Half-yearly financial report
January 1 to June 30, 2024
Dräger Group

Technology for Life

The Dräger Group over the past five years

						Six months
		2024	2023	2022	2021	2020
Order intake	€ million	1,604.3	1,596.6	1,647.6	1,477.4	2,291.4
Net sales	€ million	1,520.5	1,532.4	1,302.4	1,633.4	1,428.4
Gross profit	€ million	681.5	674.9	526.3	802.1	671.1
Gross profit / net sales	%	44.8	44.0	40.4	49.1	47.0
EBITDA [1]	€ million	121.3	118.4	-41.8	273.3	162.3
EBIT [2]	€ million	55.8	47.7	-111.7	209.2	101.6
EBIT [2]/ net sales	%	3.7	3.1	-8.6	12.8	7.1
Interest result	€ million	-8.8	-10.2	-8.2	-12.2	-20.4
Income taxes	€ million	-12.9	-9.0	42.1	-57.2	-27.5
Net profit	€ million	34.1	28.6	-77.9	139.8	53.7
Earnings per share						
per preferred share	€	1.81	1.50	-4.13	6.50	2.24
per common share	€	1.78	1.47	-4.16	6.47	2.21
DVA [3,4]	€ million	33.4	-41.6	-150.4	402.9	81.4
Equity [5]	€ million	1,442.0	1,341.4	1,326.3	1,210.7	870.2
Equity ratio [5]	%	47.6	45.1	44.9	38.2	30.0
Capital employed [5,6]	€ million	1,600.4	1,611.4	1,590.0	1,466.1	1,466.0
EBIT [2,3] / capital employed [5,6] (ROCE)	%	10.9	4.4	-3.1	34.4	12.3
Net financial debt [5,7]	€ million	271.2	326.7	257.0	147.6	494.1
Headcount as at June 30		16,390	16,219	16,043	15,795	15,177

[1] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[2] EBIT = Earnings before net interest result and income taxes
[3] Value of the last twelve months
[4] Dräger Value Added = EBIT less cost of capital of average invested capital
[5] Value as at reporting date
[6] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[7] For the years 2020 to 2022, including the payment obligations from the termination of the participation certificates.

Change in the regional structure [1]

In 2024, we reorganized our regional structure in order to focus our sales activities even more strongly and specifically on our customers. The Germany region was separated from the Europe region as a new independent region. The Middle East and Africa sub-region was spun off from the Africa, Asia, and Australia (AAA) region and merged with the Europe region to form the new Europe, Middle East, and Africa (EMEA) region. The remaining part of the AAA region was combined to form the Asia-Pacific (APAC) region. Nothing has changed for our Americas region.

[1] A reclassification of net sales since the 2020 fiscal year into the new regional structure is available for download on the following website: https://www.draeger.com/en-us_us/Investor-Relations/Publications#finanzergebnisse.

Possible rounding differences in this financial report may lead to slight discrepancies.

This half-yearly financial report has been set up in German and English language. In case of any discrepancy between the German and English version, the German version shall prevail.

Dear Shareholders, dear Employees, dear Readers,

After our return to growth and profitability in the last year, our business has overall performed solidly in the first half of 2024. Net sales have not entirely achieved the high level of the prior-year period, when an improvement to delivery capacity and a surge in demand for ventilators in China had a positive effect. Earnings were nevertheless above the prior-year figure thanks to our solid operative business performance and a few one-off effects. In this manner, we were able to make up for the first-quarter shortfall in earnings in the second quarter.

The demand for our Technology for Life was consistently high in the first six months of 2024, even if not all regions ran smoothly. In the Asia-Pacific region, order intake shrunk in China due to the challenging market environment, while demand in the Europe, Middle East and Africa regions virtually stagnated. In Germany and America, however, order intake increased. Overall, Group order intake was above the already high level of the prior year.

Our goal remains improving profitability. We also withdraw from some business areas that are not part of the Dräger core business in individual cases for this. In the first half of the year, we not only sold the fire alarm system business in the Netherlands, but also discontinued the business activities of Dräger MSI in Hagen.

Strengthening our innovation and expanding our expertise in the areas of interoperability and in the systems business also remains important. We have moved both goals forward by the introduction of new products such as the Vista 300 patient monitor. We are also happy to report on approval for our Evita V600/800 ventilators in China.

Other key aspects are sustainability and quality. We have therefore created a new, additional Executive Board function for both areas as of July 1, 2024. Sustainability has always been deeply rooted in Dräger's corporate culture, and is becoming increasingly important for the future. It is a cross-cutting issue affecting all processes and areas of Dräger. The same applies for quality – one of our four strengths alongside customer focus, our employees and innovation. I am happy to announce that we have gained an experienced and dedicated Executive Board colleague with Stefanie Hirsch, who will be in charge of sustainability and quality.

Profitability, innovation, expertise, sustainability and quality – we will continue to drive these topics forward in order to maximize our potential for value increase. For fiscal year 2024, we continue to expect net sales growth of 1.0 to 5.0 percent (net of currency effects) and an EBIT margin of 2.5 to 5.5 percent. We now mostly expect net sales growth in the lower half and an EBIT margin in the upper half of the forecast range.

On behalf of the entire Executive Board, I would like to express my sincere thanks for your trust.

Best regards,

Stefan Dräger

Stefan Dräger

The Dräger shares

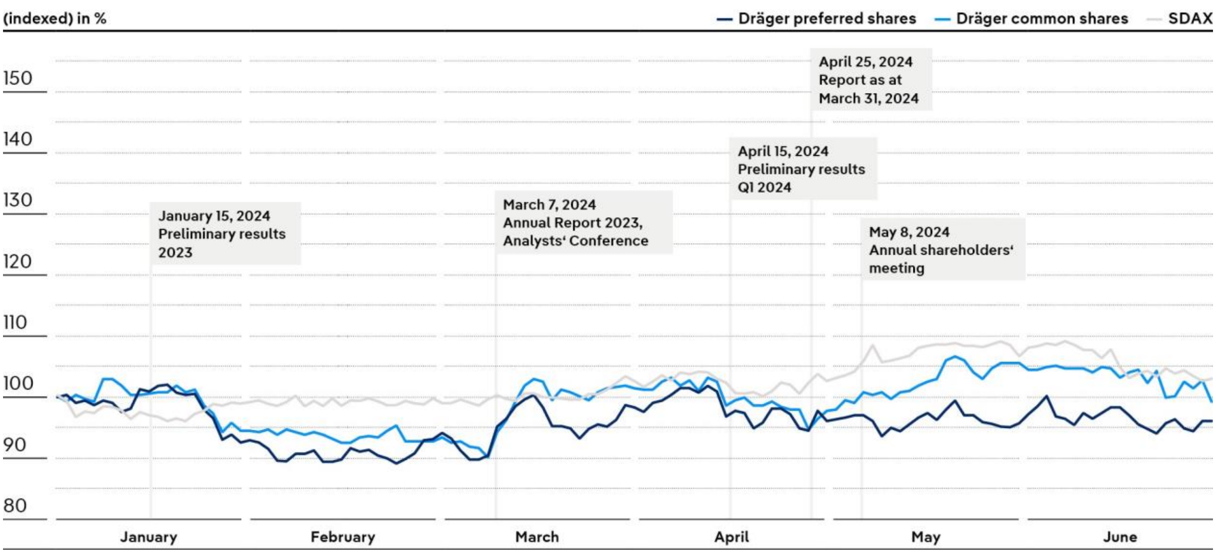
Against the background of solid economic development, decreasing inflation rates and lower interest rates, the mood has brightened at the capital market in the first half of 2024. The most important international stock indexes recorded increases. The German small-cap index SDAX recorded a slight increase. Dräger shares performed comparatively weaker.

In January, the SDAX initially fell to its half-year low of around 13,346 points. It was able to recover, however, in the second half of January. In February, the SDAX moved sideways. It then transitioned to an upward trend. From March to May, the index rose significantly, interrupted by a setback in April. Good quarterly results in particular from US technology companies boosted the mood at the stock market. At the beginning of June, the SDAX rose to its half-year high of just under 15,243 points. As the month progressed, the index fell significantly due to concerns about new elections in France and a potential trade conflict with China. On the last trading day of the first half of the year, the SDAX closed at around 14,318 points, an increase of around 2.6% in comparison with the end of 2023.

Dräger shares started January with slight price drops, but were able to recover by the middle of the month. Shortly after the announcement of the preliminary figures for fiscal year 2023 and the forecast for 2024, the preferred shares rose to their half-year high of EUR 52.90. Dräger shares recorded losses later in the month. In mid-February and early March, the preferred and common shares fell to their half-year lows of EUR 45.95 and EUR 40.10 respectively. Following the publication of the 2023 annual report in March, Dräger shares recovered significantly. Their prices continued to rise until the beginning of April, interrupted by a brief setback. As the month progressed, prices fell back into a downward trend. The preliminary figures for the first quarter published in mid-April were received without any significant immediate reaction. The common shares recorded significant price gains in the weeks following the publication of the quarterly report. They reached their half-year high of EUR 47.70 in the second half of May. The preferred shares also developed positively. In June, Dräger shares gave up their gains in the face of bleak market sentiment.

As of the reporting date of June 30, 2024, the common shares were quoted at EUR 44.30. They were thus around 0.9% higher than at the end of 2023. The SDAX-listed preferred shares were quoted at EUR 49.70 as at reporting date, an decline of around 4.1%.

Share price developments



Dräger shares – Basic figures

	Common shares	Preferred shares
International Securities Identification Number (ISIN)	555060/DE0005550602	555063/DE0005550636
Ticker symbol / Reuters / Bloomberg	DRW/DRWG.DE/DRW8	DRW3/DRWG_p.DE/DRW3
Main stock exchange	Frankfurt/Xetra	Frankfurt/Xetra
Market segment	Prime Standard	Prime Standard
Index	-	SDAX
Initial listing	2010	1979

Dräger shares indicators

	Six months 2024	Six months 2023
Common shares		
No. of shares as at the reporting date	10,160,000	10,160,000
High (in €)	47.70	41.80
Low (in €)	40.10	36.40
Share price on the reporting date (in €)	44.30	37.60
Average daily trading volume [1]	1,794	1,893
Earnings per common share (in €)	1.78	1.47
Preferred shares		
No. of shares as at the reporting date	8,600,000	8,600,000
High (in €)	52.90	51.00
Low (in €)	45.95	39.65
Share price on the reporting date (in €)	49.70	43.55
Average daily trading volume [1]	9,706	12,492
Earnings per preferred share (in €)	1.81	1.50
Market capitalization (in € thousand)	877,508	756,546

[1] All German stock exchanges (source: designated sponsor)

Interim management report of the Dräger Group for the first half of 2024

General economic conditions

Continuous, but slow recovery of the global economy

General economic conditions remained difficult in the first half of 2024. However, according to the International Monetary Fund (IMF), the global economy remains very resilient with sustained growth and declining inflation. Contrary to many assumptions, the economy has not fallen into recession. The banking system and many large emerging countries in particular have shown themselves to be resilient. In addition, inflation has fallen almost as quickly as it had previously risen. Despite these successes, the IMF still sees numerous challenges for the global economy, such as the persistently high inflation in the service sector.

Against this backdrop, the IMF raised its growth forecasts for the global economy slightly in April 2024 and now expects an increase of 3.2% for 2024 and 2025. The forecast for the current year is therefore 0.1 percentage points better than assumed in January 2024.

Tight monetary policy against high inflation

To further counteract inflation, many central banks continued their tight monetary policy in the first half of 2024. The US Federal Reserve left its key interest rate range unchanged at 5.25% to 5.5%. The European Central Bank reduced its interest rate by 0.25 percentage points to 4.25% in June. Interest rates thus remained high by historical standards.

Inflation rates declining – unfavorable exchange rate development

Inflation rates continued to fall in the first half of 2024. The inflation rate in the eurozone was 2.5% in June 2024. This was well below the June 2023 figure (5.5%). In Germany, the inflation rate was 2.2% in June 2024 (June 2023: 6.4%).

