

Agile into the Future

Focusing on
our customers

Quarterly Financial Report
Third Quarter 2022

Quarterly Financial Report / Third Quarter 2022

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Key Figures

		Q3 2022	Q3 2021	Change	Q1-Q3 2022	Q1-Q3 2021	Change
Sales and profit							
Total sales	K€	228,076	184,099	23.9%	668,689	575,255	16.2%
Germany	K€	41,276	33,478	23.3%	109,235	94,418	15.7%
Other countries	K€	186,800	150,621	24.0%	559,454	480,837	16.4%
Operating profit	K€	33,885	25,856	31.1%	93,954	73,968	27.0%
EBIT margin	%	14.9	14.2	0.7 Pp	14.1	12.9	1.2 Pp
Net income	K€	24,018	18,252	31.6%	66,603	52,133	27.8%
Return on sales	%	10.5	9.9	0.6 Pp	10.0	9.1	0.9 Pp
Operating cash flow	K€	6,672	31,427	-78.8%	29,299	73,240	-60.0%
Capital expenditures	K€	22,585	9,478	138.3%	52,392	22,622	131.6%
Earnings per share	€	2.43	1.85	31.4%	6.75	5.28	27.8%
Workforce							
Workforce (average)		3,752	3,399	10.4%	3,644	3,350	8.8%
Germany		1,185	1,116	6.2%	1,142	1,105	3.3%
Other countries		2,567	2,283	12.4%	2,502	2,245	11.7%
Sales per employee	K€	61	54	13.0%	184	172	7.0%
Balance sheet							
				Sept, 30, 2022		December 31, 2021	Change
Balance sheet total	K€			825,559		707,876	16.6%
Cash and cash equivalents	K€			71,385		99,371	-28.2%
Number of shares issued				9,867,659		9,867,659	-
Shareholders' equity	K€			524,094		459,376	14.1%
Equity ratio	%			63.5		64.9	-1.4 Pp

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This quarterly financial report has been prepared in accordance with International Financial Reporting Standards (IFRS). Throughout this report, all percentages are calculated based on amounts in thousands €.

The Quarterly Financial Report as of September 30, 2022, is unaudited.

The Company

Pfeiffer Vacuum – a name that stands for innovative solutions, high technology and dependable products, along with first class service. For more than 130 years, we have been setting standards in vacuum technology with these attributes. One very special milestone was the invention of the turbopump at our Company more than 50 years ago. Thanks to our know-how, we continue to be the technology and world market leader in this field. To no small degree, this also manifests itself in our strong profitability.

Our extensive line of solutions, products and services ranges from vacuum pumps, measurement and analysis equipment right through to complex vacuum systems. And quality always plays a key role in this connection: Products from Pfeiffer Vacuum are being constantly optimized through close collaboration with customers from a wide variety of industries, through ongoing development work and through the enormous enthusiasm and commitment of our people. These are virtues that we will continue to embrace!

Pfeiffer Vacuum

Headquarters	Asstar
Established	1890
Purpose of the Company	To develop, manufacture and market components and systems for vacuum generation, measurement and analysis
Manufacturing sites	Asstar, Germany; Göttingen, Germany; Dresden, Germany, Annecy, France; Asan, Republic of Korea; Cluj, Romania; Indianapolis, USA; Yreka, USA; Ho-Chi-Minh-City, Vietnam, Wuxi, China
Workforce (September 30, 2021)	3,752
Sales and service	31 subsidiaries and a multitude of agencies worldwide
Quality management	Certified under ISO 9001
Environmental management	Certified under ISO 14001
Stock exchange listing	Deutsche Börse, Prime Standard/SDAX
Accounting	IFRS

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For more information please visit group.pfeiffer-vacuum.com.

Share Performance

Pfeiffer Vacuum shares have been traded on the Deutsche Börse Stock Exchange in Frankfurt since April 15, 1998. Pfeiffer Vacuum satisfies the high transparency requirements of the Prime Standard and has been included without interruption in the SDAX.

