

TRANS- FORMATION

FOR OUR CUSTOMERS

Management Board Speech

Annual General Meeting
Pfeiffer Vacuum Technology AG

Wednesday, May 12, 2021, 10:00 am
Steigenberger Airport Hotel, Frankfurt/Main
– The spoken word shall prevail –



**Pfeiffer Vacuum
Transformation for
our customers**

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PFEIFFER VACUUM

Dear shareholders,
Dear guests,



Management Board Speech

Dr. Britta Giesen

Chairwoman and CEO

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PFEIFFER VACUUM

On behalf of the Management Board, I too would like to extend a warm welcome to you to this year's Pfeiffer Vacuum Technology AG Annual General Meeting.

Once again this year, we are pleased to be able to hold our Annual General Meeting virtually, since the current situation would not have permitted a face-to-face event. I would have liked to introduce myself to you in person. But as it is, we are glad to have the opportunity to meet

online since this alternative is the best way to protect the health of all those taking part, and it also allows us to be at your disposal for information and questions. Our top priority is to protect your health and that of our shareholders, employees and Supervisory Board members, as well as our service providers.

Allow me to **introduce** myself **briefly**. My name is Britta Giesen, I am 55 years old and an industrial engineer. That's why I have two hearts: one beats like an entrepreneur, and one beats like an engineer with a fascination for fluid mechanics applications, which I have come into contact with many times during my 16 years of working at KSB AG. When I was offered the position of Chairwoman of the Management Board at Pfeiffer Vacuum Technology AG, I was therefore immediately very attracted to it.

I have been a member of your Company's Management Board since October 1, 2020, and have been acting as Chief Executive Officer since January 2021. I have been received very openly by all of the employees and have been given the best possible support to familiarize myself with my very diverse responsibilities within the Pfeiffer Vacuum Group. I would like to take this opportunity to express my sincere thanks once again to everyone involved.

Ladies and gentlemen, last year, we achieved most of the goals we set ourselves, including perhaps the most important one of all:

Coronavirus (COVID-19) pandemic



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To protect the health and safety of our employees and to fulfill the demands of our customers is our absolute priority



In 2020, no employees were infected with COVID-19 in the workplace.



No disruptions to customers' deliveries

Annual General Meeting • May 12, 2021 **PFEIFFER** VACUUM

In 2020, the first year of the Corona pandemic, not a single person from our workforce contracted COVID-19 in the workplace. We succeeded in this above all because our colleagues at our Asian sites drew attention to the impact of the viral diseases in China very early on. This enabled us to prepare and implement the necessary protective measures against infection as early as January 2020. It is not least thanks to the immediate and prudent action of our specially established global task force that we have been able to preserve the health of all our employees between China and the USA so effectively to date. Of course, our employees themselves also played a significant role in this success by supporting our mobile work and hygiene measure concepts.

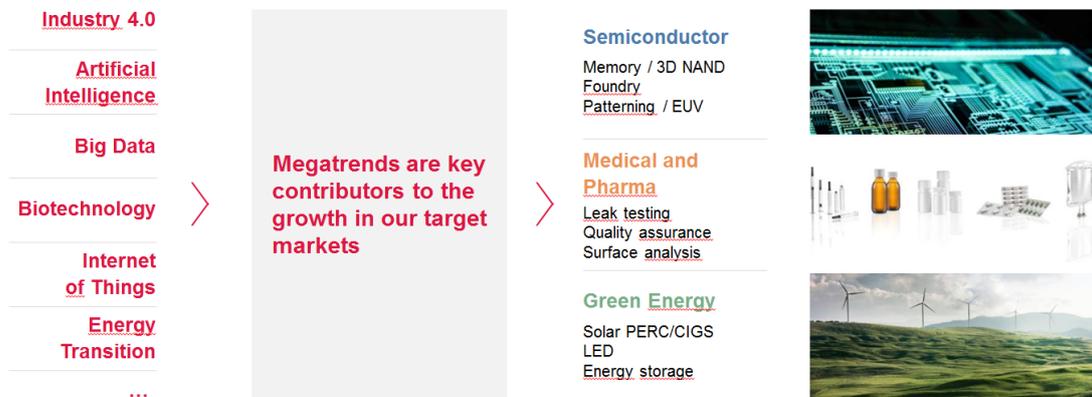
As early as February 2020, we created the conditions for most of our employees to swap their office for mobile working. Extensive hygiene and protection measures were implemented in the production departments and quickly established at all our sites worldwide. The additional costs incurred by these protective measures against infection with COVID-19 and the charges from the resulting productivity losses run to several million euros. Although I am aware of the drawbacks of organizing mobile working solutions, unfortunately there is currently no alternative. The widespread parallel homeschooling of their children and the lack of social interaction place a significant additional burden on many employees.

Ladies and gentlemen, the swift and decisive action we took to contain the Corona pandemic was instrumental in achieving another of our major objectives: To maintain uninterrupted supplies to our customers. We successfully accomplished this goal throughout the year. We were able to coordinate our supply chains and production capacities in such a way that we were even able to slightly increase our delivery reliability compared to the previous year despite the adverse conditions. As a result, we further strengthened our position as a reliable partner to our customers. My colleague on the Management Board, Wolfgang Ehrk, will go into this in more detail in a moment.

Both objectives – the health and safety of our employees as well as the satisfaction of our customers – will continue to be the focus of our attention in the current year as we anticipate that the Corona pandemic will regrettably continue to accompany us in 2021. If we succeed in at least stabilizing the economy at the current level, then we at Pfeiffer Vacuum envisage a successful year ahead of us, since there is strong demand in the semiconductor market in particular. The incoming orders that we recorded during the fourth quarter of 2020 and the first quarter of 2021 enable us to look ahead with nothing less than great confidence.

