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Disclosure of an inside information according to Article 17 MAR

Drägerwerk AG & Co. KGaA: Dräger resolves capital increase of preferred shares (ISIN: DE0005550636) against cash contributions from authorized capital

The Management Board of Drägerwerk Verwaltungs AG, the personally liable shareholder of Drägerwerk AG & Co. KGaA (“Dräger” or “Company”), has resolved, with the approval of the Dräger Supervisory Board, to increase the Company’s share capital against cash contributions and under exclusion of shareholders’ subscription rights by issuing up to 1,000,000 new no par value preference bearer shares. This represents approximately 5.63% of the share capital. The share capital is to be increased through the partial utilization of the authorized capital resolved at the Annual Shareholders Meeting held on 27 April 2016. The newly issued preference bearer shares will have a dividend entitlement from 1 January 2019.

The new preference bearer shares will be offered to institutional investors in a private placement by way of an accelerated bookbuilding process. The Dräger family supports the capital increase and intends to participate in the transaction through the Chief Executive Officer Stefan Dräger as well as the Dr. Heinrich Dräger GmbH. The private placement will commence immediately after publication of this notification. Following the capital increase, Dräger has agreed to a customary lock-up period of 6 months, subject to standard market exceptions.

The Offer Price of the new preference shares will be determined by the Company following completion of the accelerated bookbuilding process and is expected to be announced on 21 April 2020.

The new preference shares are expected to be admitted to trading without a prospectus on 22 April 2020, and on 23 April 2020, included in the quotation of the existing shares on, among others, the regulated market of the Frankfurt Stock Exchange (Prime Standard).

Dräger intends to terminate the series A (ISIN: DE0005550651) and K (ISIN: DE0005550677) participation certificates (Genussscheine) already in April 2020 resulting in a buyback value of approximately EUR 157 million. The net proceeds from the capital increase will partially finance the termination of the series A and K participation certificates and strengthen the liquidity and equity base in light of the high order intake resulting from the current Covid-19 pandemic.

The contemplated termination of the participation certificates series A and K would result in an increase in earnings per ordinary and preference share of approximately 5% (pro forma as of 31 December 2019, without consideration of financing costs, fully distributed and accounting for effects of the already terminated participation certificates series D). The termination of participation certificates of series A and K would be effective from the end of fiscal year 2020.

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Disclaimer

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