Basic information about Pfeiffer Vacuum shares

Deutsche Börse Symbol	PFV
ISIN	DE0006916604
Bloomberg Symbol	PFV.GY
Reuters Symbol	PV.DE
Number of shares issued	9,867,659
Freefloat as at September 30, 2022	37.04%
Market capitalization as at September 30, 2022	€ 1,253.2 million

In the first three quarters 2022 the share price performance of Pfeiffer Vacuum was slightly weaker than the performance of the SDAX index in the same period. On January 3, 2022, the opening price of Pfeiffer Vacuum shares was € 217.50, and the closing price was € 127.00 on September 30, 2022. This represents a decrease by 41.6%. On January 03, 2022 the high for the first nine months of 2022 was reached with € 217.50. The low for the first nine months in 2022 was € 120.80 on September 23, 2022. In the same period the SDAX, starting at 16,484 points on January 3, 2022 and closing at 10,523 points on September 30, 2022, decreased by 36.2%.

Also, in 2022 Pfeiffer Vacuum distributed a dividend to its shareholders for a repeated time. At the Annual General Meeting on May 19, 2022, a clear majority of shareholders followed the common proposal of Management and Supervisory Boards and resolved a dividend of € 4.08 per share for the fiscal year 2021. Thus, the payout ratio amounted to around 64.9% of consolidated net income 2021. A total of € 40.3 million was paid to the shareholders.

Unchanged compared to December 31, 2021, the freefloat according to our knowledge is 37.04% as of September 30, 2022.

Interim Management Report

Sales closed with record sales in the Company's history in the entire first nine months of 2022 and amounted to € 668.7 million. After € 575.3 million in the first nine months of 2021, this meant a significant increase by € 93.4 million, or 16.2%. Sales in the third quarter of 2022 totaled € 228.1 million and were thus likewise significantly above the level of the third quarter of 2021 (€ 184.1 million). As of September 30, 2022, a material sales growth in the market segment Semiconductor & Emerging Markets was recorded compared to the previous year (+ € 50.2 million), but also the market segment Analytics, Industry and R&D showed a nice development with an increase of € 43.2 million. Corresponding to sales, order intake rose considerably from € 690.8 million after three quarters in 2021 to € 866.5 million in the first nine months of 2022 and also set a level never reached before. Gross profit increased by € 40.1 million, or 19.7%, to € 243.6 million (previous year: € 203.5 million). In particular, the increased sales volume the corresponding economies of scale as well as the effects from the product customer mix lead to an increase in the gross margin from 35.4% to 36.4%. In this context, higher procurement costs and higher freight expenses had a negative impact on the gross margin. Administrative and general expenses showed an increase by € 8.9 million to € 56.9 million compared to the first nine months of 2021 (€ 48.0 million). Selling and marketing expenses totaling € 68.4 million in the first nine months also showed significant increases compared to the previous year (€ 59.4 million), particularly based on the development of sales. Research and development expenses showed a slight increase of € 0.9 million to € 26.8 million compared to the first nine months of 2021 (€ 25.9 million). The balance of other operating income and expenses decreased by € 1.3 million to € 2.4 million compared to the previous year, mainly determined by the exchange rate result shown here. In the first three quarters of the current year an operating result of € 94.0 million was achieved, € 20.0 million, or 27.0%, above the previous year's figure (€ 74.0 million). This value also represents a record in the Company's history. The operating profit margin, the ratio of operating profit to sales, has increased accordingly from 12.9% in 2021 to 14.1% in the year under review. With virtually constant net financial expenses and an unchanged tax rate, earnings after taxes rose from € 52.1 million to € 66.6 million. This resulted in earnings per share of € 6.75 (previous year: € 5.28).