Above all, ladies and gentlemen, there is one thing we should not forget – the global market for vacuum technology offers considerable potential, with its volume of some seven billion euros. It is one of the **growth markets** par excellence. Vacuum solutions are used in numerous industries. Today, our industry produces products that will be in demand tomorrow. The vacuum market is widely diversified and has continued to grow in a reliable as well as steady manner in recent years, despite its cyclic nature.

Megatrends drive vacuum market



The **megatrends** of our time – including digitalization, renewable energies and biotechnology – support this development. The digital revolution, which continues unabated, calls for memory chips, processors as well as displays for computers and smartphones worldwide, which cannot be manufactured without vacuum technology.

Global presence

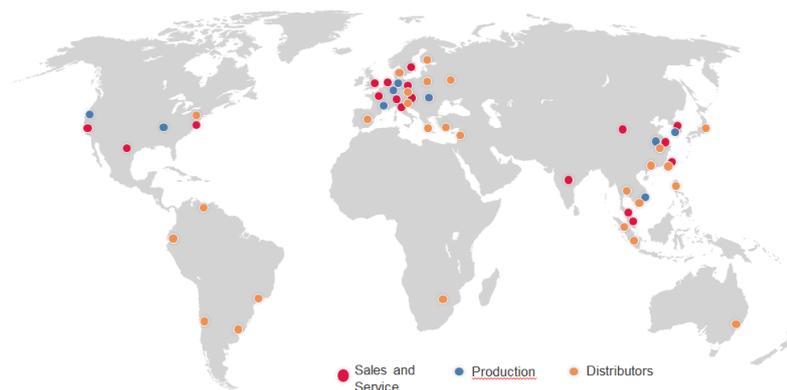
Sales, production and service

€ 619 millions
Sales in 2020

3,300 +
Employees

20 + Sales & Service
subsidiaries

10 Production sites
worldwide



Ladies and gentlemen, today we produce our high-tech products at a total of ten locations in Europe, Asia and North America. The Group currently has more than 20 sales and service companies. With their

competence and commitment, more than 3,300 employees meet the needs of our customers every day. They are active in our sales markets which comprise analytics, industry, research and development as well as semiconductor and emerging technologies.

Pfeiffer Vacuum has thus positioned itself ideally to reap the best possible benefit from this growth:

- Firstly, we are broadly positioned regionally and can therefore cushion or offset any economic fluctuations in other parts of the world.
- Secondly, our portfolio of products and services is very broad, so we are not dependent on developments in any single industry or submarket.
- And thirdly, we are consistently extending our innovative lead.



Throughout 2020, we brought new products or further developments of existing products to market. For example, we introduced a new dry and oil-free HiScroll series, whose pumps operate more quietly and with less vibration than our competitors' products. There are many possible applications for them in the fields of analytics, biomedicine, the pharmaceutical industry and research.

With the Hena 50 and 70, two new rotary vane pumps followed as well as the new, innovative ASM 306 S leak detector. In the summer, we also introduced the two portable gas analyzers OmniStar and ThermoStar. In

the fall, new intelligent high-performance Roots pumps, which are used in both the low and medium vacuum ranges, were launched as extensions to the HiLobe series. Finally, at the end of the year, we introduced two new HiPace turbopumps, which are characterized by their high performance despite their minimal weight and footprint.

Ladies and gentlemen, let me emphasize once again at this point: Our ambition is to remain a **leader in the fields of technology and quality** and to continue to set standards here in the global vacuum industry also in the future.

In the course of the past fiscal year, we succeeded in meeting these objectives. I am very pleased, for example, that we were even able to demonstrate our technological leadership to a renowned **research institute** in Germany. The Technical University of Darmstadt has ordered an ion beam system from our Dresden-based subsidiary Dreebit. This will enable us to support the researchers in their work in the field of atomic, nuclear and particle physics.

Focus on our customers

<p>Products and solutions with highest process efficiency</p>			
<p>Innovative strength of Pfeiffer Vacuum</p>	<p>Intensive analysis of markets and requirements of customer groups</p>		

Our primary goal is to develop innovative products and solutions with the greatest process efficiency for our **customers**. After all, our **innovative strength** is one of the most important keys to our business success. To meet this requirement, we work in our own research and development departments at three different locations. In addition, we collaborate closely with our customers and suppliers around the world who are

active in various markets in order to jointly drive new technologies to market maturity at an early stage.

The two central questions we will address in the current year are:

- What are the detailed **requirements of our various customer groups**

and

- What do we have to do to **serve** their needs **more precisely** in the future?

To answer these questions, we have established a project team that has been working intensively on analyzing the markets and customer groups since February 2021 and will define as well as evaluate packages of measures during the course of the year.

We are obviously already doing some things right, as we were able to convince numerous of our customers from research and industry of the quality of our products and services in the fiscal year 2020.