Measured against the prior year's exchange rates, the euro gained against the majority of the currencies relevant to us. With this, we recorded an unfavorable exchange rate trend in the first half of 2024, which had a slightly negative impact on the Group result. In particular, the development of the Brazilian real and the Mexican peso had a negative impact on our result. The exchange rate of the US dollar to the euro was stable compared to the prior year and had no significant impact on earnings.

Market and industry development

The global economy remained under pressure in the first half of 2024. Inflation declined, but remained at a high level – as did production costs. These and other factors had a variety of effects on our markets and industries.

Medical division

According to the German Medical Technology Association (BVMed), the German market for medical technology was under pressure in the first half of 2024. This was due to higher prices for personnel, logistics, commodities and energy, which led to an increase in manufacturing costs. In addition, the high costs of implementing the EU Medical Device Regulation (MDR) and the unfavorable climate for innovation weighed on the market in Germany.

In the Europe, Middle East and Africa (EMEA) region, the market for medical technology developed positively in the first half of 2024. According to Germany Trade and Invest – Gesellschaft für Außenwirtschaft und Standortmarketing mbH (GTAI), this development was driven by high unmet demand primarily due to lack of medical supply and population growth.

According to GTAI, the American market for medical technology also developed positively. Sales of medical devices rose in the USA, which is due in particular to the increased need for treatment and the resulting expansion of capacity in the healthcare sector. The use of digital healthcare applications also increased. The Canadian market for medical technology also recorded rising demand. The market in Latin America developed positively. Mexico, the region's most important sales market, expanded its position.

According to the GTAI, the Asia-Pacific (APAC) region showed stable development overall. In some important countries such as China and India, development was hampered by protectionist tendencies. As a result, the general conditions for imported products are becoming increasingly difficult. In China, for example, domestic manufacturers of medical technology products further expanded their market position. In Japan, demand for medical products increased as the population aged.

Safety division

The German chemical industry was under pressure in the first half of 2024. Although chemical production increased by 3.5% compared to the first half of 2023, net sales of chemical companies in Germany fell.

According to the German Chemical Industry Association (VCI), the chemical industry in the EMEA region developed heterogeneously in the first half of 2024. In the EU countries, production and demand for chemicals increased slightly compared to the same period of the prior year. However, high production costs and only modest dynamics in the global economy prevented a faster recovery. According to GTAI, the chemical market on the Arabian Peninsula developed positively, particularly due to high investments in capacity expansion. The development of the mining sector in South Africa was only positive to a limited extent, but it benefited from an improved power supply and the elimination of weaknesses in logistics.

The American market for safety technology also developed positively to a limited extent. According to the VCI, the North American chemical industry was weaker than expected – despite favorable energy prices, demand for chemicals remained low both at home and abroad. In Brazil, demand for chemical products rose only slightly according to GTAI. Following a record year in 2023, the US mining industry focused on cutting costs with the help of new technologies in the first half of 2024. In addition, the high safety and environmental standards compared to the rest of the world made competitiveness more difficult.

The market for safety technology also recorded positive development in the APAC region. According to the VCI, capacity utilization in the chemical industry in China remained high at the beginning of the year. In India, the production of chemical products fell slightly compared to the same period of the prior year. According to the GTAI, the picture here was twofold: While domestic demand was stable, export-oriented chemical companies suffered from the lack of demand from abroad. According to the GTAI, the mining industry in China developed positively, particularly due to the price advantages offered by the country.

According to the International Technical Committee for Preventive Fire Protection and Fire Fighting (CTIF), the global firefighting market, which is strongly characterized by local structures, was stable overall in the first half of 2024.

Overall assessment of the underlying conditions

The economic environment remained difficult during the first half of 2024, particularly due to the slow economic recovery.

The market for medical technology was under pressure in Germany in the first half of 2024. By contrast, it developed positively in the EMEA and Americas regions. The APAC region showed stable development. The market for safety technology was also tense in Germany. In the EMEA region, however, it developed very differently depending on industry and region. The Americas and APAC regions generally showed positive trends.

Business performance of the Dräger Group

Business performance of the Dräger Group

		Second quarter			Six months		
		2024	2023	Change in %	2024	2023	Change in %
Order intake	**€ million**	**793.5**	**792.9**	**+0.1**	**1,604.3**	**1,596.6**	**+0.5**
Net sales	**€ million**	**784.7**	**771.3**	**+1.7**	**1,520.5**	**1,532.4**	**-0.8**
Gross profit	**€ million**	**347.9**	**332.1**	**+4.8**	**681.5**	**674.9**	**+1.0**
Gross profit / net sales [1]	%	44.3	43.1	+1.3 pp	44.8	44.0	+0.8 pp
EBITDA [2]	**€ million**	**73.7**	**54.5**	**+35.2**	**121.3**	**118.4**	**+2.5**
EBIT [3]	**€ million**	**40.7**	**18.7**	**> +100**	**55.8**	**47.7**	**+16.9**
EBIT [3] / net sales [1]	%	5.2	2.4	+2.8 pp	3.7	3.1	+0.6 pp
Net profit	**€ million**	**26.5**	**11.4**	**> +100**	**34.1**	**28.6**	**+19.3**
Earnings per share							
per preferred share	€	1.43	0.58	> +100	1.81	1.50	+20.7
per common share	€	1.42	0.57	> +100	1.78	1.47	+21.1
DVA [4, 5]	€ million	33.4	-41.6	> +100	33.4	-41.6	> +100
Research and development costs	€ million	83.6	82.8	+1.0	164.5	166.1	-1.0
Equity ratio [1, 6]	%	47.6	45.1	+2.5 pp	47.6	45.1	+2.5 pp
Cash flow from operating activities	€ million	-39.0	-3.1	> -100	-5.5	-7.3	+25.0
Net financial debt [6]	€ million	271.2	326.7	-17.0	271.2	326.7	-17.0
Investments	€ million	29.9	31.7	-5.6	52.6	62.1	-15.2
Capital employed [6, 7]	€ million	1,600.4	1,611.4	-0.7	1,600.4	1,611.4	-0.7
Net working capital [6, 8]	€ million	739.1	746.5	-1.0	739.1	746.5	-1.0
EBIT [3, 4] / capital employed [6, 7] (ROCE) [1]	%	10.9	4.4	+6.5 pp	10.9	4.4	+6.5 pp
Net financial debt [6] / EBITDA [2, 4]	Factor	0.85	1.51		0.85	1.51	
Gearing [9]	Factor	0.19	0.24		0.19	0.24	
Headcount as at June 30		16,390	16,219	+1.1	16,390	16,219	+1.1

[1] pp = Percentage points
[2] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[3] EBIT = Earnings before net interest result and income taxes
[4] Value of the last twelve months
[5] Dräger Value Added = EBIT less cost of capital of average invested capital
[6] Value as at reporting date
[7] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[8] Net working capital = Trade receivables and inventories less trade payables, customer prepayments, short-term operating provisions and other short-term
[9] Gearing = Net financial debt / equity

Order intake

Order intake [1]

in € million	Second quarter 2024	Second quarter 2023	Second quarter Change in %	Second quarter Net of currency effects in %	Six months 2024	Six months 2023	Six months Change in %	Six months Net of currency effects in %
Medical division	446.4	452.2	-1.3	-1.0	900.1	917.5	-1.9	-1.5
Safety division	347.1	340.7	+1.9	+2.0	704.3	679.1	+3.7	+4.1
Total	**793.5**	**792.9**	**+0.1**	**+0.3**	**1,604.3**	**1,596.6**	**+0.5**	**+0.9**
thereof Germany	173.5	172.3	+0.7	+0.7	385.7	373.1	+3.4	+3.4
thereof EMEA	301.7	328.1	-8.0	-8.1	613.7	616.9	-0.5	-0.6
thereof Americas	189.1	161.6	+17.0	+16.3	349.5	305.0	+14.6	+13.7
thereof APAC	129.1	130.9	-1.3	+1.0	255.5	301.7	-15.3	-12.1

[1] Due to the new regional structure, prior-year figures have been adjusted partially.

Our order intake increased by just under one percent during the first half of 2024 (net of currency effects). This was due in particular to significant growth in the Americas and the positive trend in Germany. This was offset by a significant decline in the Asia-Pacific region (APAC) and a slight drop in demand in the Europe, Middle East and Africa region (EMEA). In the second quarter, incoming orders were just above the prior-year level (net of currency effects). The Americas region recorded a significant increase. Demand increased slightly in the Germany and APAC regions. In the EMEA region, however, it declined significantly.

In the medical division, order intake in the first half of the year was 1.5% below the prior-year level (net of currency effects). Demand fell significantly in the APAC region. The EMEA and Germany regions also recorded a decline. By contrast, the Americas region recorded significant growth of around a quarter. In the second quarter, order intake was 1.0% below the level of the prior year (net of currency effects). Growth of around 30% in the Americas was offset by a significant decline in EMEA. Lower demand in the Germany and APAC regions also had a negative effect.

In the safety division, order intake increased by 4.1% in the first half of the year (net of currency effects) and by 2.0% in the second quarter (net of currency effects). In both reporting periods, growth was driven by the EMEA, Germany and APAC regions, while demand in the Americas region declined.

Net sales

Net sales [1]

in € million	Second quarter 2024	Second quarter 2023	Second quarter Change in %	Second quarter Net of currency effects in %	Six months 2024	Six months 2023	Six months Change in %	Six months Net of currency effects in %
Medical division	428.8	440.8	-2.7	-2.3	846.3	910.7	-7.1	-6.5
Safety division	355.8	330.4	+7.7	+7.9	674.2	621.6	+8.5	+8.8
Total	**784.7**	**771.3**	**+1.7**	**+2.0**	**1,520.5**	**1,532.4**	**-0.8**	**-0.3**
thereof Germany	176.4	180.5	-2.2	-2.2	346.4	342.8	+1.0	+1.0
thereof EMEA	315.3	297.0	+6.2	+6.0	617.1	578.1	+6.7	+6.6
thereof Americas	174.0	158.0	+10.1	+10.1	330.5	318.1	+3.9	+3.6
thereof APAC	119.0	135.8	-12.4	-10.2	226.5	293.3	-22.8	-19.6

[1] Due to the new regional structure, prior-year figures have been adjusted partially.

Net sales in the first half of 2024 were 0.3% below the prior-year level (net of currency effects). This is due to a significant decline in the Asia-Pacific region, which could not be offset by growth in the other three regions. In the prior-year period, Dräger had benefited from strong recovery effects as a result of the noticeable improvement in delivery capacity and a surge in demand for ventilators in China. As expected, both effects were absent in the first half of 2024.

In the second quarter, net sales rose by 2.0% (net of currency effects) due to the positive development in the Europe, Middle East and Africa and Americas regions. By contrast, the Asia-Pacific region recorded a significant decline, and net sales in Germany were also below the level of the prior year.

Earnings

During the first half of 2024, our gross profit increased by 1.0% to EUR 681.5 million (6 months 2023: EUR 674.9 million). This was due to the increased share of net sales and the improved gross margin of the safety division. As a result of these two effects, the Group's gross margin rose to 44.8% (6 months 2023: 44.0%).

In the second quarter, gross profit of EUR 347.9 million was 4.8% higher than in the prior year (Q2 2023: EUR 332.1 million). The gross margin increased by 1.3 percentage points to 44.3% as a result of the reasons mentioned above. Compared to the first quarter, the shift in the weighting towards safety technology was less pronounced in the second quarter.

Our functional costs rose by 2.3% in the first half of 2024 (net of currency effects; 2.0 % in nominal terms). This was due in particular to higher distribution costs in the safety division. In the medical division however, functional costs declined. During the second quarter, functional costs rose more strongly than in the first quarter by 2.7% (net of currency effects; 2.6 % in nominal terms) whereby this change was exclusively due to developments in the safety division.

Research and Development (R&D) spending remained virtually unchanged during the first half of 2024, falling by 1.0% (nominal: -1.0%). At 10.8%, the ratio of R&D expenses to net sales (R&D ratio) remained at the prior-year level.