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COVID-19, Ukraine war, overall economic environment and situation at Pfeiffer Vacuum

The impacts of COVID-19 and the war in Ukraine remain global challenges. The global economic development continues to be severely affected by the consequences of these circumstances. Despite the very pleasing trend in the first nine months of 2022 the final effects cannot yet be estimated, and we watch any change in demand very closely.

Interim Management Report

A challenge in the current environment is the volatility of events and that the supply chain can be disrupted in unexpected short times. Threats to our supply chain also include the question of continuous energy availability. The biggest challenge for us today remains the management of the supply chains. This is not focused on one specific area or supplier. It is a situation where our procurement team is continuously working with several suppliers to secure electronics, components, parts or chemical materials to avoid production disruptions and to meet our customer's delivery expectations. In 2022 so far, we effectively navigated these challenges.

Recently, the USA announced sanctions against the People's Republic of China which relate to trade restrictions on advanced computer chips and equipment for the production of advanced semiconductors. While Pfeiffer Vacuum is not directly impacted, some of our customers expect effects. We are currently analyzing the effects and therefore cannot yet conclusively assess the final effects on Pfeiffer Vacuum.

What further helps the Company in this challenging situation is the very solid financial position. Already for a long time the Group showed strong balance sheet structures with a high equity ratio and has adopted conservative financing approaches for daily business and necessary investments. We thus currently still do not see any liquidity risks from the overall economic situation.

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Business

Our business operations include the development, manufacture, sale and service of vacuum pumps, vacuum measurement, components and analysis equipment and instruments, as well as vacuum systems and leak detection systems.

Sales

Presented below are net sales by segment, by region, and by market for the periods ended September 30, 2022 and 2021.

Sales by Segment (Companies)

The subsidiaries in the individual countries are independent legal entities with their own management, which distribute products and provide services. The Company identifies its primary operating segments by legal entity. Due to the similarity of their economic environment, the same product portfolio sold, same sales markets, same cost structures and same sales channels, the Company basically aggregates its European and Asian subsidiaries into one reporting segment, "Rest of Europe" and "Rest of Asia". In contrast, the production companies in Germany, France, the USA and the Republic of Korea were presented separately each as an individual segment. This was caused by the different functions of these entities, predominantly resulting from the existing production function.

Interim Management Report

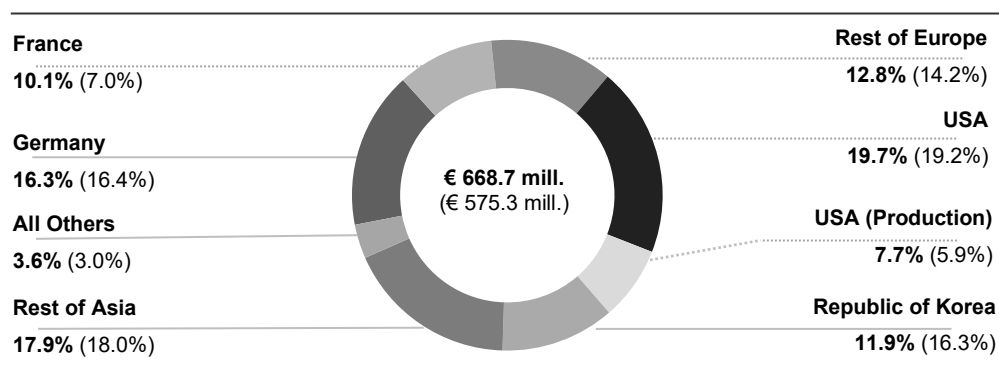
Sales by Segment

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
	in K€	in K€	in K€	in K€
USA	48,711	36,174	132,157	110,713
Rest of Asia	39,390	36,318	119,664	103,714
Germany	41,276	33,478	109,235	94,418
Rest of Europe	27,203	26,358	85,868	81,687
Republic of Korea	24,091	22,653	79,347	93,614
France	20,450	12,693	67,239	39,813
USA (Production)	18,957	10,900	51,439	33,891
All Others	7,998	5,525	23,740	17,405
Total	228,076	184,099	668,689	575,255

Analysis of sales by Segment in the first nine months 2022 and for the third quarter of 2022 shows a very positive development in almost all segments. This very satisfactory trend illustrates the broad basis for this development, which is not limited to individual Group units. Deviating from this, the South Korea segment recorded revenue declines due to reduced project activities of local customers in 2022.