Financial results fiscal year 2020

in € millions



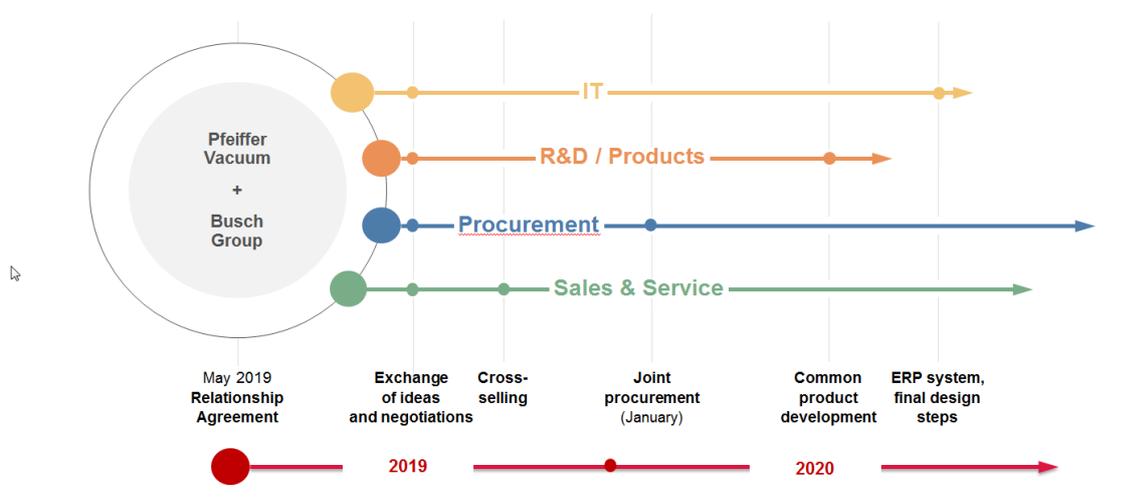
¹ Excluding impairment losses of € 8.8 million, EBIT would have been € 54.1 million (8.7% EBIT margin)

As a result, we have succeeded in keeping our sales virtually stable at the level of the previous year despite the difficult market environment. Sales fell by a mere 2.2 percent to € 618.7 million. In view of the dislocations we have seen in other sectors and companies, I would like say that we have come through the crisis relatively unscathed.

We were even able to increase our order intake compared to the previous year 2019 and further improve it by 5.4 percent to around € 631 million.

We have established an excellent position in the competitive environment. However, we can only maintain it if we increase our sales and become more profitable. We need to achieve this goal under our own steam.

Busch Group synergies



At the same time, we are working on leveraging synergies with our strategic partner, the Busch Group, even more consistently within the framework of our Relationship Agreement, which will support us in achieving our objectives. The **Busch Group** largely has a different target group and a complementary product portfolio to Pfeiffer Vacuum. According to our knowledge, it currently holds just under 63 percent of our shares through a subsidiary. Already in 2020, we bundled our activities in a joint global purchasing organization. This will enable us to negotiate better terms as well as conditions and gain access to new suppliers as well as additional business partners.

Fiscal year 2020: Progress towards our transformation



Production capacities further modernized and strategically expanded



Global team built for leadership and expert functions



Investments to expand and modernize production capacities

Dear Shareholders, in 2020 we succeeded in driving forward our transformation process. In doing so, we have set three strategic priorities:

- Firstly, we want to **further modernize and strategically expand** our global **production capacities**.
- Secondly, we need to **integrate** our **systems, business processes**, and also our **products and solutions** and
- Thirdly, build a **global team for leadership and expert functions**.

In each of the last three years, we have **invested** between € 30 and € 35 million annually. This was also the case in 2020, with the focus on expanding and modernizing production capacities. In the coming years, our focus will be on expanding the **IT infrastructure**. The aim is to increase our operational efficiency and develop digital capabilities. With an investment volume of € 30.4 million last year, we deliberately did not exhaust the originally envisaged framework in view of the uncertainties due to the Corona pandemic.

Ladies and gentlemen, the **global organizational and expert structures** I just mentioned were further consolidated following an additional integration step at the beginning of 2021. The team is now available at its full capacity. It already mastered its baptism of fire with flying colors in the first quarter of 2020 following the outbreak of the Corona pandemic, which it responded to with agility. Since then, we have decisively driven forward the transformation of Pfeiffer Vacuum

Technology AG from a holding company to a globally operating group. There is still a long way to go before all the necessary measures are implemented in 2021, but we will continue to pursue it actively.

Pfeiffer Vacuum Management Board



Dr. Britta Giesen
CEO, CFO & CTO (interim)

Group Strategy,
Global Sales & Service,
Global R&D, Product Management,
Information and Communication
Technology, Finance & Controlling,
Communication, Compliance,
CSR, HR, Investor Relations



Wolfgang Ehrk
COO

Global Operations, Procurement,
Quality & EHS,
Continuous Improvement,
Supply Chain

Supported by the Group Executive Committee

At the same time, we have streamlined our Management Board and reduced it to two functions: These roles are the Chief Executive Officer (CEO), whose duties I assume, and the Chief Operating Officer (COO), whose functions are performed by my esteemed colleague Mr. Wolfgang Ehrk. We receive valuable support from the so-called **Group Executive Committee**, which consists of Ms. Hind Beaujon as Chief Sales Officer (CSO), the Chief Financial Officer (CFO) and the Chief Technology Officer (CTO). We are actively recruiting for the CFO and CTO positions. Together, we make a good team, as has been demonstrated in recent months.

At this point, I would like to turn the floor over to Wolfgang Ehrk, who will explain to you in greater detail the transformation process in the Operations division in which Pfeiffer Vacuum finds itself. Over to you.



**Pfeiffer Vacuum
Transformation of our
operations**

Thank you very much, Dr. Giesen!

Ladies and gentlemen, I would also like to welcome you to today's virtual Annual General Meeting. In case you were unable to attend last year's Annual General Meeting, I would like to briefly introduce myself to you once again.



