2022: EUR -77.9 million).

Order intake slightly below high prior-year figure

At EUR 1,596.6 million, order intake in the first half of 2023 was just under two percent (net of currency effects) below the high prior-year figure (6 months 2022: EUR 1,647.6 million). This was due in particular to a significant decline in the Africa, Asia, and Australia region. Demand also fell in the Americas region. By contrast, the Europe region recorded noticeable growth.

In the medical division, order intake decreased by 6.5 percent (net of currency effects) to EUR 917.5 million (6 months 2022: EUR 996.8 million). This was due in particular to demand for anesthesia devices, which was unable to match the strong volume of the prior-year period. By contrast, demand in the service business increased noticeably.

In the safety division, order intake increased by 6.2 percent (net of currency effects) to EUR 679.1 million (6 months 2022: EUR 650.8 million). Growth was driven in particular by our service business and our gas detection devices.

Business development in the second quarter

In the second quarter, Dräger's order intake of EUR 792.9 million was 1.1 percent (net of currency effects) below the prior-year figure (Q2 2022: EUR 821.9 million). An increase in Europe and the Americas was offset by a significant decline in Africa, Asia, and Australia. The medical division recorded a decline of 5.3 percent (net of currency effects) to EUR 452.2 million (Q2 2022: EUR 488.9 million). The safety division, on the other hand, recorded growth of 5.1 percent (net of currency effects) to EUR 340.7 million (Q2 2022: EUR 333.0 million).

Dräger's net sales increased by 21.1 percent (net of currency effects) to EUR 771.3 million (Q2 2022: EUR 652.9 million). At 43.1 percent, the gross margin was also significantly above the prior-year figure (Q2 2022: 38.6 percent). EBIT improved to EUR 18.7 million (Q2 2022: EUR -76.6 million). EBIT margin was 2.4 percent (Q2 2022: -11.7 percent).

Full-year forecast confirmed

Dräger confirms its forecast for the current fiscal year. Accordingly, Dräger expects a return to growth and profitability with an increase in net sales of 7.0 to 11.0 percent (net of currency effects) and an EBIT margin of 0.0 to 3.0 percent.

Contact

Communications: Melanie Kamann, Tel. +49 451 882-3202, melanie.kamann@draeger.com
Investor Relations: Thomas Fischler, Tel. +49 451 882-2685, thomas.fischler@draeger.com

Press release | No. 53, July, 27, 2023

“Our goal remains to return to growth and profitability in 2023. We are therefore focusing on taking advantage of intact market growth, improving our supply capability, increasing our prices, optimizing our free cash flow, and strengthening our cost awareness. So far, we have made great progress in this regard, but further efforts are still required,” said Stefan Dräger.

Further information is available in the financial report at www.draeger.com.

Disclaimer

This press release contains statements on the future development of Dräger Group. These forward-looking statements are based on the current expectations, presumptions, and forecasts of the Executive Board as well as the information available to date. They were compiled to the best of the company’s knowledge. Dräger does not provide any warranty nor assume any responsibility for the future developments and results described above. These are dependent on a number of factors. They entail various risks and contingencies outside of the company’s influence and are based on assumptions which could prove to be incorrect. Dräger does not assume any responsibility for updating the forward-looking statements contained in this report. This does not infringe any legal stipulations on the adjustment of forecasts. Information on the financial indicators used (incl. alternative performance measures) can be found on our corporate website www.draeger.com in our Investor Relations section.

Contact

Communications: Melanie Kamann, Tel. +49 451 882-3202, melanie.kamann@draeger.com

Investor Relations: Thomas Fischler, Tel. +49 451 882-2685, thomas.fischler@draeger.com

Press release | No. 53, July, 27, 2023

Key figures for the first six months of 2023 (€ million)	6M 2023	6M 2022	Change	Net of currency effects
Order intake	1,596.6	1,647.6	-3.1	-1.5
Europe	898.8	869.1	+3.4	+3.8
Americas	305.0	316.0	-3.5	-3.5
Africa, Asia, and Australia	392.9	462.5	-15.1	-10.0
Order intake, medical division	917.5	996.8	-8.0	-6.5
Order intake, safety division	679.1	650.8	+4.4	+6.2
Net sales	1,532.4	1,302.4	+17.7	+19.6
Europe	834.9	718.9	+16.1	+16.6
Americas	318.1	263.5	+20.7	+20.6
Africa, Asia, and Australia	379.3	320.0	+18.5	+25.3
Net sales, medical division	910.7	777.2	+17.2	+19.3
Net sales, safety division	621.6	525.2	+18.4	+20.0
EBIT	47.7	-111.7		
EBIT margin	3.1	-8.6		
Earnings after income taxes	28.6	-77.9		
EBIT margin, medical division	-0.3	-10.3		
EBIT margin, safety division	8.1	-6.0		
Employees	16,219	16,043		

Contact

Communications: Melanie Kamann, Tel. +49 451 882-3202, melanie.kamann@draeger.com
Investor Relations: Thomas Fischler, Tel. +49 451 882-2685, thomas.fischler@draeger.com

Drägerwerk AG & Co. KGaA
 Moisinger Allee 53-55
 23558 Lübeck, Germany
 www.draeger.com

Press release | No. 53, July, 27, 2023

Key figures for the second quarter of 2023 (€ million)	Q2 2023	Q2 2022	Change	Net of currency effects
Order intake	792.9	821.9	-3.5	-1.1
Europe	443.2	432.8	+2.4	+2.7
Americas	161.6	161.2	+0.3	+2.3
Africa, Asia, and Australia	188.1	228.0	-17.5	-10.7
Order intake, medical division	452.2	488.9	-7.5	-5.3
Order intake, safety division	340.7	333.0	+2.3	+5.1
Net sales	771.3	652.9	+18.1	+21.1
Europe	432.6	352.5	+22.7	+23.2
Americas	158.0	135.8	+16.4	+19.2
Africa, Asia, and Australia	180.6	164.7	+9.7	+18.1
Net sales, medical division	440.8	392.0	+12.4	+15.5
Net sales, safety division	330.4	260.9	+26.7	+29.4
EBIT	18.7	-76.6		
EBIT margin	2.4	-11.7		
Earnings after income taxes	11.4	-50.8		
EBIT margin, medical division	-2.9	-12.8		
EBIT margin, safety division	9.5	-10.1		
Employees	16,219	16,043		

Contact

Communications: Melanie Kamann, Tel. +49 451 882-3202, melanie.kamann@draeger.com
Investor Relations: Thomas Fischler, Tel. +49 451 882-2685, thomas.fischler@draeger.com

Drägerwerk AG & Co. KGaA
 Moisinger Allee 53-55
 23558 Lübeck, Germany
www.draeger.com