The following graphic shows the still balanced split of consolidated sales by segments.

Sales by Segment 9M/2022 (9M/2021)



Interim Management Report

Sales by Region

In the following table we are also summarizing sales by region. The table includes all sales in a given region, regardless of which company in the Pfeiffer Vacuum Group actually generated these sales.

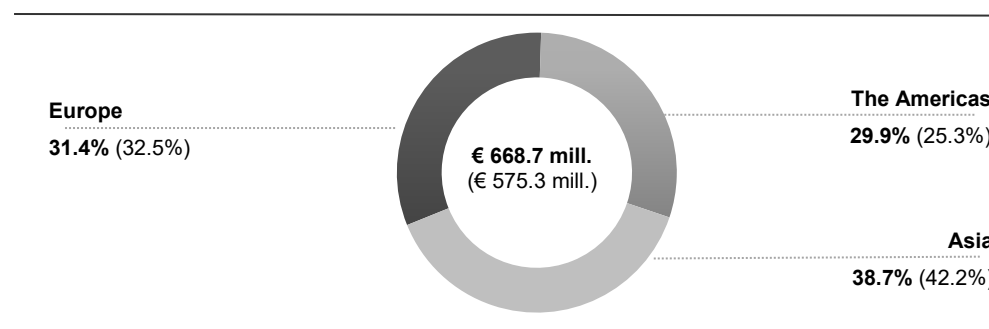
Sales by Region

	Three months ended September 30,		Nine months ended September 30,	
	2022 in K€	2021 in K€	2022 in K€	2021 in K€
Asia	85.345	82,247	258,478	242,451
Europe	68.702	59,529	211,021	187,150
The Americas	73.985	42,321	199,014	145,453
Rest of the world	44	2	176	201
Total	228.076	184,099	668,689	575,255

As in the first half of 2022, the strong demand dynamic in the semiconductor industry had a very positive effect and thus significantly influenced the strong increase in sales by € 93.4 million, or 16.2%. Within Europe and Asia, demand from the semiconductor industry was decisive for sales development. In the Americas, sales development in the semiconductor market was a very important factor, but was supported by growth in the Industry, Analytics and R&D market segment. The positive effects of the US dollar exchange rate must also be taken into account analyzing sales in the Americas. A good 2/3 of the positive exchange rate effect totaling € 31.0 million was attributable to the US dollar.

The following graphic shows the still balanced split of sales by region.

Sales by Region 9M/2022 (9M/2021)



Interim Management Report

Sales by Market

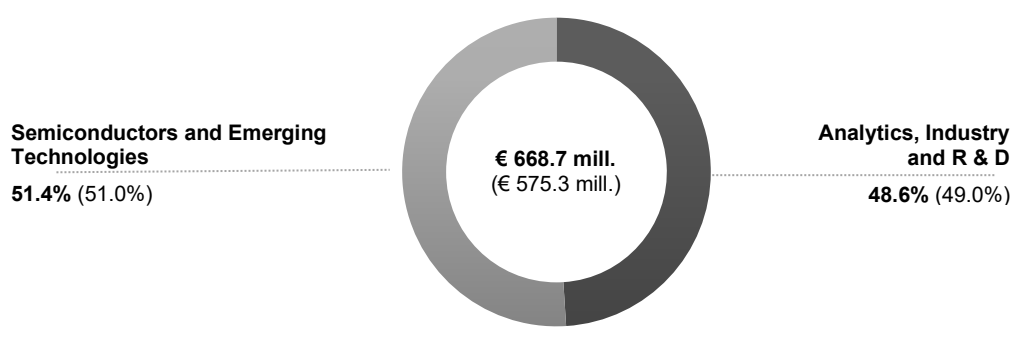
Sales by Market

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2022	2021	2022	2021
	in K€	in K€	in K€	in K€
Semiconductors and Emerging Technologies	112,962	86,759	343,607	293,392
Analytics, Industry and R & D	115,114	97,340	325,082	281,863
Total	228,076	184,099	668,689	575,255