Management Board Speech

Wolfgang Ehrk

COO

My name is Wolfgang Ehrk. I am 58 years old and have been a member of the Management Board since January 2020. As COO, I am responsible for Global Operations, Procurement, Quality, Continuous Improvement, Environment, Health & Safety, and Supply Chain Management.

Before joining Pfeiffer Vacuum, I had already spent 26 years working in the vacuum industry. This extensive experience proved to be of great benefit to me during the past year. Together with my colleagues in the management team, we were able to move a lot things forward and – just as importantly – we succeeded in achieving a great deal.

With the exception of a few days in April 2020 at one of our plants, we suffered virtually no **production downtime**. Apart from slightly longer delivery times overall, we were able to maintain deliveries to our customers even more punctually than in the year before. This was achieved because we continued to optimize our internal planning and procurement processes. However, the contribution made by our employees, whose tireless efforts enabled us to achieve this goal, was equally decisive. My special thanks therefore go out to them.



Maintain, expand and increase efficiency of production sites

Ladies and gentlemen, as Dr. Giesen just mentioned – an essential part of our growth strategy consists in the transformation and further development of our global **production structures**. Even though, during my time with the Company so far, the Corona pandemic has prevented me from traveling to all our production sites and seeing things for myself, it is important for us to continue to invest so that we remain in a position to meet our customers' expectations.

We need to invest in **maintaining, expanding and increasing the efficiency of** our plants. We must also do this to remain competitive. At the same time, we need to relentlessly scrutinize our internal processes. We succeeded over the past fiscal year in making decisive progress in optimizing our core processes, such as in sales and production planning, in capacity management, and in implementing our strategies for automation and digitalization.

In 2020, we continued to invest in the **modernization and automation** of the production facilities at our Asslar manufacturing site. We also facilitated capacity expansions in those areas and locations where demand is particularly high. As an example of this, we began **expanding our manufacturing capacities** in Annecy in France, which we expect will be completed in September 2021. In the USA, we successfully launched a capacity expansion for developing and manufacturing pump systems for particular use in industrial applications. This expansion will be taken into operation during the course of the year. Finally, we

launched **modernization and expansion projects** at our sites in Göttingen in Germany, as well as in Asan in Korea.

With the benefit of our newer plants in Cluj in Romania, Ho Chi Minh City in Vietnam and Wuxi in China, we are already well-positioned in growth regions. These sites were also expanded in 2018 and 2019, which allows us to produce there at particularly competitive costs.

Dear shareholders, from the beginning of the fourth quarter of 2020, we recorded an increase in the **utilization** of our production capacities. We are fortunate that this trend not only continued after the turn of the year but actually became more pronounced. With the emerging market recovery in the second half of 2020, noticeable momentum was gained in the semiconductor market and the analytics segment in particular.

Fiscal year 2020: Manufacturing Excellence in an Industry 4.0 environment



- ✓ **Performance and processes**
- ✓ **Performance Management System Operations**
- ✓ **Demand-driven 'end-to-end' business model (e.g. sales and production planning processes)**

Another area I would like to go into in a little more detail relates to **performance and processes**, which we further optimized in the past fiscal year.

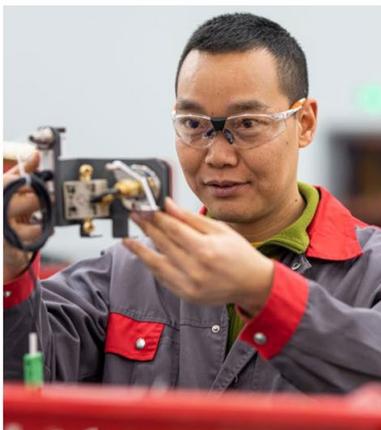
A first step in this connection was the establishment of a group-wide **performance management system** for operations. We can see initial results of this, for example, in the delivery reliability already referred to or in the rapid reduction in backlogged deliveries, but also in increased productivity, a reduction in quality-assurance costs and – very importantly for us – a sharp reduction in work-related accidents. It goes

without saying that occupational safety and environmental protection are of great importance to us.

Our successful cooperation with the **Busch Group** has continued to progress well. To add to what Dr. Giesen has already told you, I would like to mention that we are now partly procuring our supplies from the same vendors as the Busch Group and have established the first joint procurement team in China. Comparable procurement hubs in India and Eastern Europe will follow. We have also set up a common lead buyer organization which will allow us to jointly develop and implement future procurement strategies.

Thirdly, we have designed integrated **sales and production planning processes** and have now introduced them at all our plants.

Fiscal year 2021: Top topics



✓ **Flexibility and robustness of value chain**

✓ **Expansion of production capacities**

✓ **Industrialization of new products**

Ladies and gentlemen, as you can see, we have succeeded in achieving a great deal in the past fiscal year, both within and beyond the Company. I would like to conclude now by asking you to join me in taking a look at the priorities for the current year.

The order intake – particularly during the last quarter of 2020 and the first quarter of 2021 – has once again clearly shown us how peaks in demand can occur at short notice. To enable us to manage these even better, we have already started to **make** our entire **value chain even**

more flexible and robust. We must continue to drive this forward in 2021.

The expected demand situation necessitates further **expansion of our production capacities** in the areas already mentioned, which we will also press ahead with during the current year.

A key building block for the more efficient organization of our processes is the group-wide standardized IT system landscape. As you are aware, we are working on implementing a uniform ERP system which will allow us to achieve the operational excellence that we are striving for. This is a powerful undertaking and will consequently have a positive impact on the overall profitability of the Pfeiffer Vacuum Group. During this fiscal year, we will continue to introduce a few more steps to implement the **SAP S/4HANA system.**

Ladies and gentlemen, your Pfeiffer Vacuum Technology AG has already everything it needs to play in the premier league in these markets. Let us take another step forward together!