The financial result (before interest result) amounted to EUR -0.5 million (6 months 2023: EUR -0.3 million).

Our Group earnings before interest and taxes (EBIT) amounted to EUR 55.8 million in the first half of 2024 (6 months 2023: EUR 47.7 million). The EBIT margin came to 3.7% (6 months 2023: 3.1%). In the second quarter, EBIT came to EUR 40.7 million (Q2 2023: EUR 18.7 million). The EBIT margin was 5.2% (Q2 2023: 2.4%).

In addition to the solid operating business performance, several one-off effects recognized in profit or loss contributed around EUR 20 million to EBIT. These included the sale of a non-core local business activity and the sale of a plot of land.

The interest result increased by EUR 1.5 million to EUR -8.8 million in the first half of 2024 (6 months 2023: EUR -10.2 million). This was due to a slight reduction in interest expenses and an increase in interest income.

Investments

In the first half of 2024, investment volume came to EUR 52.6 million, a decline of 15.2 % compared to the prior year (6 months 2023: EUR 62.1 million). We invested EUR 27.4 million in property, plant and equipment (6 months 2023: EUR 41.1 million), EUR 1.5 million in intangible assets (6 months 2023: EUR 1.3 million) and EUR 23.8 million in capitalized right-of-use assets pursuant to IFRS 16 (6 months 2023: EUR 19.7 million). Depreciation and amortization amounted to EUR 65.5 million in the first half of 2024 (6 months 2023: EUR 70.7 million). Investments amounted to 80.3% of depreciation and amortization, resulting in a decrease in fixed assets of EUR 12.9 million.

Cash flow statement[1]

In the first six months of fiscal year 2024, the Dräger Group recorded cash outflow from operating activities of EUR 5.5 million (6 months 2023: cash outflow of EUR 7.3 million). In addition to the EUR 5.5 million improvement in earnings after income taxes, this change was mainly due to the EUR 57.1 million reduction in trade payables. This development was also supported by the EUR 21.9 million reduction in inventories. In contrast, the cash outflow from provisions increased by EUR 32.9 million to EUR 56.9 million, and the cash outflow from other assets by EUR

[1] Due to the elimination of exchange rate effects, the underlying changes recognized in the cash flow statement cannot be directly reconciled with the items of the published balance sheet.

21.1 million to EUR 30.2 million. In addition, other liabilities only increased by EUR 4.0 million (6 months 2023: increase of EUR 19.8 million).

Cash outflow from investing activities stood at EUR 10.7 million in the first six months of the fiscal year (6 months 2023: cash outflow of EUR 36.3 million). The cash outflow fell due to offsetting inflows from the sale of subsidiaries and business units amounting to EUR 14.8 million and a EUR 10.5 million reduction in investments in property, plant and equipment.

Free cash flow – the sum of the change in cash flow from operating and investing activities – amounted to EUR -16.2 million in the first half of 2024 (6 months 2023: EUR -43.6 million).

Cash outflow from financing activities fell by EUR 15.0 million to EUR 63.5 million compared to the same period of the prior year. In the prior year, cash outflow was mainly characterized by the payment of EUR 208.8 million to participation certificate holders of the terminated series D. In the first six months of the current fiscal year, there was also a net cash outflow of EUR 6.8 million from bank loans and current account liabilities, compared to a net cash inflow of EUR 156.0 million in the same period of the prior year.

Cash and cash equivalents of EUR 190.7 million as at June 30, 2024 (6 months 2023: EUR 185.4 million) consisted exclusively of cash and cash equivalents; these were subject to restrictions on their use in the amount of EUR 8.2 million (December 31, 2023: EUR 12.0 million).

Financial management

Borrowing

To secure our liquidity, we have a master credit agreement with our core banks in the amount of EUR 655.0 million. Under this agreement, there are cash credit facilities of EUR 250.0 million with a term until September 30, 2024, and cash credit facilities of EUR 250.0 million with a term until November 30, 2026. In addition, there are currently guarantee credit lines of EUR 155 million under the framework credit agreement, which will increase to EUR 165 million from October 2024. These credit lines were utilized as sureties in Germany and abroad and as cash facilities.

As at June 30, 2024, there were also promissory note loans totaling EUR 100.0 million and a long-term investment loan commitment from the European Investment Bank (EIB) amounting to EUR 150.0 million.

Outside the framework credit agreement, there are a further bilateral guarantee credit lines with DZ Bank for EUR 5.0 million and with Euler Hermes (Allianz) for EUR 20 million.

Net assets

The Dräger Group's equity increased by EUR 32.8 million to EUR 1,442.0 million in the first six months of 2024. The equity ratio came to 47.6% as at June 30, 2024, which was higher than the figure of 45.5% as at December 31, 2023.

The increase in equity is mainly due to the adjustment to calculation parameters for pension provisions. In particular, the increase in the discounting rate from 3.2 to 3.6% in Germany lowered pension provisions by EUR 32.7 million. The net amount of the adjustment of EUR 22.4 million after deferred tax liabilities increased reserves from retained earnings recognized directly in equity. Currency translation differences also increased equity. In addition to the increase in equity, the shortening of the balance sheet by EUR 63.3 million to EUR 3,031.2 million had a positive effect on the equity ratio.

On the assets side, non-current assets decreased slightly by EUR 0.9 million. The increase in other non-current assets compensated for the slight decrease in property, plant and equipment including right-of-use assets of EUR 13.6 million.

Current assets fell by EUR 58.9 million. The main reasons for this were the decrease in trade receivables of EUR 113.1 million and a reduction in cash and cash equivalents of EUR 81.2 million. By contrast, inventories (EUR +66.6

million), prepaid expenses (EUR +22.2 million), income and other tax receivables (EUR +20.5 million) and contract assets (EUR +19.6 million) increased.

The change on the liabilities side results on the one hand from the reduction in current liabilities by EUR 59.3 million – including liabilities from non-current assets held for sale. On the other hand, it results from the reduction in non-current liabilities by EUR 36.8 million with a simultaneous increase in equity by EUR 32.8 million.

The decrease in non-current liabilities is mainly due to lower provisions for pensions and similar obligations (EUR -25.8 million).

The lower current liabilities resulted primarily from the reduction in provisions for variable remuneration (EUR -49.6 million). In addition, trade payables (EUR -21.0 million), other current financial liabilities (EUR -19.3 million) and other current liabilities (EUR -12.1 million) fell. Contract liabilities, on the other hand, increased by EUR 42.0 million.

Dräger Value Added

Dräger's value-based management figure, Dräger Value Added, increased by EUR 75.0 million to EUR 33.4 million in the 12 months ended June 30, 2024 compared to the same period of the prior year (12 months ended June 30, 2023: EUR -41.6 million). Rolling EBIT increased by EUR 103.6 million compared to the prior year. Despite lower average capital employed (EUR -39.1 million), the cost of capital increased by EUR 28.6 million due to the higher cost of capital rate. For 2024, we have increased the Weighted Average Cost of Capital (WACC) from 7.0 to 9.0%, taking into account the changed interest rate environment, among other things.

Average current assets increased at a slightly lower rate than sales. As a result, days working capital (working capital coverage) decreased by 1.4 days to 109.2 days compared to the prior year.

Business performance of the medical division

Business performance of the medical division

		Second quarter				Six months			
		2024	2023	Change in %	Net of currency effects in %	2024	2023	Change in %	Net of currency effects in %
Order intake	**€ million**	**446.4**	**452.2**	**-1.3**	**-1.0**	**900.1**	**917.5**	**-1.9**	**-1.5**
thereof Germany [1]	€ million	92.9	95.4	-2.7	-2.7	201.0	202.5	-0.7	-0.7
Net sales	**€ million**	**428.8**	**440.8**	**-2.7**	**-2.3**	**846.3**	**910.7**	**-7.1**	**-6.5**
thereof Germany [1]	€ million	95.0	99.0	-4.1	-4.1	189.8	193.3	-1.8	-1.8
EBITDA [2]	**€ million**	**2.8**	**3.3**	**-14.2**		**7.2**	**29.5**	**-75.8**	
EBIT [3]	**€ million**	**-12.9**	**-12.9**	**-0.7**		**-24.2**	**-2.6**	**> -100**	
EBIT [3] / net sales [4]	%	-3.0	-2.9	-0,1 pp		-2.9	-0.3	-2,6 pp	
Capital employed [5,6]	€ million	896.8	935.9	-4.2		896.8	935.9	-4.2	
EBIT [3,7] / capital employed [5,6] (ROCE) [4]	%	1.7	-1.4	+3,1 pp		1.7	-1.4	+3,1 pp	
DVA [7,8]	€ million	-64.4	-78.6	+18.0		-64.4	-78.6	+18.0	

[1] Due to the new regional structure, prior-year figures have been adjusted.
[2] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[3] EBIT = Earnings before net interest result and income taxes
[4] pp = Percentage points
[5] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[6] Value as at reporting date
[7] Value of the last twelve months
[8] Dräger Value Added = EBIT less cost of capital of average invested capital

Order intake

Order intake [1]

	Second quarter				Six months			
in € million	2024	2023	Change in %	Net of currency effects in %	2024	2023	Change in %	Net of currency effects in %
Germany	92.9	95.4	-2.7	-2.7	201.0	202.5	-0.7	-0.7
EMEA	148.3	179.1	-17.2	-17.2	307.7	327.4	-6.0	-6.0
Americas	128.7	98.7	+30.4	+29.5	235.6	187.1	+25.9	+24.5
APAC	76.5	79.0	-3.2	-0.4	155.7	200.5	-22.3	-19.0
Total	**446.4**	**452.2**	**-1.3**	**-1.0**	**900.1**	**917.5**	**-1.9**	**-1.5**

[1] Due to the new regional structure, prior-year figures have been adjusted partially.

In the first half of 2024, our order intake in the medical division was down 1.5% on the same period of the prior year (net of currency effects). This was due in particular to the significant decline in demand for ventilators, which had been supported by China in the same period of the prior year. The significant increase in order volumes for anesthesia, thermoregulation and patient monitoring devices in particular had a positive effect. In the Asia-Pacific region (APAC), demand declined significantly. The Europe, Middle East and Africa (EMEA) and Germany regions also recorded a decline. By contrast, the Americas region recorded significant growth of around a quarter, partly due to major orders from Mexico.

In the second quarter, order intake was 1.0% below the level of the prior year (net of currency effects). Growth of around 30% in the Americas was offset by a significant decline in EMEA, which was due in particular to a drop in orders from Russia. Lower demand in the Germany and APAC regions also had a negative effect.

Net sales

Net sales [1]

in € million	Second quarter 2024	Second quarter 2023	Change in %	Net of currency effects in %	Six months 2024	Six months 2023	Change in %	Net of currency effects in %
Germany	95.0	99.0	-4.1	-4.1	189.8	193.3	-1.8	-1.8
EMEA	155.0	157.2	-1.4	-1.6	307.3	308.4	-0.4	-0.5
Americas	108.5	94.7	+14.6	+14.4	209.4	201.8	+3.7	+3.2
APAC	70.4	89.9	-21.7	-19.3	139.8	207.2	-32.5	-29.3
Total	**428.8**	**440.8**	**-2.7**	**-2.3**	**846.3**	**910.7**	**-7.1**	**-6.5**

[1] Due to the new regional structure, prior-year figures have been adjusted partially.

Our net sales in the medical division in the first half of 2024 were down 6.5% on the same period of the prior year (net of currency effects). This was attributable in particular to a significant decrease in net sales in the APAC region, which, as expected, was primarily due to the lack of a renewed wave of demand for ventilators in China in the first quarter. In the first half of 2023, the segment also benefited from recovery effects as a result of the noticeable improvement in delivery capacity. The Germany and EMEA regions recorded a slight decrease in net sales in the first half of 2024. Revenue increased in the Americas region.

In the second quarter, net sales fell by 2.3% (net of currency effects). Significant growth in the Americas region was offset by a marked decline in the APAC region. In the Germany and EMEA regions, net sales were also down on the same period of the prior year.