As already mentioned, sales in the semiconductor area were very positive and thus also determined the development of the market segment Semiconductors and Emerging Technologies. Overall, the momentum increased again in the third quarter of 2022 with an increase of 30.2% and led to an increase in sales of 17.1% year-to-date. In addition, sales with customers from the Analytics, Industry and R&D market segment also recorded very pleasing growth with 15.3 % in 2022 (+18.3% in the third quarter). In the third quarter of 2022, sales in the Analytics, Industry and R&D market segment exceeded the level in the Semiconductors and Emerging Technologies market segment for the first time in 2022.

The sales split by markets was as follows:

Sales by Market 9M/2022 (9M/2021)



Interim Management Report

Order Intake and Order Backlog

Order intake in the first nine months of 2021 was € 690.8 million and € 866.5 million in the same period in 2022. The significant increase of € 175.7 million, or 25.4%, represented a record level in the Company's history and is broadly based, with the development in the semiconductor market being particularly dynamic. In the third quarter order intake of € 286.0 million was slightly below the immediately preceding second quarter (€ 293.9 million). Quarterly fluctuations in order intake are common. The book-to-bill-ratio, the ratio between order intake and sales, was 1.30 for the year 2022 to date (2021: 1.20) and 1.25 for Q3/2022 (Q3/2021: 1.30).

Order backlog increased from € 316.2 million as at December 31, 2021 to the record level of € 514.0 million as at September 30, 2022. Resulting from the book-to-bill ratio of 1.25 in the third quarter, the order backlog was also significantly higher than the value of € 455.7 million as at June 30, 2022.

Orders are only recorded in order backlog when they are based upon binding contracts. The value of order backlog should not be used to predict future sales and order volumes.

Cost of Sales and Gross Profit

In the first nine months of 2022, the cost of sales amounted to € 425.0 million (previous year: € 371.7 million). This corresponds to an increase of € 53.3 million or 14.3%. The main reasons for this were the higher sales and the resulting better capacity utilization of the production sites. At € 243.6 million, gross profit was € 40.1 million above the previous year's figure of € 203.5 million. The gross margin, the ratio of gross profit to sales, rose from 35.4% to 36.4%, due to positive economies of scale as a result of the higher sales and especially in the third quarter of 2022, a more favorable product-customer mix. In addition, exchange rate effects had a positive impact on gross profit, while higher input costs and inefficiencies from supply chain management had a negative impact on gross margin. In the third quarter 2022, gross profit rose from € 67.4 million in the third quarter of the previous year to € 85.6 million.

Selling and Marketing Expenses

Selling and marketing expenses totaled € 68.4 million in the first nine months of the current fiscal year and thus were € 9.0 million higher compared to the same period in 2021 (€ 59.4 million). Due to the increased sales the selling and marketing expenses relative to sales decreased by 0.1 percentage points to 10.2% (2021: 10,3%).

General and Administrative Expenses

With € 56.9 million in the year 2022 so far, general and administrative expenses increased by € 8.9 million compared to the first three quarters in 2021 (€ 48.0 million). Relative to sales, this ratio increased slightly from 8.3% to 8.5%.

Interim Management Report

Research and Development Expenses

Research and development expenses amount to € 26.8 million in current period and thus increased by € 0.9 million, or 3.5%, compared to the first three quarters of 2021 (€ 25.9 million). The R&D ratio, the ratio between R&D expenses and sales, decreased from 4.5% to 4.0% due to the increase in sales.