Thank you for listening to my words, and I now return the floor to Dr. Giesen.

Thank you very much for your explanations, Mr. Ehrk.



Ladies and gentlemen, let us now together review the **development of business in 2020** as well as examine the current fiscal year briefly by taking a closer look at the figures.

Financial results fiscal years 2020 and 2019

in € millions

	12M/2020		12M/2019		Δ
		margin		margin	
Sales	618.7		632.9		-2.2%
EBIT	45.3 ¹	7.3%	65.2	10.3%	-30.5%
Net income	31.6	5.1%	48.4	7.6%	-34.7%
Order backlog	123.3		110.7		11.4%

¹ Excluding impairment losses of € 8.8 million, EBIT would have been € 54.1 million (8.7% EBIT margin)

As already mentioned, Pfeiffer Vacuum generated **sales** of around € 618.7 million in 2020. The slight decline of 2.2 percent compared to

the previous year's figure of € 632.9 million is essentially attributable to the difficult market conditions due to the Corona pandemic. This particularly affected the industry, analytics and R&D market segments, but also the coating market. However, the strong semiconductor market partially offset this effect. In view of the global recession in 2020, Pfeiffer Vacuum therefore developed soundly.

Operating profit (EBIT) decreased by 30.5 percent compared to the previous year, reaching € 45.3 million. This significant decline compared to the previous year is attributable to lower sales, substantial expenditure for protection against the spread of the Coronavirus, and higher freight as well as transport costs due to the pandemic. Earnings were also impacted by investments in capacity expansion and the implementation of the global management structure in the years 2018 and 2019. Earnings were also affected by a non-cash impairment loss of € 8.8 million resulting from goodwill in China and Italy and the write-down of a trademark right. The **EBIT margin** amounted to 7.3 percent – a figure we aim to significantly increase again in the coming years.

The **net result** fell by around 34.7 percent to € 31.6 million.

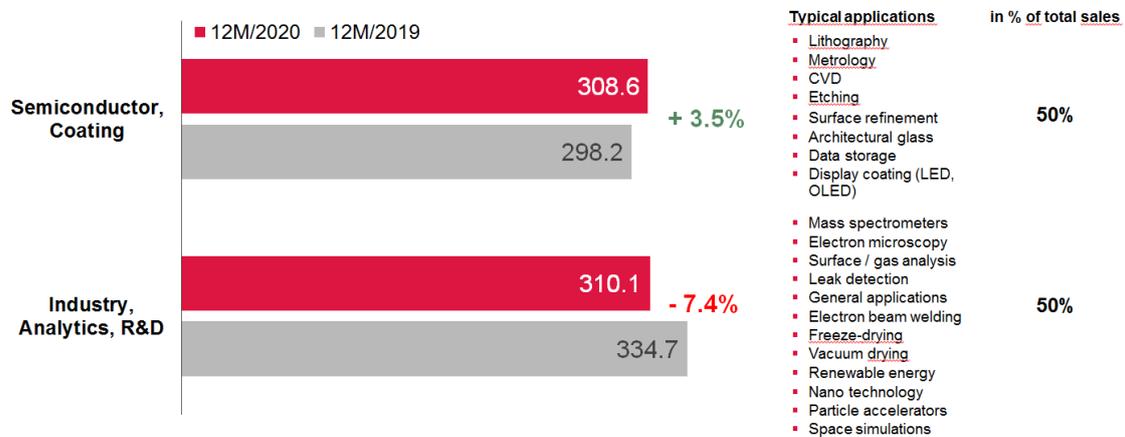
In contrast, the order situation developed encouragingly: at the end of the fourth quarter of 2020, **orders on hand** amounted to € 123.3 million. This corresponds to a year-on-year increase of 11.4 percent.

As the impact of the pandemic on economic development became clearer, we immediately embarked on a course of cost control and postponed the establishment of further resources, but without slowing down our strategic projects.

Against the background of the pandemic, we also slightly adjusted certain investments – such as in capacity expansions. On the other hand, we continued to press ahead with strategically important topics, particularly in the area of product development. We are therefore well-positioned to take advantage of the opportunities arising from the current market recovery.

Sales by Market: Growth in Semiconductor and Coating

in € millions



Ladies and gentlemen, this chart shows the **distribution of sales by market** in 2020 and compared to the previous year.

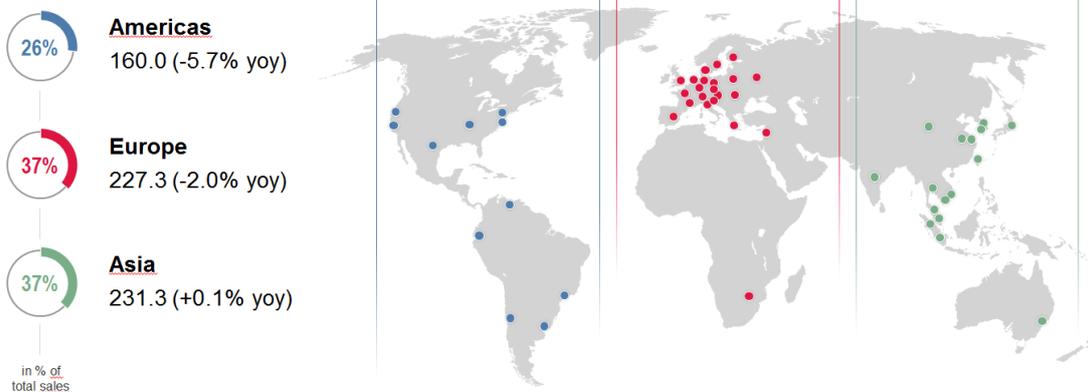
In brief, the course of the fiscal year was as follows: after a rapid slump in demand in connection with the effects of the first wave of the Corona pandemic, the market segments developed very differently.