Earnings

Our gross profit in the medical division declined by 7.2% in the first half of 2024. The main factor here was the decrease in net sales in all regions except the Americas. In addition, the gross margin fell slightly by 0.1 percentage points, in particular as a result of a less profitable country and product mix. In the second quarter, gross profit of EUR 178.5 million was 0.5% higher than in the prior year (6 months 2023: EUR 177.7 million). The gross margin increased by 1.3 percentage points. In particular, lower costs for unplanned field campaigns had a positive impact on profitability.

Functional costs decreased by 1.6% in the first half of 2024 (net of currency effects; -2.0% in nominal terms). In the second quarter, functional costs were roughly on par with the prior-year level (net of currency effects; -0.2% in nominal terms).

EBIT in the medical division amounted to EUR -24.2 million in the first half of 2024 (6 months 2023: EUR -2.6 million). The EBIT margin decreased by 2.6 percentage points to -2.9%. In the second quarter, EBIT amounted to EUR -12.9 million, as in the same period of the prior year. The EBIT margin was -3.0% (Q2 2023: -2.9%).

Dräger Value Added increased by EUR 14.2 million to EUR -64.4 million as at June 30, 2024 compared to the same period of the prior year (12 months ended June 30, 2023: EUR -78.6 million). Rolling EBIT increased by EUR 28.3 million compared to the prior year. Due to the increase in the WACC from 7.0 to 9.0%, the cost of capital increased by EUR 14.1 million despite the decrease in capital employed.

Business performance of the safety division

Business performance of the safety division

		Second quarter				Six months			
		2024	2023	Change in %	Net of currency effects in %	2024	2023	Change in %	Net of currency effects in %
Order intake	**€ million**	**347.1**	**340.7**	**+1.9**	**+2.0**	**704.3**	**679.1**	**+3.7**	**+4.1**
thereof Germany [1]	€ million	80.7	76.9	+4.9	+4.9	184.6	170.6	+8.2	+8.2
Net sales	**€ million**	**355.8**	**330.4**	**+7.7**	**+7.9**	**674.2**	**621.6**	**+8.5**	**+8.8**
thereof Germany [1]	€ million	81.5	81.5	-0.0	+0.0	156.6	149.5	+4.7	+4.7
EBITDA [2]	**€ million**	**70.9**	**51.2**	**+38.4**		**114.2**	**88.9**	**+28.5**	
EBIT [3]	**€ million**	**53.7**	**31.5**	**+70.2**		**79.9**	**50.4**	**+58.7**	
EBIT [3] / net sales [4]	%	15.1	9.5	+5,5 pp		11.9	8.1	+3,8 pp	
Capital employed [5, 6]	€ million	703.6	675.5	+4.2		703.6	675.5	+4.2	
EBIT [3, 7] / capital employed [5, 6] (ROCE) [4]	%	22.6	12.4	+10,2 pp		22.6	12.4	+10,2 pp	
DVA [7, 8]	€ million	97.8	37.0	> +100		97.8	37.0	> +100	

[1] Due to the new regional structure, prior-year figures have been adjusted.
[2] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[3] EBIT = Earnings before net interest result and income taxes
[4] pp = Percentage points
[5] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[6] Value as at reporting date
[7] Value of the last twelve months
[8] Dräger Value Added = EBIT less cost of capital of average invested capital

Order intake

Order intake [1]

	Second quarter				Six months			
in € million	2024	2023	Change in %	Net of currency effects in %	2024	2023	Change in %	Net of currency effects in %
Germany	80.7	76.9	+4.9	+4.9	184.6	170.6	+8.2	+8.2
EMEA	153.4	149.0	+3.0	+2.9	306.0	289.4	+5.7	+5.5
Americas	60.4	63.0	-4.0	-4.5	113.9	117.9	-3.4	-3.4
APAC	52.6	51.8	+1.5	+3.0	99.8	101.2	-1.4	+1.5
Total	**347.1**	**340.7**	**+1.9**	**+2.0**	**704.3**	**679.1**	**+3.7**	**+4.1**

[1] Due to the new regional structure, prior-year figures have been adjusted partially.

The safety division continued its growth trajectory in the first half of 2024. Order intake rose by 4.1% (net of currency effects). Almost all product categories recorded higher demand. The biggest growth driver was our occupational health and safety equipment. In contrast, orders for our customer-specific solutions declined significantly. In the second quarter, order intake rose by just under two percent (net of currency effects).

In both reporting periods, all regions except the Americas recorded higher demand. The order situation developed particularly well in the Germany and Europe, Middle East and Africa (EMEA) regions.

Net sales

Net sales [1]

	Second quarter				Six months			
in € million	2024	2023	Change in %	Net of currency effects in %	2024	2023	Change in %	Net of currency effects in %
Germany	81.5	81.5	-0.0	+0.0	156.6	149.5	+4.7	+4.7
EMEA	160.3	139.7	+14.7	+14.5	309.7	269.7	+14.8	+14.6
Americas	65.5	63.3	+3.4	+3.6	121.1	116.3	+4.2	+4.4
APAC	48.6	45.9	+5.8	+7.5	86.7	86.1	+0.8	+3.8
Total	**355.8**	**330.4**	**+7.7**	**+7.9**	**674.2**	**621.6**	**+8.5**	**+8.8**

[1] Due to the new regional structure, prior-year figures have been adjusted partially.

Our net sales in the safety division rose by 8.8% in the first half of the year (net of currency effects), in particular due to the good order situation. All regions contributed to this growth. In the second quarter, net sales rose by just under eight percent (net of currency effects). All regions except Germany were able to increase their revenue. The EMEA region was the biggest growth driver in both reporting periods, with an increase of around 15% in each case.

Earnings

Our gross profit in the safety division increased significantly by 11.9% during the first half of 2024. This was due to significant net sales growth and the improved gross margin, which increased by 1.5 percentage points thanks to a positive currency effect and effective price enforcement. Gross profit rose by 9.7% in the second quarter. The gross margin increased by 0.9 percentage points.

Functional costs in the first half of 2024 were 8.7% higher than in the same period of the prior year (net of currency effects; 8.4% in nominal terms). This was mainly due to higher expenses for research and development as well as higher sales costs in the regions. Functional costs rose by 6.9% (net of currency effects; 6.9% in nominal terms) in the second quarter.

EBIT in the safety division amounted to EUR 79.9 million in the first half of 2024 (6 months 2023: EUR 50.4 million). The EBIT margin came to 11.9% (6 months 2023: 8.1%). In the second quarter, EBIT came to EUR 53.7 million (Q2 2023: EUR 31.5 million). The EBIT margin was 15.1% (Q2 2023: 9.5%). In the second quarter, EBIT was positively affected by the sale of our fire alarm system business in the Netherlands. In the 2023 fiscal year, net sales of this business amounted to around EUR 20 million. However, there were few synergies with the main customer groups or our safety division. We have therefore exited this business.

Dräger Value Added increased by EUR 60.9 million to EUR 97.8 million as at June 30, 2024 compared to the same period of the prior year (12 months ended June 30, 2023: EUR 37.0 million). Rolling EBIT increased by EUR 75.4 million compared to the prior year. The cost of capital rose by EUR 14.5 million due to the increase in the WACC from 7.0 to 9.0% and higher capital employed.

Changed conditions after the closing of the interim reporting period

There were no significant changes between the end of the first six months of 2024 and the time this interim financial report was prepared.

Research and development

In the first half of 2024, we invested EUR 164.5 million in research and development (R&D), which was slightly less than in the same period of the prior year (6 months 2023: EUR 166.1 million). The R&D expenses amounted to 10.8% of net sales in the first six months of the reporting year (6 months 2023: 10.8%).

Medical division

The focal point of R&D in the medical business remains expanding our product portfolio in the area of intensive care and in the operating room. Activities are centered on developing system solutions.

In the first half of 2024, we launched a new scalable patient monitoring system for the hospital-wide flow of information. The main component of the system is the Vista 300 – a universal patient monitor for adults, children and newborns. The Vista 300 can display patient data, vital parameters and data from various therapy devices in one easy-to-configure user interface. Connected to medical devices such as ventilators or anesthesia machines, the patient monitor can also become part of an integrated clinical workstation. In combination with the Vista monitoring center and the Gateway software for efficient data exchange, this data is securely transmitted digitally to an existing hospital network. The Vista 300 can not only provide data from connected devices, but can also be extensively networked within the hospital. In this manner, the monitor supports workflows across departments.

Another innovation in the area of patient monitoring was our Vista Central Monitoring System (Vista CMS). The Vista CMS monitors up to 128 patients connected to our Vista monitors. Clinical personnel can access their patient data conveniently across departments within the network – from any location and at any time. Remote functions also support personnel in quickly evaluating vital data and making decisions. This allows personnel to keep an eye on their patients and optimize their work processes at the same time.

We also launched our Evita V600 and Evita V800 intensive care ventilators in China in the first half of 2024. We are thus further expanding our locally produced ventilator range for this important market. The Evita V600 and V800 series devices combine high-performance ventilation with an attractive design for quick and efficient operation – from initiating lung-protective ventilation to integration into a patient-oriented intensive care workstation. For the variants launched in China, we have developed an operating concept that further simplifies orientation and makes user guidance clearer. The simplified operation is intended to support users in making therapeutic decisions, shorten training times and thus make patient care even better and safer.

In addition, we published a completely revised version of our Gas Consumption Analytics (GCA) digital service during the reporting period. GCA provides important clinical, financial and environmental information about connected Dräger anesthesia machines. The relevant information is transferred to our Connect platform and displayed in the GCA dashboard. There, users can analyze their data at any time via a secure web browser connection. The range of functions includes the analysis of anesthetic agent consumption and incurred costs. In the new version, users can analyze the efficiency of anesthetic gas usage and the fresh gas flows used more easily by operating room and day as well as the case level. In addition, GCA calculates the CO_2 equivalent of the anesthetic gases consumed. The GCA analysis functions are intended to help reduce costs and initiate optimization initiatives in the area of "Green Anesthesia".

With VentStar Resus Heated (N) and VentStar AutoBreath Heated (N), we also launched two new innovative products for providing heated and humidified breathing gas during the resuscitation of newborn infants. The products are compatible with the Resuscitation module on the open care warmers Dräger BabyRoo and Dräger Resuscitaire among others.

Safety division

The focus of innovation in the safety business is on expanding the Dräger product portfolio and developing systems to deliver complete solutions for customers.

In the first half of 2024, we launched the Dräger CBS 1000 cabin breathing protection system and the Dräger PAS Micro CFH breathing apparatus. The CBS 1000 is a compact solution for equipping existing vehicle cabins with short-term respiratory protection. With the stored clean breathing air, the respiratory protection is independent of the ambient atmosphere. The CBS 1000 is easy to install and operate and can be used for firefighting, tunnel rescue or mine rescue. The PAS Micro CFH is a lightweight self-contained breathing apparatus that provides respiratory protection for short duration light work or escape operations from contaminated environments. The breathing air is supplied to the highly visible constant air flow hood. The total operating time of the device is 17 minutes.

We have also introduced the X-plore 8000 Standard & Premium welding visors for the Dräger X-plore 8000 powered air purifying respirator. The new visors provide effective protection against sparks and splashes as well as harmful light rays generated during welding. In combination with the powered air purifying respirator, the system provides additional respiratory protection against a wide range of harmful substances that can be released during welding work. The standard version of the visor has, among other things, a convenient option for switching the Automatic Darkening Filter module to Grinding mode using a button on the outside of the visor. The module is powered by a solar cell and battery. The premium version of the visor is equipped with a hinged automatic welding protection screen and has an even longer battery life than the standard version. In addition, we have expanded the accessories for the X-plore 8000 portfolio and introduced a dust cover for the HL1 helmet, a robust hose for helmet, visor and hood as well as a backpack carrying system.