We will keep the expenses allocated for research and development at a high level and continue to invest in order to be able to sustain our position in the world market, to expand market shares and to open up new markets. All expenditures for research and development are expensed as they are incurred.

Other Operating Income/Other Operating Expenses

Balance of other operating income and expenses totaled € 2.4 million in the first three quarters of 2022 after a net gain of € 3.7 million was recorded in the corresponding prior year period. The amounts in 2022 included predominantly net foreign exchange gains of € 0.3 million (2021: net foreign exchange gain € 0.9 million) and expense subsidies affecting net income of € 2.6 million (2021: € 2.6 million).

Operating Profit

After € 74.0 million in the comparable prior-year period of 2021, the operating result in the first nine months of 2022 rose by € 20.0 million, or 27.0%, to € 94.0 million. The operating profit margin, the ratio of operating profit to sales, increased from 12.9% in the first nine months of 2021 to 14.1% in the first nine months of 2022. The main reason for this development was the increase in the gross margin and, as a result of positive economies of scale, the increase in gross profit. Moreover, the higher operating costs due to the implementation of the growth strategy had a negative impact on earnings development. In addition, the pleasing business development in the current year and the resulting additional selling expenses led to a decline in the operating profit margin, while – seen separately – the exchange rate development had a positive impact on earnings.

Financial Results

Totaling € -0.2 million, the net financial result in the first nine months of 2022 was almost at the level of the same period in the previous year (€ -0.5 million). There were no significant changes.

Interim Management Report

Income Taxes

With 29.0% in the first nine months 2022 the tax rate remained at prior year's level (29.0%). Due to the positive development of the income before taxes the income tax expenses increased from € 21.3 million to € 27.2 million. There were no structural changes.

Net income / Earnings per share

Totaling € 66.6 million net income for the first three quarters of 2022 was up by € 14.5 million from the prior year results of € 52.1 million. This represented an increase by 27.8%. Return on sales (after taxes) stood – after 9.1% in 2021 – at 10.0% in 2022. Earnings per share developed parallel to the net income. After € 5.28 in the first nine months of 2021 an amount of € 6.75 was recorded for the current fiscal year – a significant increase by € 1.47, or 27.8%.

Financial Position

Total assets in the Pfeiffer Vacuum Group increased by € 117.7 million, or 16.6%, from € 707.9 million as of December 31, 2021 to € 825.6 million as of September 30, 2022. On the assets side of the balance sheet, this development resulted mainly from the increase in inventories by € 80.1 million, the increase in property, plant and equipment by € 32.5 million and the increase in trade accounts receivable by € 18.1 million €. Details on the development of cash and cash equivalents can be found in the “Cash Flow” section below.

On September 30, 2022, the Group's equity amounted to € 524.1 million and was thus € 64.7 million above the value at the end of the previous financial year (€ 459.4 million). The main reason for this was the earnings after taxes generated in the first nine months (€ 66.6 million), which was offset by the dividend payment of € 40.3 million. In addition, the other equity components rose by € 38.4 million. This was mainly due to the measurement of pension obligations (decrease in the recorded obligation as a result of higher discount rates) without affecting earnings and the recognition of currency-translation differences. The equity ratio remained at a high level and was 63.5% as of September 30, 2022 (previous year: 64.9%). Further significant changes in liability items resulted from the increase in the long- and short-term financial liabilities by € 39.5 million and the increase in trade payables by € 21.8 million on the one hand, and from the decrease in pension provisions by € 20.8 million on the other hand.