While **order intake** was subdued across all segments in the summer, the semiconductor segment was the first to recover in the fall and return to a growth course. Order intake then slowly picked up again in other sectors before the end of the year. In the first quarter of this year, we recorded a very significant increase in new orders, which was also mainly driven by the semiconductor market. I will go into the development so far in the current fiscal year in more detail in a moment.

As you can also see from the chart, our sales in the industry, analytics and research & development market segments decreased by 7.4 percent to € 310.1 million compared to the previous year. Although the semiconductor market developed very strongly, the coating market was unusually weak, which had a negative impact on growth. Together, they were able to achieve an increase in sales of 3.5 percent, but the revenues amounting to € 308.6 million from both markets were not quite sufficient to compensate for the shortfall.

Sales by continent in fiscal year 2020

in € millions



Looking at the **distribution of sales** by customer locations in the **regions** in question, Pfeiffer Vacuum achieved a slight increase in sales in Asia of 0.1 percent to € 231.3 million. This is also very positive against the backdrop of negative currency effects, in particular from the Korean won. Sales in Europe fell by 2.0 percent to € 227.3 million. The 5.7 percent decline in the Americas to € 160 million is partly due to the weaker U.S. dollar in 2020 compared to 2019.

Let's take a look at the key **balance sheet figures**.

Balance sheet items: Strong balance structure with high equity ratio

in € millions

	12M/2020	12M/2019	Δ
Total assets	661.8	659.6	+0.3%
Intangibles	100.7	112.2	-10.3%
Equity ratio (in %)	59.2	59.6	-0,4 Pp
Net working capital	166.2	165.8	+0.2%
Financial liabilities	73.1	73.6	-0.7%
Cash and cash equivalents	122.9	112.0	+9.7%

As you can see from this, our financial position is extremely sound. As of the reporting date of December 31, 2020, **total assets** amounted to some € 661.8 million, slightly above the 2019 year-end level of € 659.6 million.

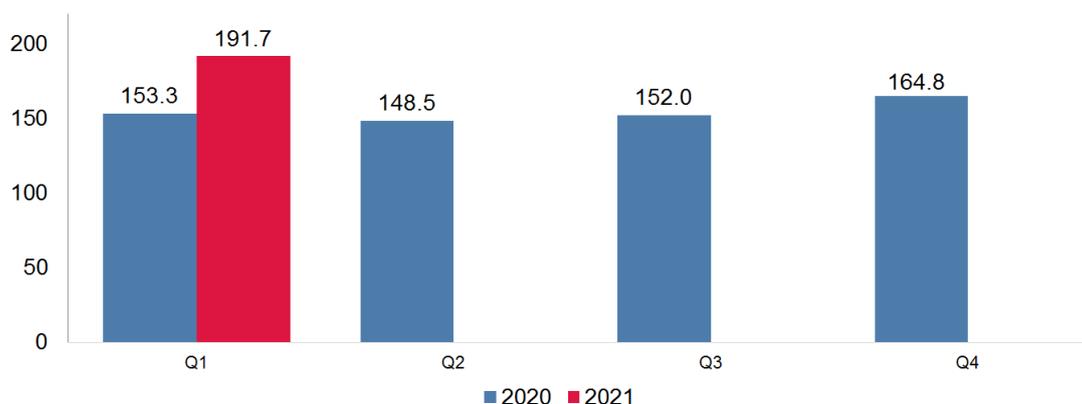
The increase in cash and cash equivalents was more significant, growing by 9.7 percent year-on-year from around € 112 million to € 122.9 million at the end of 2020. On a net basis, taking into account financial liabilities, the Company remains debt-free. At 59.2 percent, the equity ratio is at a good level.

So much for the past fiscal year 2020 for the time being.

Ladies and gentlemen, the pleasing development of sales that had already become apparent in the final quarter has continued and gained momentum **since the turn of the year**.

First quarter 2021: Record sales

In € millions



We were able to close the first quarter of 2021 with some record results. The total of € 191.7 million marks **the highest sales** Pfeiffer Vacuum has ever been able to achieve within a single quarter. Compared to the same period in 2020, this also corresponds to an increase of 25 percent.

Financial results first quarter 2021: Record sales and order intake

in € millions

	Q1/2021		Q1/2020		Δ
		margin		margin	
Sales	191.7		153.3		25.0%
EBIT	22.6	11.8%	12.8	8.4%	76.4%
Net income	15.9	8.3%	8.9	5.8%	79.9%
Order intake	233.9		172.9		35.3%