Another product innovation was the Plus version of our X-pid 9500 multi-gas detector. The X-pid 9500+ has a Stationary mode that ensures continuous monitoring of a workspace over a self-defined period of time (time or concentration-controlled). Thanks to the improved calculation algorithm, carcinogenic hazardous substances such as benzene, 1,3-butadiene, carbonates and other volatile organic compounds (VOCs) can be measured at even lower detection limits. The optimized peak fitting enables even better differentiation of the substances. In addition, the X-pid 9500+ is equipped with a function for Bluetooth-based data export to other devices and a power-saving Start mode.

In the first half of 2024, we also released Gas Detection Assist (GDA) in the Google and Apple app stores. GDA is a modern software solution for configuring, calibrating and adjusting our gas detection technology. The application can be used on smartphones and tablets with the Android and iOS operating systems. The first version of GDA supports the Dräger Polytron 6100 EC wireless transmitter. With this, GDA enables quick and easy maintenance and configuration of the transmitters for monitoring toxic gases and oxygen.

In addition, we launched a new version of our compact saliva-based rapid drug test DrugCheck 3000 in the important Australian market with the DrugCheck 3000 3-Panel. The new DrugCheck provides users with reliable test results in an uncomplicated and cost-effective manner. The device requires no electricity and can be used anywhere. It tests for THC (cannabis), methamphetamines and cocaine. The unique selling point is the speed of the test: negative results are displayed within one minute. Compared to the previous solution, this means time savings of at least two minutes. The new DrugCheck is also minimally invasive and extremely hygienic to use.

Our innovations during the reporting period also included the Dräger Companion med digital health solution, an innovative combination of smartphone app and breathalyzer designed to support alcohol-dependent patients in their treatment. Companion med enables patients to test themselves several times a day and receive immediate feedback on their progress. Awards given by the app for alcohol-free days already achieved can provide additional motivation. The app also helps users to quickly reach saved emergency contacts such as family members, friends or therapists. This allows users to get support easily and directly in moments of uncertainty.

Personnel

As at June 30, 2024, the Dräger Group employed 16,390 people worldwide. This is 171 employees more than in the prior year (June 30, 2023: 16,219), an increase of 1.1%. The number of employees in Germany increased by 93, while the number of employees abroad was 78 more than in the same period of the prior year. As at June 30, 2024, 53.1% of our employees were working outside Germany.

In Germany, the number of employees rose particularly in the area of Research and Development (+57). In sales-related functions, primarily in Service, we employed 54 more people than in the prior-year period. We increased the number of employees in General Administration by 25. In Production, Quality Assurance, Logistics and Purchasing, we employed 43 persons less than in the first half of 2023.

The increase in personnel abroad largely pertained to sales-related functions: In Sales, Service and Marketing, the number of employees increased by 55. The increase was mainly spread across the locations in the EMEA and APAC regions. The number of employees in General Administration also increased (+38). In Production, we employed 25 fewer people than in the same period last year.

Of the 16,390 employees worldwide, 58.8% (June 30, 2023: 58.7%) worked in Sales, Marketing and Service, 18.5% (June 30, 2023: 19.0%) in Production, Quality Assurance, Logistics and Purchasing, 11.1% (June 30, 2023: 10.8%) in Research and Development and 11.7% (June 30, 2023: 11.4%) in General Administration.

Personnel expenses within the Group increased by 4.2% (net of currency effects: 4.5%) to EUR 680.7 million in the first half of the year. This is due to both the higher number of employees and the higher average cost per employee. Costs per employee rose by an average of 3.1% (net of currency effects: 3.4%). This was due to the collective agreement pay rise in the metal and electrical industries in Germany and higher wage and salary expenses abroad. The personnel cost ratio came to 44.8% in the first half of 2024 (6 months 2023: 42.6%).

Workforce trend

		June 30, 2024	December 31, 2023	June 30, 2023
Germany		7,690	7,699	7,597
Other countries		8,700	8,630	8,622
Dräger Group total		**16,390**	**16,329**	**16,219**
Turnover of employees (Basis: average of the past 12 months)	%	5.3	5.8	6.0
Sick days of work days in Germany (Basis: average of the past 12 months)	%	6.5	6.6	4.5
Temporary staff in Germany (incl. short-term project employment)		302	328	566

Personnel expenses [1]

in € thousand	Six months 2024	Six months 2023
Wages and salaries	560,989	538,091
Social security contributions and related employee benefits	104,572	101,578
Pension expenses	15,117	13,538
	680,678	**653,207**

[1] Personnel expenses include the remuneration of the members of the Executive Board of the general partner Drägerwerk Verwaltungs AG, Lübeck.

Risks to future development

The material risks to our net assets, financial position, and results of operations, as well as the structure of our risk management system, are outlined in the annual report 2023 on pages 55 et seq. The annual report may be downloaded online at www.draeger.com.

In the reporting period, no significant changes arose for the forecast period compared to those presented in the 2023 annual report.

Dräger has not currently identified any individual or aggregated risks that could have a material impact on the company's continued existence as a going concern.

Outlook

Future market environment

The global economy is expected to grow at the same rate in 2024 and 2025 as in 2023. In its April 2024 outlook, the International Monetary Fund (IMF) expects global gross domestic product (GDP) to increase again by 3.2%. The forecast for the current year is therefore 0.1 percentage points higher than assumed in January 2024.

According to the IMF, the global economy continues to face numerous challenges despite the ongoing recovery. These include, in particular, combating persistently high inflation in the service sector and reducing large economic differences between individual countries. Other challenges include driving forward budgetary consolidation in highly indebted emerging countries and improving the still historically weak medium-term growth prospects. The IMF is also calling for even greater efforts to reduce emissions.

IMF forecast from April 2024 on gross domestic product (GDP) growth

in %	2023	2024	2025
Global economy	3.2	3.2	3.2
U.S.	2.5	2.7	1.9
Eurozone	0.4	0.8	1.5
Germany	-0.3	0.2	1.3
China	5.2	4.6	4.1

Future market and segment situation

Medical division

According to the German Medical Technology Association (BVMed), medical technology will remain a growth market in Germany. The reasons for this development are medical-technical progress, demographic trends and the expanded concept of health towards a better quality of life. However, the industry will continue to suffer from high costs and the unfavorable climate for innovation.

According to forecasts by Germany Trade and Invest – Gesellschaft für Außenwirtschaft und Standortmarketing mbH (GTAI), the market for medical technology in the Europe, Middle East and Africa (EMEA) region will continue to develop positively over the remainder of the year. One reason for this is increasing government investment. We are also observing an upward trend in the medical technology sector in the Middle East. Technological progress and increasing digitalization are having a positive effect here. The growing population is also increasing demand for medical devices. The African medical technology market will also grow, although at a comparatively low level.

According to the GTAI, the outlook for medical technology on the US market is also positive. This also applies to the US submarket. Rising healthcare expenditures, the growing number of elderly people and extensive investment in hospital projects are increasing demand for equipment. Fitch Solutions forecasts an average growth rate of 5.7% for US medical technology in the years 2022 to 2027. Digital healthcare applications will become even more important in the future. Demand for medical technology will also continue to rise in Canada. In Latin America, an aging population, the increase in chronic diseases and the expansion of public healthcare will boost demand for medical technology. According to experts, e-health applications will gain in importance. A small but progressive private healthcare sector also offers good sales opportunities. However, volatile currencies and unstable political conditions in countries such as Argentina, Ecuador or Venezuela are having a negative impact on the business environment for medical technology providers.

The Asia-Pacific (APAC) region will see moderate growth. According to the GTAI, countries such as China and India still tend towards protectionism. In China, the market share of imported products will continue to decline steadily, while domestically manufactured products will continue to expand their market position. In Japan, the aging population will further increase demand for medical products. The country is open to new and innovative medical technology.

Safety division

According to the German Chemical Industry Association (VCI), there are still no signs of a significant recovery for the chemical industry in Germany. Chemical companies are still concerned about the future in 2024: Although an improvement in sales is generally expected – primarily due to international business – the majority of companies still anticipate declining or stagnating revenues, meaning that recovery will be postponed further into the future.

According to the VCI, the chemical industry in the EMEA region will see restrained growth. Growth is not expected until 2025, in particular in Europe. In the Middle East, on the other hand, the chemical industry is expected to develop positively according to GTAI, primarily due to the high level of investment in capacity expansion. Growth will accelerate here. In South Africa, the mining sector will develop moderately. Although the industry will initially benefit from improved logistics and power supply, large mining companies have already announced capacity reductions. The sector will also be burdened by continued low global market prices for industrial metals in the current year.

In the Americas region, there are signs of a favorable trend for safety technology, despite the current weakening global demand in various industries. According to GTAI, the market for chemical products in the USA will grow in the coming years, as important customer industries will increase their demand. In addition, there are projects worth billions with regard to sustainable chemistry and decarbonization. According to GTAI, there will also be opportunities in the mining sector in Latin America. However, the sector will still feel the effects of weak global demand in 2024. Automation and digitalization will remain important topics.

The APAC region will develop moderately. According to the VCI, the Chinese chemical industry is tending towards losing momentum. According to GTAI, the outlook is moderate and the challenges for the chemical industry there will increase. The forecasts for the chemical industry in India are no better: Here, too, there is a lack of demand impetus from abroad.

The global market for fire protection equipment, on the other hand, will grow steadily according to SkyQuest. An annual increase in demand of 6.4% is expected for 2024 to 2031.

Future situation of the company

The following section should be read in conjunction with the "Outlook" section in the management report of the 2023 annual report (page 71 et seq.), which describes our expectations for 2024 in detail. The following table provides an overview of the expectations regarding the development of various forecast figures. The forecast period comprises one fiscal year.

Expectations for fiscal year 2023

	Results achieved for fiscal year 2023	Forecast for fiscal year 2024	Current forecast
Net sales (net of currency effects)	13.1%	1.0 to 5.0%	lower half of range
Gross margin	43.3%	43.0 to 45.0%	confirmed
EBIT margin	4.9%	2.5 to 5.5%	upper half of range
DVA	EUR 55.8 million	EUR -60 to 40 million	upper half of range
Research and development costs	EUR 325.4 million	EUR 330 to 350 million	confirmed
Net financial debt	EUR 197.7 million	at prior-year level	slight improvement
Investment volume [1]	EUR 86.3 million	EUR 95 to 115 million	confirmed
Net interest result	EUR -25.1 million	EUR -20 to -26 million	confirmed
Days Working Capital (DWC)	108.8 days	108 to 113 days	confirmed

[1] Excluding company acquisitions and the capitalization of right-of-use assets pursuant to IFRS 16

Based on the business performance in the first half of the year, we confirm our forecast for the fiscal year 2024. Due to the continued moderate demand in the medical technology sector, we now tend to expect revenue growth in the lower half of the forecast range. In addition, we now consider an EBIT margin in the upper half of the forecast range to be more likely due to the positive one-off effects in current earnings. DVA is also expected to be in the upper half of the range.

Dräger management estimate

After returning to growth and profitability in 2023, we expect profitable growth again in 2024. Although our outlook remains subject to uncertainty due to ongoing risk factors such as the wars in Ukraine and the Middle East, continued high inflation and political developments in China, we are still confident that we can achieve a good result. This assumption is based in particular on the fact that our delivery capability has returned to normal over the past year and we do not currently expect any significant impairment. We also expect to continue to benefit from the demand for our products and services. By implementing our strategic measures, we also aim to leverage the potential of our growth markets for medical and safety technologies, which remain intact.

Important events in the reporting period

At its meeting on May 8, 2024, the Supervisory Board of Drägerwerk Verwaltungs AG resolved to appoint Stefanie Hirsch to the Executive Board as Chief Sustainability and Quality Officer as of July 1, 2024. In this role, she is responsible for the new Executive Board department for sustainability and quality.

Forward-looking statements

This interim management report contains forward-looking statements. The statements are based on the current expectations, presumptions, and forecasts of the Executive Board of Drägerwerk Verwaltungs AG, as well as the information available to it to date. The forward-looking statements do not provide any guarantee of the future developments and results contained therein. Rather, the future developments and results are dependent on a number of factors; they entail various risks and uncertainties and are based on assumptions that could prove to be incorrect. Dräger does not assume any responsibility for updating the forward-looking statements made in this report.

