

Explanatory report of the Management Board to the Annual General Meeting pursuant to § 176 para. 1 sentence 1 of the German Stock Corporation Act (AktG) on the information pursuant to §§ 289a Sub-Para. 1, 315a Sub-Para. 1 of the German Commercial Code (HGB) in the management report for Pfeiffer Vacuum Technology AG and Pfeiffer Vacuum Group

The subscribed capital of Pfeiffer Vacuum Technology AG as of December 31, 2019, remains unchanged at K€ 25,261 and consists of a total of 9,867,659 no-par-value shares. There are no different classes of shares currently or previously existent, so all shares have the same rights, in particular the same voting and dividend entitlement rights. Accordingly, the calculated share of the subscribed capital amounts to € 2.56.

As of December 31, 2019, Dr. Karl Busch, Ms. Ayhan Busch, Ms. Ayla Busch, Mr. Sami Busch and Mr. Kaya Busch, all of Germany, according to their own statements, held 60.22% of the voting rights in the Company (previous year: 50.02%). No further information is available to us. The shares are held indirectly through Pangea GmbH, Maulburg, Germany, and other independent legal entities belonging to the family-run Busch Group, and are deemed to be held by the persons named. To the best of our knowledge, there were no other shareholders with a holding of more than 10% as of December 31, 2019 and also as of December 31, 2018.

Amendments to the Articles of Association can be adopted by the Annual General Meeting by a simple majority of the voters present at the Annual General Meeting, unless the law requires a larger majority. To the best of our knowledge, there are no restrictions on voting rights or the transfer of shares. According to the Articles of Association of the Company and §§ 84 and 85 of the German Stock Corporation Act ("AktG"), Management Board members are appointed by the Supervisory Board for a maximum of five years. Reappointments or extensions to the term of office are permitted for a maximum of five years in each case.

Through a resolution of the Annual General Meeting on May 23, 2018, the Management Board is authorized to increase the subscribed capital one or more times by € 12,630,602.24 or 4,933,829 shares in exchange for cash and/or contributions in kind (authorized capital). This authorization is valid until May 23, 2023 and requires the approval of the Supervisory Board.

According to the resolution of the Annual General Meeting on May 23, 2019, the Management Board is authorized to issue fractional bonds with option or conversion rights and/or option or conversion obligations, profit participation rights and income bonds (or combinations of these instruments) with an aggregate nominal value of up to € 200,000,000.00 and to grant the holders conversion rights of up to 2,466,914 no-par bearer shares of the Company having a pro-rata amount of the share capital of up to € 6,315,299.84. This authorization is valid until May 22, 2024 and requires the approval of the Supervisory Board.

At the Annual General Meeting on May 21, 2015, the shareholders authorized the Management Board to repurchase treasury shares pursuant to § 71 Sub-Para. 1 No. 8, German Stock Corporation Act ("AktG"). This authorization covers the buyback of a proportionate amount of the share capital of up to € 2,526,120.70 (986,766 shares corresponding to 10.0% of the share capital at the time the resolution was adopted), requires the approval of the Supervisory Board and is valid through May 20, 2020.

It remains unchanged as of December 31, 2019 that the Corporate Group does not own treasury shares.

For information relating to the employment contracts of the members of the Management Board, please refer to the corresponding paragraphs in the compensation report.

There are no further aspects that would require discussion within the context of § 289a, Sub-Para 1, § 315a Sub-Para 1, German Commercial Code (“HGB”).

Asslar, February 28 2020

Pfeiffer Vacuum Technology AG

Management Board

Signed:

Dr. Eric Taberlet
Chief Executive Officer

Nathalie Benedikt
Chief Financial Officer

Wolfgang Ehrk
Chief Operations Officer