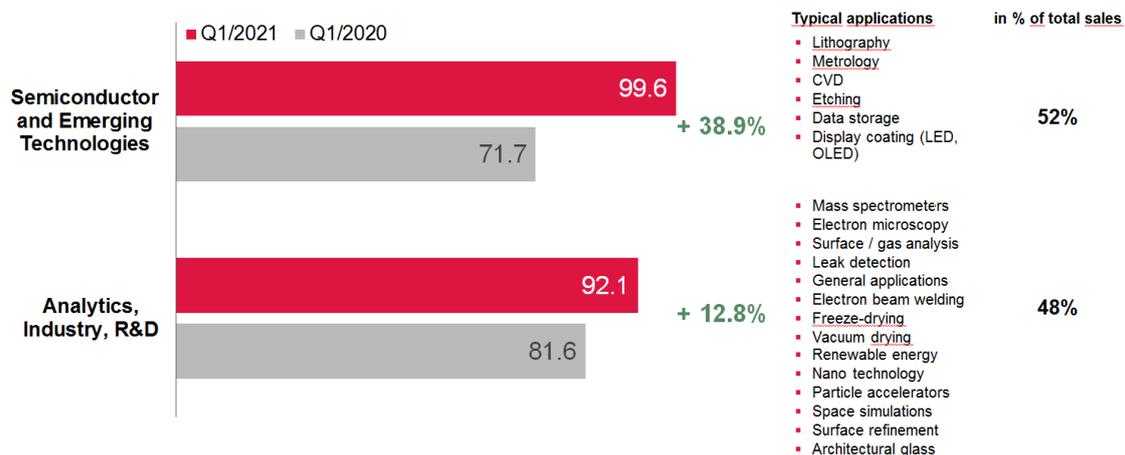
The **operating profit EBIT** increased by about 76 percent to € 22.6 million; the **EBIT margin** improved from 8.4 to a figure of now 11.8 percent.

As you can still see from the table, we were able to almost double our net result for the opening quarter from € 8.9 to € 15.9 million this year.

A record level was also achieved by our **order intake**, which developed extremely positively across the segments throughout the quarter. New orders totaled € 233.9 million, an increase of more than 35 percent compared to the previous year.

First quarter 2021: Sales growth in all market segments

in € millions



Before I go into a little more detail about the development of the individual key performance indicators, I would like to draw your attention, ladies and gentlemen, to the **new classification of our market segments**. Pfeiffer Vacuum continues to serve all markets as before, but at the beginning of the current year, we reorganized the markets and gave them slightly different names.

In the future, we will distinguish between the two segments "Semiconductor and Emerging Technologies" on the one hand and "Analytics, Industry and Research & Development" on the other. The former "Coating" segment will be assigned to either one or the other of our two market segments, depending on the particular focus.

For example, the areas comprising LED, flat screens and solar modules will in future belong to the Semiconductor and Emerging Technologies market segment, while thin film deposition, glass coating and eyeglass lens coating will be allocated to the "Analytics, Industry and Research & Development" segment. We are convinced that the new segmentation with its different organizational structure will create synergies and enable us to respond even more efficiently to customer requirements.

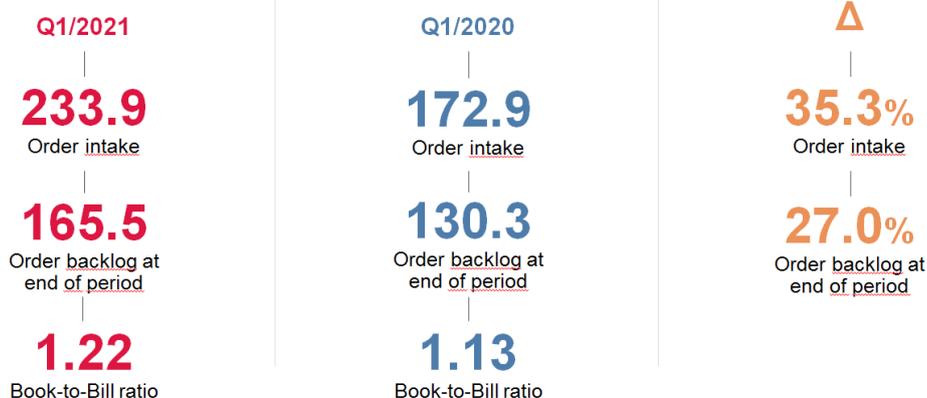
In the first quarter of 2021, **sales in the Semiconductor and Emerging Technologies market segment** increased significantly by 38.9 percent year-on-year to € 99.6 million. This market segment therefore accounted for around 52 percent of our total sales.

Sales in the Analytics, Industry and Research & Development market segment also developed positively, increasing by 12.8 percent to € 92.1 million.

The increase in sales, and the resulting economies of scale, were the main driver behind the disproportionate growth in operating profit and the corresponding improvement in the EBIT margin, which rose from 8.4 percent in the prior-year quarter to 11.8 percent. However, a less favorable product and market mix as well as efficiency losses due to safety measures in connection with the Corona pandemic dampened the positive development. In addition, adverse foreign exchange effects, particularly the strength of the euro against the U.S. dollar, depressed the EBIT margin by 2 percentage points.

Record orders in first quarter

in € millions



Let us now take a look at the **order situation**. On March 31, 2021, we had an order backlog of € 165.5 million – an increase of 27.0 percent compared to the reporting date of the previous year. Compared with the end of 2020, this even represents an increase of 34.2 percent. The so-called book-to-bill ratio – i.e. the ratio of order intake to sales – was at an impressive level of 1.22 in the first quarter of 2021.

Ladies and gentlemen, I am very pleased with the way in which our Pfeiffer Vacuum Technology AG has kept pace with the dynamic demand from our customers. I would like to **thank** all employees and the entire management team for this! With their high level of commitment, creativity and flexibility, they have managed to successfully navigate our Company through this rapidly and constantly changing market environment and to keep our customers satisfied. A big thank you!

In view of the positive quarterly result, we look ahead to the future with confidence, but proceeding all the while with the necessary caution.