Lübeck, July 24, 2024

The general partner
Drägerwerk Verwaltungs AG,
represented by its Executive Board

Stefan Dräger
Stefanie Hirsch
Rainer Klug
Gert-Hartwig Lescow
Dr. Reiner Piske
Anton Schrofner

Interim financial statements of the Dräger Group as of June 30, 2024

Consolidated income statement of the Dräger Group

in € thousand	Notes	Second quarter 2024	Second quarter 2023	Six months 2024	Six months 2023
Net sales		784,675	771,259	1,520,494	1,532,385
Cost of sales		-436,789	-439,150	-838,971	-857,521
Gross profit		**347,887**	**332,109**	**681,523**	**674,864**
Research and development costs		-83,605	-82,759	-164,527	-166,136
Marketing and selling expenses		-182,876	-174,017	-357,862	-348,500
General administrative costs		-64,031	-58,166	-126,285	-115,852
Impairment gains and losses on financial assets and contract assets		750	-526	361	-1,629
Other operating income		23,882	1,862	24,829	5,209
Other operating expenses		-751	-230	-964	-474
Functional expenses		**-306,630**	**-313,834**	**-624,448**	**-627,382**
Result from net exposure from monetary items		26	-228	128	31
Result from other investments		-862	572	-823	576
Other financial result		294	58	-596	-358
Financial result (before interest result)	**5**	**-542**	**402**	**-1,291**	**250**
EBIT [1]		**40,715**	**18,676**	**55,783**	**47,732**
Interest result	5	-4,234	-5,503	-8,764	-10,223
Earnings before income taxes		**36,481**	**13,173**	**47,019**	**37,509**
Income taxes	6	-9,939	-1,789	-12,941	-8,953
Earnings after income taxes		**26,542**	**11,384**	**34,079**	**28,556**
Earnings after income taxes		**26,542**	**11,384**	**34,079**	**28,556**
Earnings to non-controlling interests		-94	667	360	805
Earnings attributable to shareholders		26,636	10,716	33,718	27,751
Undiluted earnings per share [2]					
per preferred share (in €)		1.43	0.58	1.81	1.50
per common share (in €)		1.42	0.57	1.78	1.47
Diluted earnings per share [2]					
per preferred share (in €)		1.43	0.58	1.81	1.50
per common share (in €)		1.42	0.57	1.78	1.47

[1] EBIT = Earnings before net interest result and income taxes
[2] The dividend premium of EUR 0.06 on preferred shares is recognized pro rata on a quarterly basis.

Consolidated statement of comprehensive income of the Dräger Group

in € thousand	Six months 2024	Six months 2023
Earnings after income taxes	**34,079**	**28,556**
Items that cannot be reclassified into the income statement		
Remeasurements of defined benefit pension plans	32,723	-798
Deferred taxes on remeasurements of defined benefit pension plans	-10,297	248
Items that may be reclassified into the income statement in the future		
Currency translation adjustment for foreign subsidiaries	9,000	-5,931
Changes in the fair value of the cash flow hedge reserve recognized directly in equity	2,294	5,452
Deferred taxes on changes in the fair value of the cash flow hedge reserve recognized directly in equity	-692	-1,717
Other comprehensive income (after taxes)	**33,029**	**-2,747**
Total comprehensive income	**67,108**	**25,810**
of which attributable to non-controlling interests	394	610
thereof earnings attributable to shareholders	66,713	25,200

Consolidated balance sheet of the Dräger Group

in € thousand	Notes	June 30, 2024	December 31, 2023
Assets			
Intangible assets	7	344,204	345,640
Property, plant and equipment	7	443,799	456,172
Right-of-use assets	7	113,836	115,104
Investments in associates		8,210	11,552
Non-current trade receivables	9	6,237	2,658
Other non-current financial assets		29,090	20,343
Deferred tax assets		257,750	262,989
Other non-current assets	10	18,732	8,342
Non-current assets		**1,221,857**	**1,222,800**
Inventories	8	721,295	654,740
Trade receivables	9	614,403	727,494
Contract assets	9	74,686	55,111
Other current financial assets		34,278	27,041
Cash and cash equivalents		190,737	271,956
Current income tax refund claims		81,348	68,294
Other current assets	10	92,612	63,669
Current assets		**1,809,358**	**1,868,305**
Non-current assets classified as held for sale		**-**	**3,445**
Total assets		**3,031,215**	**3,094,549**
Equity and liabilities			
Capital stock		48,026	48,026
Capital reserves		307,035	307,035
Reserves retained from earnings, including group result		1,094,281	1,071,284
Other comprehensive income		-8,998	-19,566
Non-controlling interests		1,696	2,457
Equity		**1,442,040**	**1,409,235**
Provisions for pensions and similar obligations		178,778	204,562
Non-current personnel provisions		34,912	35,412
Other non-current provisions	11	15,193	15,335
Non-current note loans		100,000	100,000
Non-current liabilities to banks		154,973	157,711
Other non-current financial liabilities	12	88,573	92,950
Non-current income tax liabilities		2,641	2,780
Deferred tax liabilities		1,994	1,671
Other non-current liabilities	13	47,341	50,788
Non-current liabilities		**624,405**	**661,210**
Current personnel provisions		78,673	127,191
Other current provisions	11	146,836	148,870
Current liabilities to banks		87,711	92,630
Trade payables		194,885	215,864
Other current financial liabilities	12	97,968	115,587
Current income tax liabilities		84,981	80,076
Other current liabilities	13	273,717	240,304
Current liabilities		**964,771**	**1,020,522**
Liabilities from non-current assets classified as held for sale		**-**	**3,582**
Total equity and liabilities		**3,031,215**	**3,094,549**

Consolidated cash flow statement of the Dräger Group

	in € thousand	Second quarter 2024	Second quarter 2023	Six months 2024	Six months 2023
Operating activities					
	Earnings after income taxes	26,542	11,384	34,079	28,556
+	Write-down/write-up of non-current assets	32,527	35,916	65,380	70,797
+	Interest result	4,234	5,503	8,764	10,223
+	Income taxes	9,939	1,789	12,941	8,953
+/-	Increase/decrease in provisions	-40,277	1,445	-56,941	-24,075
+	Other non-cash expenses	6,723	9,861	11,818	13,858
-	Gain from the disposal of non-current assets	-19,012	-109	-19,072	-99
-	Increase in inventories	-16,427	-30,467	-67,180	-89,096
-	Increase in leased equipment	-2,044	-2,780	-4,203	-6,485
+/-	Decrease/increase in trade receivables	-3,251	8,719	88,219	75,546
+/-	Decrease/increase in other assets	-2,419	1,044	-30,217	-9,107
+/-	Increase/decrease in trade payables	1,853	-21,975	-19,175	-76,272
+/-	Increase/decrease in other liabilities	-15,737	-10,465	4,018	19,817
+	Dividends received	38	12	77	17
-	Cash outflow for income taxes	-19,347	-9,094	-28,048	-22,772
-	Cash outflow for interest	-4,402	-5,131	-9,396	-9,636
+	Cash inflow from interest	2,036	1,255	3,447	2,449
	Cash outflow from operating activities	**-39,025**	**-3,092**	**-5,492**	**-7,324**
Investing activities					
-	Cash outflow for investments in intangible assets	-787	-817	-1,251	-1,596
+	Cash inflow from the disposal of intangible assets	0	69	2	69
-	Cash outflow for investments in property, plant and equipment	-12,235	-15,609	-24,932	-35,426
+	Cash inflow from disposals of property, plant and equipment	5,274	153	5,571	423
-	Cash outflow for investments in financial assets	-293	-361	-5,438	-361
+	Cash inflow from the disposal of financial assets	-	14	-	14
+	Cash inflow from the disposal of subsidiaries and business parts	15,350	561	15,350	561
	Cash outflow/inflow from investing activities	**7,309**	**-15,990**	**-10,697**	**-36,315**
Financing activities					
-	Distribution of dividends (in 2023: including payments to participation capital holders)	-33,158	-3,681	-33,158	-3,681
-	Cash outflow from the purchase of participation certificates	-	-	-	-208,806
+	Cash provided by raising loans	1,241	756	1,680	105,011
-	Cash used to redeem loans	-1,924	-15,590	-4,052	-24,071
+/-	Net balance of other liabilities to banks	57,369	17,048	-4,388	75,044
-	Repayment of lease liabilities	-10,570	-10,377	-22,389	-21,832
-	Profit distributed to non-controlling interests	-1,155	-140	-1,155	-140
	Cash outflow/inflow from financing activities	**11,803**	**-11,984**	**-63,462**	**-78,475**
Change in cash and cash equivalents in the fiscal year		**-19,913**	**-31,066**	**-79,651**	**-122,114**
-	Effect of exchange rates on cash and cash equivalents	-1,049	-3,123	-1,569	-4,028
+	Cash and cash equivalents at the beginning of the reporting period	211,698	219,602	271,956	311,554
	Cash and cash equivalents on reporting date	**190,737**	**185,413**	**190,737**	**185,413**

Consolidated statement of changes in equity of the Dräger Group

in € thousand	Capital stock	Capital reserves	Reserves retained from earnings incl. group result	Total other comprehensive income: Currency translation differences	Total other comprehensive income: Cash flow hedge reserves	Total other comprehensive income: Total other comprehensive income	Total equity of shareholders of Drägerwerk AG & Co. KGaA	Non-controlling interests	Equity
January 1, 2023	**48,026**	**307,035**	**969,303**	**-5,950**	**-367**	**-6,317**	**1,318,047**	**1,384**	**1,319,430**
Earnings after income taxes	-	-	27,751	-	-	0	27,751	805	28,556
Other comprehensive income	-	-	-550	-5,736	3,734	-2,002	-2,552	-195	-2,747
Total comprehensive income	**0**	**0**	**27,201**	**-5,736**	**3,734**	**-2,002**	**25,200**	**610**	**25,810**
Distributions (including payments to participation certificates holders)	-	-	-3,681	-	-	0	-3,681	-140	-3,821
Change in scope of consolidation	-	-	-38	-	-	0	-38	-	-38
June 30, 2023	**48,026**	**307,035**	**992,786**	**-11,686**	**3,368**	**-8,318**	**1,339,528**	**1,853**	**1,341,381**
January 1, 2024	**48,026**	**307,035**	**1,071,284**	**-19,958**	**392**	**-19,566**	**1,406,778**	**2,457**	**1,409,235**
Earnings after income taxes	-	-	33,718	-	-	0	33,718	360	34,079
Other comprehensive income	-	-	22,427	8,966	1,602	10,568	32,995	34	33,029
Total comprehensive income	**0**	**0**	**56,145**	**8,966**	**1,602**	**10,568**	**66,713**	**394**	**67,108**
Distributions	-	-	-33,158	-	-	0	-33,158	-1,155	-34,313
Miscellaneous	-	-	10	0	0	0	10	-	10
June 30, 2024	**48,026**	**307,035**	**1,094,281**	**-10,992**	**1,995**	**-8,998**	**1,440,344**	**1,696**	**1,442,040**

Notes of the Dräger Group as of June 30, 2024 (condensed)

1 Basis of preparation of the interim Group financial statements

Drägerwerk AG & Co. KGaA, Lübeck, Germany, ("Dräger") has prepared its Group financial statements for fiscal year 2023 unchanged in accordance with the International Financial Reporting Standards (IFRS) as defined by the International Accounting Standards Boards (IASB) and the interpretations of the IFRS Interpretations Committee (IFRS IC). In fiscal year 2024, the interim financial statements of the Dräger Group have therefore also been prepared in accordance with IFRS, and the interim report in compliance with IAS 34 as well as German Accounting Standard No. 16 (GAS 16—Interim Financial Reporting) of the Accounting Standards Committee of Germany (ASCG).

The interim report should be read in connection with the disclosures in the Dräger IFRS annual report as at December 31, 2023. It was not audited or reviewed by an auditor.

