

Publication of insider information pursuant to Art. 17 of (EU) Regulation No. 596/2014 GRAMMER AG (WKN 589540, ISIN DE0005895403)

Grammer AG is in advanced talks concerning the increase of the existing syndicated loan, suspending the dividend and planning a capital increase

Ursensollen, June 04, 2020 – The economic impacts of the global COVID-19 pandemic has substantially impacted the operating business of Grammer AG since the end of March. Accordingly, the company has initiated further steps to secure its financial stability.

Grammer AG is currently in advanced talks with its syndicate banks concerning a third tranche of the existing syndicated loan. The additional credit line is expected to amount to EUR 235 million and will serve to bridge the current exceptional economic situation. In addition to Grammer's core banks, the KfW banking group will also participate as a direct lender within the scope of the KfW's special corona program. Grammer had already used the first two tranches of the syndicated loan to refinance its old syndicated loan ahead of schedule in February.

Against the backdrop of the current economic situation and the resulting increase in the existing syndicated loan, the Executive Board of Grammer AG today adopted a resolution to revoke the dividend proposal of EUR 0.11 per share published on March 30, 2020 and to propose to the Annual General Meeting not to pay out a dividend for the financial year 2019. The Supervisory Board also approved this proposal. With the increase of the syndicated loan, the dividend will be suspended during the three-year term of the new tranche.

In addition, Grammer AG plans to strengthen its equity by at least EUR 40 million. To this end, a capital increase including shareholder subscription rights is to be executed in the second half of 2020.

GRAMMER AG
The Executive Board