Interim Management Report

Cash Flow

Totalling € 29.3 million, the operating cash flow in the first nine months of 2022 was significantly below by € 43.9 million as compared to the value for the prior year period (€ 73.2 million). While recording higher earnings after taxes (+€ 14.5 million), particularly the increase in inventories by € 75.9 million (previous year: € 17.0 million) had a negative impact on the operating cash flow in the first nine months of 2022. In contrast, despite the pleasing sales development, receivables and other assets rose by € 21.1 million, thus less strongly than in the previous year (€ 43.0 million) and therefore had a positive impact on operating cash flow.

As expected, investment payments in the first nine months of 2022 totaled € 52.4 million, well above the level of the previous year (€22.6 million). Overall, the cash outflow from investing activities in the first nine months of 2022 was € 52.2 million (previous year: € 22.4 million).

The repayment portion of lease payments in the amount of € 4.0 million (previous year: € 4.2 million) and the proceeds from increases of financial liabilities of € 40.0 million, together with the dividend payment of € 40.3 million (previous year: € 15.8 million) resulted in a cash outflow from financing activities totaling € 4.3 million in the first nine months of 2022. The cash outflow of € 40.0 million in the previous year included repayments of financial liabilities of € 20.1 million.

Taking into account currency effects, the cash outflow totaled € 28.0 million (previous year: cash inflow of € 11.4 million) and led to an decrease in cash and cash equivalents to € 71.4 million.

Workforce

As of September 30, 2022 the Company employed a workforce of 3,752 people, 1,185 of them in Germany and 2,567 in other countries,

Workforce

	Germany		Other countries		Total	
	September 30,					
	2022	2021	2022	2021	2022	2021
Manufacturing and Service	690	651	1,756	1,523	2,466	2,174
Research and Development	111	99	175	163	286	262
Sales and Marketing	248	241	425	409	673	650
Administration	133	125	211	188	347	313
Total	1,185	1,116	2,567	2,283	3,752	3,399

Interim Management Report

Risk and Opportunities Report

During the first nine months of the 2022 fiscal year, there were no changes in the risks and opportunities as described in our Annual Report (Geschäftsbericht) for the year ended December 31, 2021. The Annual Report is available on our homepage at group.pfeiffer-vacuum.com.

As already mentioned, the day-to-day management of supply chains remains a major challenge. This also includes securing the energy supply. However, in 2021 and 2022 so far, we have effectively overcome these challenges, as reflected in our results. In this volatile environment, however, it is not yet possible to conclusively assess the future development with regard to the impact on the Pfeiffer Vacuum Group. The situation thus remains unclear overall. So far, our production in all plants runs largely trouble-free and it is possible for us to provide our customers with solutions. The aim is to continue to guarantee this situation.

Major Events after the Balance Sheet Date

After the end of the first three-quarters of 2022, there has basically not been any significant change in the industry environment or in the Company's position. However, on October 7, 2022, the USA government announced trade restrictions on advanced computer chips and manufacturing equipment for advanced semiconductors. While Pfeiffer Vacuum is not directly impacted, we are currently analyzing the potential impacts on customers and therefore the Pfeiffer Vacuum Group.

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Outlook

Based on the financial results of the first nine months of 2022 and no further deterioration in the supply chains during the third quarter of 2022, the Management Board raised the forecast for Group sales for fiscal year 2022 to between € 860 million and € 880 million. This corresponds to growth of around 11% to 14% compared to the previous year (previous forecast: growth of 5% or higher). Unchanged compared to the previous forecast, the EBIT margin is expected to be around 14% in 2022. The updated forecast does not take into account any negative impact of the U.S. trade restrictions imposed on China on advanced computer chips and manufacturing equipment for advanced semiconductors as announced on October 7, 2022.