The interim report was prepared in euros. Unless otherwise stated, all figures were disclosed in thousands of euros (EUR thousand). As a result, differences may occur due to rounding.

2 Accounting policies

Basically, the same accounting principles were applied in preparing the interim financial statements and calculating the comparative figures as in the Group financial statements for 2023. A detailed description of these methods and information on the introduction of Pillar 2 legislation are published in the notes to the Group financial statements in the 2023 annual report in notes 8 and 17.

The annual report may also be downloaded online at www.draeger.com.

In preparing the interim financial statements, the Group opted to present condensed financial statements with selected explanatory notes. In general, greater use was made of estimates in determining carrying values than at fiscal year-end.

Accruals and deferrals were recognized where claims or obligations partially arose in the period under review.

The financial statements and comparative figures of economically independent foreign subsidiaries operating in a hyperinflationary environment and reporting in a currency of a hyperinflationary economy are remeasured by Dräger.

The following new standards and amendments to existing standards published by the IASB, which have already been adopted in EU law, are to be applied for the first time in fiscal year 2024, in the event that transactions fall within the respective scopes of application:

- The amendments to IAS 1 "Amendments to IAS 1, Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (issued January 2020)" and "Amendments to IAS 1, Presentation of Financial Statements: Non-current Liabilities with Covenants (issued October 2022)" clarify that the classification of liabilities as current or non-current must be based on the rights existing at the reporting date. These amendments additionally stipulate that a liability is classified as non-current if the reporting company has a substantive right at the reporting date to defer settlement of this liability for at least twelve months. Any conditions only affect the disclosure of the maturity if the company must fulfil these conditions on or before the reporting date. In the case of liabilities classified as non-current that are subject to certain conditions, a company must disclose information in the notes that enables users of the financial statements to assess the risk that non-current liabilities with conditions could become repayable within twelve months. There is no significant impact on the Group financial statements of Dräger.

- The release of “Amendments to IFRS 16: Lease Liability in a Sale and Leaseback” clarifies how a seller-lessee subsequently measures sale and leaseback transactions that are recognized as a sale in accordance with IFRS 15. The amendment is to ensure that the retained right-of-use asset does not affect profit or loss as part of the subsequent assessment of the lease liability. There is no significant impact on the Group financial statements of Dräger.
- The amendments to “Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023)” govern additional disclosure requirements on qualitative and quantitative information on financing arrangements with suppliers. There is no significant impact on the Group financial statements of Dräger.

Further new mandatory standards or amendments of standards that apply only to fiscal years beginning on or after January 1, 2025, and/or that have not yet been endorsed, as well as their impact, can be found in the Dräger IFRS annual report as at December 31, 2023.

3 Changes in the scope of consolidation

In April 2024, the shares held by Dräger in GWA Hygiene GmbH, Stralsund, fell from 24.01 % to 18.65 %, as Dräger did not participate in a capital increase of the company. Dräger no longer exercises significant influence over GWA Hygiene GmbH, meaning that the company is no longer included in the Group financial statements as an associated company using the equity method. It is now recognized as other investments at fair value.

4 Segment report

Business performance of the segments

		Medical division		Safety division		Six months Dräger Group	
		2024	2023	2024	2023	2024	2023
Order intake [1]	**€ million**	**900.1**	**917.5**	**704.3**	**679.1**	**1,604.3**	**1,596.6**
thereof Germany	€ million	201.0	202.5	184.6	170.6	385.7	373.1
thereof EMEA	€ million	307.7	327.4	306.0	289.4	613.7	616.9
thereof Americas	€ million	235.6	187.1	113.9	117.9	349.5	305.0
thereof APAC	€ million	155.7	200.5	99.8	101.2	255.5	301.7
Net sales [1]	**€ million**	**846.3**	**910.7**	**674.2**	**621.6**	**1,520.5**	**1,532.4**
thereof Germany	€ million	189.8	193.3	156.6	149.5	346.4	342.8
thereof EMEA	€ million	307.3	308.4	309.7	269.7	617.1	578.1
thereof Americas	€ million	209.4	201.8	121.1	116.3	330.5	318.1
thereof APAC	€ million	139.8	207.2	86.7	86.1	226.5	293.3
EBITDA [2]	**€ million**	**7.2**	**29.5**	**114.2**	**88.9**	**121.3**	**118.4**
Depreciation/amortization	€ million	-31.3	-32.2	-34.2	-38.5	-65.5	-70.7
EBIT [3]	**€ million**	**-24.2**	**-2.6**	**79.9**	**50.4**	**55.8**	**47.7**
Capital employed [4, 5]	€ million	896.8	935.9	703.6	675.5	1,600.4	1,611.4
EBIT [3] / net sales	%	-2.9	-0.3	11.9	8.1	3.7	3.1
EBIT [3, 6] / capital employed [4, 5] (ROCE)	%	1.7	-1.4	22.6	12.4	10.9	4.4
DVA [6, 7]	€ million	-64.4	-78.6	97.8	37.0	33.4	-41.6

[1] Due to the new regional structure, prior-year figures have been adjusted partially.
[2] EBITDA = Earnings before net interest result, income taxes, depreciation and amortization
[3] EBIT = Earnings before net interest result and income taxes
[4] Capital employed = Total assets less deferred tax assets, securities, cash and cash equivalents, non-interest bearing liabilities and other non-operating items
[5] Value as at reporting date
[6] Value of the last twelve months
[7] Dräger Value Added = EBIT less cost of capital of average invested capital

The key figures from the segment report are as follows:

EBIT

in € million	Six months 2024	Six months 2023
Earnings after income taxes	34.1	28.6
+ Interest result	8.8	10.2
+ Income taxes	12.9	9.0
EBIT	**55.8**	**47.7**

Capital employed

in € million	June 30, 2024	June 30, 2023
Total assets	3,031.2	2,976.5
- Deferred tax assets	-257.7	-215.9
- Cash and cash equivalents	-190.7	-185.4
- Non-interest bearing liabilities	-982.3	-963.8
Capital employed	**1,600.4**	**1,611.4**

DVA

in € million	June 30, 2024	June 30, 2023
EBIT (of the last 12 months)	174.5	70.9
- Cost of capital (basis: average of capital employed in the past 12 months)	-141.1	-112.5
DVA	**33.4**	**-41.6**

The business performance of the individual divisions is detailed in the management report accompanying these interim financial statements.

Services rendered between the divisions follow the “arm’s length principle”.

5 Financial result

Financial result (before interest result)

in € thousand	Six months 2024	Six months 2023
Financial result (before interest result)	**-1,291**	**250**
Interest and similar income	3,447	2,622
Interest and similar expenses	-12,211	-12,845
Interest result	**-8,764**	**-10,223**

Interest and similar expenses include interest from expenses for pension provisions.

6 Income taxes

Income taxes for the first half of 2024 were calculated on the basis of an anticipated Group tax rate, excluding effects from the prior year, of 27.7% (6 months 2023: 30.5%).

7 Intangible assets / property, plant and equipment / right-of-use assets

Intangible assets / property, plant and equipment / right-of-use assets

in € thousand	Carrying amount January 1, 2024	Additions	Disposals / other changes	Depreciation / amortization	Carrying amount June 30, 2024
Intangible assets	345,640	1,481	552	-3,469	344,204
Property, plant and equipment	456,172	27,392	-713	-39,052	443,799
Right-of-use assets	115,104	23,758	-1,998	-23,027	113,836
from land and buildings	78,093	9,598	-206	-11,283	76,203
from other plant, factory and office equipment	37,011	14,160	-1,792	-11,745	37,634

Pursuant to IAS 36, checks were performed as at the half-year reporting date to establish whether there are any indications that assets may be impaired, known as triggering events. The asset impairment tests performed for cash-generating units resulted in no need for impairment for the first half of 2024.

For the first half of 2023, the increased capital costs resulted in the following need for impairment:

Recognized need for impairment 2023

Cash-generating unit in € thousand		Discount rate June 30, 2023	Value in use	Recognized need for impairment loss
Draeger Medical Systems, Inc., Telford	Safety division	8.8%	6,651	1,167
ACE Protection AB, Svenljunga	Safety division	9.5%	12,255	1,041
Draeger Safety Canada Ltd., Mississauga	Safety division	8.7%	11,887	788
Draeger Arabia Co. Ltd., Riyadh	Medical division	8.0%	35,942	655
Draeger Tehnika d.o.o., Belgrade	Medical division	11.4%	2,146	383
Dräger Portugal, LDA, Lisbon	Safety division	10.1%	872	183
Dräger Argentina SA, Buenos Aires	Medical division	78.8%	158	165
			69,911	**4,382**

EUR 2,120 thousand of the impairments for the first six months of fiscal year 2023 were attributable to the Americas region and EUR 2,262 thousand to the EMEA region according to the new regional structure.

Impairments and reversals of impairments were recognized on property, plant and equipment, in particular factory and office equipment. The value in use was calculated on the basis of a future performance indicator, which is based on the discounting of future surpluses taken from the operational five-year plan for the respective cash-generating unit. The assessment corresponds to level 3 of the measurement hierarchy.

In view of IAS 36.105, the recoverable amount of Dräger assets is based on the assumption of resale, with the result that the calculated impairment requirement in the prior fiscal year was not recognized in full.

8 Inventories

Inventories

in € thousand	June 30, 2024	December 31, 2023
Finished goods and merchandise	375,772	337,876
Work in progress	100,417	85,410
Raw materials, consumables and supplies	235,281	224,879
Prepayments made	9,826	6,575
	721,295	**654,740**

9 Trade receivables and contract assets

Trade receivables

			June 30, 2024			December 31, 2023
in € thousand	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	657,983	6,237	664,220	774,265	2,658	776,922
less risk provisions	-43,581	-	-43,581	-46,770	-	-46,770
	614,403	**6,237**	**620,640**	**727,494**	**2,658**	**730,152**

Contract assets

	June 30, 2024			December 31, 2023		
in € thousand	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Contract assets	74,826	-	74,826	55,221	-	55,221
less risk provisions	-140	-	-140	-110	-	-110
	74,686	**0**	**74,686**	**55,111**	**0**	**55,111**

10 Other assets

Other assets

	June 30, 2024			December 31, 2023		
in € thousand	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Prepaid expenses	56,424	-	56,424	34,241	-	34,241
Other tax refund claims	34,063	-	34,063	26,603	-	26,603
Fund assets from pension plans	-	9,446	9,446	-	-	0
Receivables from grants	782	-	782	847	-	847
Income tax deferrals	188	-	188	-	-	0
Sundry	1,155	9,286	10,440	1,978	8,342	10,320
	92,612	**18,732**	**111,344**	**63,669**	**8,342**	**72,011**

The increase in prepaid expenses is largely attributable to deferred expenses in the current reporting period. Other tax refund claims primarily included VAT claims. Fund assets relating to pension plans contained the available excess of plan assets.

11 Other provisions

Other provisions as at June 30, 2024, also included monthly accruals and mainly consisted of provisions for outstanding invoices of EUR 54,373 thousand (December 31, 2023: EUR 47,812 thousand) and warranty provisions of EUR 58,936 thousand (December 31, 2023: EUR 61,370 thousand).

12 Other financial liabilities

Other financial liabilities primarily included non-current lease liabilities to be recognized in accordance with IFRS 16 amounting to EUR 81,483 thousand (December 31, 2023: EUR 81,871 thousand) and current lease liabilities amounting to EUR 39,103 thousand (December 31, 2023: EUR 39,171 thousand).

13 Other liabilities

Other liabilities

in € thousand	Current	Non-current	Total	Current	Non-current	Total
			June 30, 2024			December 31, 2023
Contractual liabilities	187,803	40,290	228,092	145,822	43,681	189,502
Deferred other income	95	5,904	5,999	1,044	6,604	7,648
Other tax liabilities	46,015	-	46,015	53,814	-	53,814
Other liabilities to employees and for social security	39,135	0	39,135	39,456	3	39,459
Remaining other liabilities	670	1,147	1,816	169	501	670
	273,717	**47,341**	**321,058**	**240,304**	**50,788**	**291,093**

Contractual liabilities included accrued net sales of EUR 129,550 thousand (December 31, 2023: EUR 107,802 thousand) and prepayments received of EUR 98,542 thousand (December 31, 2023: EUR 81,700 thousand).