Outlook 2021

<p>Sales growth more than 10%</p>	
<p>Profitability – EBIT margin to exceed 10%</p>	

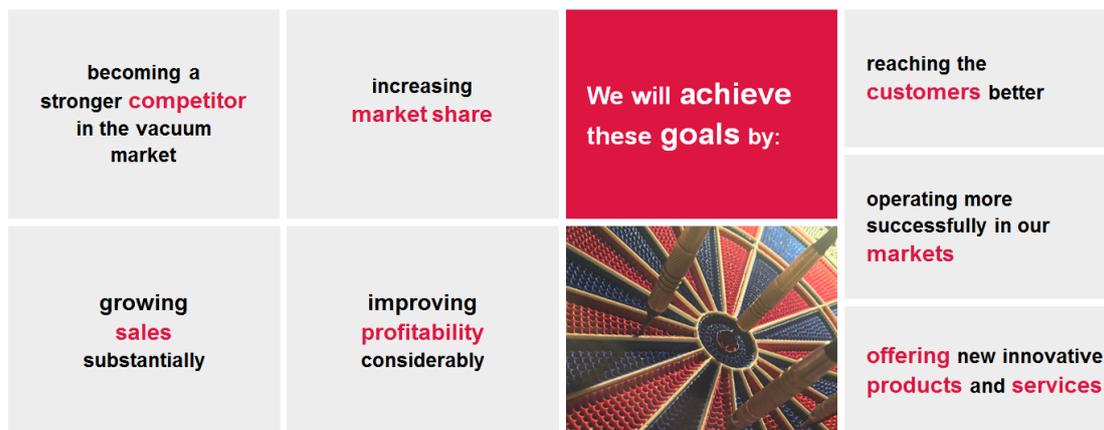
For the current fiscal year 2021, we expect **sales growth** of more than ten percent compared to the previous year. This **forecast**, which at first glance appears somewhat restrained, reflects a cautious outlook for the second half of 2021, during which levels of demand are expected to normalize. In addition, the further impact of the Corona pandemic in particular on the European economy, our customers and our business continues to create uncertainty.

In terms of earnings, we expect the **EBIT margin** in 2021 to also improve significantly compared to 2020 and to exceed ten percent. In the second half of the year, we plan to make additional investments in research and development to drive innovation. At the same time, we intend to invest in areas where we are reaching our capacity limits. We continue to implement the transformation process and serve customer demand to ensure sustainable and profitable growth.



Dear shareholders, we would like you to participate again this year in the gratifying development that Pfeiffer Vacuum has achieved and propose the distribution of a **dividend** of € 1.60 per share. This means that we intend to pay out half of the Group's net result, which is above the long-term average for DAX and other publicly traded companies. The increase in the dividend by 35 cents per share compared to the previous year takes into account, on the one hand, Pfeiffer Vacuum's sound liquidity position and, on the other hand, the fact that the dividend paid in 2020 for the fiscal year 2019 was deliberately set at a low figure due to the uncertainties that existed at that time about the future effects of the Corona pandemic and also in order to leave as much liquidity as possible within the company.

Strategic goals



Ladies and gentlemen, in January of this year, we presented our vision of how the **medium-term development** of our company can take place against the backdrop of the current environment and what objectives we wish to achieve. We wish to continue to become an even stronger competitor in the vacuum technology market by

- **increasing** our **market share** through both organic growth and selected acquisitions,
- **substantially increasing sales** and
- **considerably improving profitability.**

You will understand, I am sure, that I do not wish to be more specific until I and my colleagues have completed a systematic analysis of the complex interrelationships that make up our globally operating Pfeiffer Vacuum Company. By doing so, we in the management team, with the support of the specialist departments, will obtain a comprehensive overview as well as some deeper insights. A **systematic analysis** of this nature will cover the successes of the past years, the strategic focal areas of the future, the current market conditions and the impact of the Corona pandemic on the original growth.

However, it has already become clear today that we must put the customer at the very center of our actions even more strongly than before if we are to achieve the objectives we have outlined. We therefore intend to develop a clear strategy on how to **better reach** our **customers** and thus **operate more successfully in our markets** and

convince them with **new, innovative products** as well as a **more precisely defined range of services**.

Our Pfeiffer Vacuum Technology AG is ready to take the next steps in its development. My colleagues in the management team and I will accompany these steps and make the investments with a sense of proportion in order to contribute to the further growth and sustained success of our Company.



Shaping the future of
Pfeiffer Vacuum together

Allow me to take this opportunity to thank the **employees** whose great commitment is driving the Company forward. In the past year, they have risen to the added challenges posed by the Corona protection measures. In addition, I would like to express my gratitude for the confidence shown in me and the warm welcome that I have received since I started at Pfeiffer Vacuum in October 2020. This was clearly felt, even though the vast majority of our contact could only take place on screen.

The same applies to the members of the Supervisory Board, with whom I have already had a very constructive exchange. On behalf of the Company, I would also like to personally thank the Supervisory Board members present here, Ms. Ayla Busch and Mr. Timmerbeil, as well as the virtually attending Supervisory Board members Mr. Filippo Beck, Mr. Henrik Newerla, and our employee representatives, Mr. Matthias Mädler and Mr. Stefan Röser, for their approachability and receptiveness.

Ladies and gentlemen, behind our Pfeiffer Vacuum Technology AG lies a 130-year success story. Our customers from science and industry benefit equally from this experience. With the support of all of our employees and yourselves, I look forward to building upon this and continuing this history. Let us set standards in worldwide vacuum technology! Let us join forces to leverage the **growth potential** of this Company!

Thank you.

I now return the floor to the Chairwoman of the Supervisory Board, Ms. Busch.