14 Financial instruments

In the following table, the carrying amounts of financial assets and liabilities not regularly recognized at fair value are compared with their fair values.

Financial instruments – assets 2024

in € thousand	Carrying amount	Level 1	Level 2	Level 3	Fair value Total
					June 30, 2024
Financial assets – at amortized cost					
Trade receivables [1]	620,640	-	-	-	620,640
Other financial assets	32,347	-	32,291	-	32,291
Cash and cash equivalents [1]	190,737	-	-	-	190,737
	843,723	**0**	**32,291**	**0**	**843,667**
Financial assets – not to be allocated to any category under IFRS 9					
Derivatives (with hedging relation)	7,864	-	7,864	-	7,864
	7,864	**0**	**7,864**	**0**	**7,864**
Financial assets – at fair value through profit and loss					
Derivatives (without hedging relation)	3,138	-	3,138	-	3,138
Equity instruments	16,494	-	-	16,494	16,494
Debt instruments	3,525	3,525	-	-	3,525
	23,156	**3,525**	**3,138**	**16,494**	**23,156**
	874,744	**3,525**	**43,293**	**16,494**	**874,688**

[1] The valuation of these financial instruments is not assigned to any fair value level.

Financial instruments – assets 2023

	December 31, 2023				
	Carrying amount				Fair value
in € thousand		Level 1	Level 2	Level 3	Total
Financial assets – at amortized cost					
Trade receivables [1]	730,152	-	-	-	730,152
Other financial assets	25,308	-	25,275	-	25,275
Cash and cash equivalents [1]	271,956	-	-	-	271,956
	1,027,416	**0**	**25,275**	**0**	**1,027,383**
Financial assets – not to be allocated to any category under IFRS 9					
Derivatives (with hedging relation)	6,598	-	6,598	-	6,598
	6,598	**0**	**6,598**	**0**	**6,598**
Financial assets – at fair value through profit and loss					
Derivatives (without hedging relation)	908	-	908	-	908
Equity instruments	14,044	-	-	14,044	14,044
Debt instruments	526	526	-	-	526
	15,478	**526**	**908**	**14,044**	**15,478**
	1,049,492	**526**	**32,781**	**14,044**	**1,049,459**

[1] The valuation of these financial instruments is not assigned to any fair value level.

Financial instruments – equity and liabilities 2024

	June 30, 2024				
	Carrying amount				Fair value
in € thousand		Level 1	Level 2	Level 3	Total
Financial liabilities – at amortized cost					
Trade payables [1]	194,885	-	-	-	194,885
Loans and liabilities to banks	342,684	-	323,506	-	323,506
Other financial liabilities	166,961	-	133,607	29,418	163,024
	704,529	**0**	**457,113**	**29,418**	**681,415**
Financial liabilities – not to be allocated to any category under IFRS 9					
Derivatives (with hedging relation)	3,265	-	3,265	-	3,265
	3,265	**0**	**3,265**	**0**	**3,265**
Financial liabilities – at fair value through profit and loss					
Derivatives (without hedging relation)	1,556	-	1,556	-	1,556
Other financial liabilities	1,869	-	-	1,869	1,869
	3,424	**0**	**1,556**	**1,869**	**3,424**
	711,219	**0**	**461,934**	**31,286**	**688,105**

[1] The valuation of these financial instruments is not assigned to any fair value level.

Financial instruments – equity and liabilities 2023

					December 31, 2023
	Carrying amount				Fair value
in € thousand		Level 1	Level 2	Level 3	Total
Financial liabilities – at amortized cost					
Trade payables [1]	215,864	-	-	-	215,864
Loans and liabilities to banks	350,341	-	330,441	-	330,441
Other financial liabilities	183,712	-	146,927	33,417	180,344
	749,917	**0**	**477,368**	**33,417**	**726,648**
Financial liabilities – not to be allocated to any category under IFRS 9					
Derivatives (with hedging relation)	6,652	-	6,652	-	6,652
	6,652	**0**	**6,652**	**0**	**6,652**
Financial liabilities – at fair value through profit and loss					
Derivatives (without hedging relation)	3,554	-	3,554	-	3,554
Other financial liabilities	1,742	-	-	1,742	1,742
	5,295	**0**	**3,554**	**1,742**	**5,295**
	761,864	**0**	**487,574**	**35,159**	**738,596**

[1] The valuation of these financial instruments is not assigned to any fair value level.

Level 1:
Fair value is measured using prices in active markets for identical financial assets or financial liabilities. The fair values of non-current securities are based on current stock market prices.

Level 2:
Fair value is measured using largely observable input factors that can be directly (i.e., price) or indirectly (i.e., derived from prices) observed for financial assets or financial liabilities; these do not include any listed prices taken into consideration in level 1.

Dräger applies the discounted cash flow method when measuring derivatives. Expected cash flows are determined on the basis of secured prices and/or interest rates and the observable closing rates and/or interest rates, which are then discounted using an interest rate that takes into account Dräger's company-specific risks.

The fair values of level 2 financial assets and liabilities measured at amortized cost are determined using the discounted cash flow method by replacing the interest rates used in the initial calculation of non-current financial assets and liabilities with interest rates derived from current company-related interest rate curves on the balance sheet date.

Level 3:
Fair value is measured using factors not based on observable market data for the measurement of the financial asset or the financial liability (unobservable input factors). These are already classified as level 3 when there is an unobservable input factor present that significantly influences the measurement. Within the Dräger Group, only equity instruments are allocated to level 3. When measuring equity instruments, Dräger applies the discounted cash flow method including all material parameters.

No significant reclassifications between the levels were carried out in the past two fiscal years.

15 Related-party transactions

Services were rendered for Stefan Dräger and companies and persons related to Stefan Dräger, the Dräger-Stiftung, and the Dräger Familienstiftung (Dräger Foundation and Dräger Family Foundation) during the first half of 2024 totaling EUR 4 thousand (6 months 2023: EUR 5 thousand). Receivables in this respect amounted to EUR 1 thousand as at June 30, 2024 (June 30, 2023: EUR 1 thousand).

Due to the relationship with a Supervisory Board member of Drägerwerk AG & Co. KGaA, the company SW34 Gastro GmbH, Stuttgart, is classified as a related party. Expenses for SW34 Gastro GmbH services amounted to EUR 9 thousand in the first half of 2024 (6 months 2023: EUR 10 thousand). There were no liabilities as at either reporting date.

There were no services rendered for working groups in the first half of 2024. As at June 30, 2024, there was a liability from an advance payment received in the amount of EUR 291 thousand (June 30, 2023: EUR 0 thousand).

Group companies rendered rental services and other services totaling EUR 65 thousand (6 months 2023: EUR 62 thousand) for the associate MAPRA Assekuranzkontor GmbH, Lübeck, in the first half of 2024. Receivables in this respect amounted to EUR 12 thousand as at June 30, 2024 (June 30, 2023: EUR 1 thousand). There were no liabilities as at either reporting date.

A convertible loan of CAD 1,500 thousand was granted by Dräger Safety AG & Co. KGaA to associate Focus Field Solutions Inc., St. Johns, Canada, in fiscal year 2020. This was disbursed in three tranches totaling CAD 1,500 thousand (EUR 1,023 thousand in total) in the fiscal years 2020 to 2021. The interest rate is 5.5%. In the fiscal year 2023, the term of this loan was extended by four years. No conversion was carried out. In fiscal year 2022, a further loan of CAD 2,600 thousand was granted by Dräger Safety AG & Co. KGaA. The four tranches totaling CAD 2,000 thousand (EUR 1,365 thousand in total) were disbursed in the fiscal years 2022 and 2023. The last tranche of CAD 600 thousand (EUR 409 thousand) was disbursed in the first half year of 2024. The interest rate is 8.55%. The interest is due at the point at which the loan is fully repaid on December 31, 2027. There were no liabilities as at June 30 of the current and prior year. Expenses for services rendered by Focus Field Solutions Inc. amounted to EUR 164 thousand in the first half of 2024 (June 30, 2023: EUR 232 thousand).

A convertible loan totaling USD 2,717 thousand (EUR 2,540 thousand) was granted by Dräger Safety AG & Co. KGaA at an interest rate of 10.0% to associate MultiSensor Scientific Inc., Somerville, USA, in the first half of 2024. No receivables or liabilities in relation to MultiSensor Scientific Inc. existed as at the reporting date. No services were provided in the first half of 2024 either.

The remuneration of the employee representatives on the Supervisory Board for work performed in addition to the Supervisory Board activities was concluded at arm's length terms and conditions. Overall, remuneration is of immaterial importance for the Dräger Group.

Drägerwerk Verwaltungs AG is the general partner of Drägerwerk AG & Co. KGaA (ultimate parent company of the Dräger Group) and holds 0% of the capital. Only a few transactions are conducted with the general partner, as it only exercises administrative functions. The general partner is entitled to compensation for all expenses incurred in association with the management of Drägerwerk AG & Co. KGaA. This includes the contractually agreed remuneration for its executive bodies. These expenses comprise the remuneration of the Executive Board, the remuneration of its Supervisory Board, liability remuneration, and other expenses.

As at June 30, 2024, there were liabilities to Drägerwerk Verwaltungs AG in the amount of EUR 4,179 thousand (June 30, 2023: EUR 15,132 thousand), mainly resulting from cash management and management remuneration. Expenses for Drägerwerk Verwaltungs AG services amounted to EUR 2,269 thousand in the first half of 2024 (6 months 2023: EUR 1,824 thousand). These expenses mainly consisted of management remuneration services of EUR 1,339 thousand (6 months 2023: EUR 1,072 thousand) and pension expenses of EUR 617 thousand (6 months 2023: EUR 525 thousand). Services in the amount of EUR 9 thousand (6 months 2023: EUR 9 thousand) were rendered for Drägerwerk Verwaltungs AG in the first half of 2024. Receivables amounted to EUR 4 thousand as at the reporting date (June 30, 2023: EUR 0 thousand).

All transactions with related parties were conducted at arm's length terms and conditions.

16 Subsequent events

At its meeting on May 8, 2024, the Supervisory Board of Drägerwerk Verwaltungs AG resolved to appoint Stefanie Hirsch to the Executive Board as Chief Sustainability and Quality Officer as of July 1, 2024. In this role, she is responsible for the new Executive Board department for sustainability and quality.

In addition, there were no significant changes between the end of the first six months of 2024 and the time this interim financial report was prepared.

Lübeck, July 24, 2024

The general partner
Drägerwerk Verwaltungs AG,
represented by its Executive Board

Stefan Dräger
Stefanie Hirsch
Rainer Klug
Gert-Hartwig Lescow
Dr. Reiner Piske
Anton Schrofner

Management compliance statement

We confirm to the best of our knowledge that, in accordance with the applicable financial reporting framework, the Group interim financial statements give a true and fair view of the net assets, financial position, and results of operations of the Group, the Group interim management report presents business performance including business results and the situation of the Group so as to give a true and fair view, and that the material opportunities and risks relating to the Group's development in the remainder of the fiscal year have been described.

Lübeck, July 24, 2024

The general partner
Drägerwerk Verwaltungs AG,
represented by its Executive Board

Stefan Dräger
Stefanie Hirsch
Rainer Klug
Gert-Hartwig Lescow
Dr. Reiner Piske
Anton Schrofner

Financial calendar

Report as of June 30, 2024, conference call	July 25, 2024
Report as of September 30, 2024, conference call	October 29, 2024
Publication of 2024 fiscal year figures, Analysts' conference	April 3, 2025
Report as of March 31, 2025, conference call	April 30, 2025
Annual shareholders' meeting, Lübeck, Germany	May 9, 2025
Report as of June 30, 2025, conference call	July 29, 2025
Report as of September 30, 2025, conference call	October 29, 2025

Imprint

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