Consolidated Interim Financial Statements

Consolidated Statements of Income (unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
	in K€	in K€	in K€	in K€
Net sales	228,076	184,099	668,689	575,255
Cost of sales	-142,526	-116,739	-425,045	-371,708
Gross profit	85,550	67,360	243,644	203,547
Selling and marketing expenses	-23,226	-19,878	-68,447	-59,392
General and administrative expenses	-19,661	-14,242	-56,891	-47,972
Research and development expenses	-8,958	-8,362	-26,801	-25,888
Other operating income	4,837	2,509	12,593	8,722
Other operating expenses	-4,657	-1,531	-10,144	-5,049
Operating profit	33,885	25,856	93,954	73,968
Financial expenses	-182	-222	-415	-668
Financial income	95	74	238	127
Earnings before taxes	33,798	25,708	93,777	73,427
Income taxes	-9,780	-7,456	-27,174	-21,294
Net income	24,018	18,252	66,603	52,133
Earnings per share (in €):				
Basic	2.43	1.85	6.75	5.28
Diluted	2.43	1.85	6.75	5.28

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See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Statements of Comprehensive Income (unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
	in K€	in K€	in K€	in K€
Net income	24,018	18,252	66,603	52,133
Other comprehensive income				
Amounts to be reclassified to income statement in future periods (if applicable)				
Currency changes	8,595	2,938	22,019	8,249
Results from cash flow hedges	2	83	-119	-56
Related deferred income tax effects	-	-24	34	16
	8,597	2,997	21,934	8,209
Amounts not to be reclassified to income statement in future periods				
Valuation of defined benefit plans	-91	-17	23,270	5,966
Related deferred income tax effects	26	12	-6,830	-1,722
	-65	-5	16,440	4,244
Other comprehensive income net of tax	8,532	2,992	38,374	12,453
Total comprehensive income net of tax	32,550	21,244	104,977	64,586

See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Balance Sheets (unaudited)

	September 30, 2022	December 31, 2021
	in K€	in K€
Assets		
Intangible assets	103,283	91,524
Property, plant and equipment	208,445	175,952
Investment properties	334	352
Other financial assets	3,136	2,502
Contract assets	247	-
Other assets	520	791
Deferred tax assets	22,206	28,650
Total non-current assets	338,171	299,771
Inventories	242,312	162,178
Trade accounts receivable	137,732	119,587
Contract assets	4,807	1,392
Income tax receivables	3,930	4,796
Prepaid expenses	11,453	4,689
Other financial assets	2,976	168
Other accounts receivable	12,793	15,924
Cash and cash equivalents	71,385	99,371
Total current assets	487,388	408,105
Total assets	825,559	707,876
Shareholders' equity and liabilities		
Share capital	25,261	25,261
Additional paid-in capital	96,245	96,245
Retained earnings	396,350	370,007
Other equity components	6,237	-32,137
Equity of Pfeiffer Vacuum Technology AG shareholders	524,093	459,376
Financial liabilities	8,056	13,876
Provisions for pensions	39,672	60,502
Deferred tax liabilities	5,863	4,437
Contract liabilities	1,436	1,321
Total non-current liabilities	55,027	80,136
Trade accounts payable	79,842	58,046
Contract liabilities	20,112	13,343
Other accounts payable	29,608	27,742
Provisions	53,102	48,181
Income tax liabilities	14,211	16,773
Financial liabilities	49,564	4,279
Total current liabilities	246,439	168,364
Total shareholders' equity and liabilities	825,559	707,876

See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Statements of Shareholders' Equity (unaudited)

	Share Capital in K€	Additional Paid-in Capital in K€	Retained Earnings in K€	Other Equity Components in K€	Equity of Pfeiffer Vacuum Technology AG Shareholders in K€
Balance on Jan, 01, 2021	25,261	96,245	323,808	-53,580	391,734
Net income	-	-	52,133	-	52,133
Other comprehensive income	-	-	-	12,453	12,453
Total comprehensive income	-	-	52,133	12,453	64,586
Dividend payment	-	-	-15,788	-	-15,788
Balance on Sept, 30, 2021	25,261	96,245	360,153	-41,127	440,532
Balance on Jan, 01, 2022	25,261	96,245	370,007	-32,137	459,376
Net income	-	-	66,603	-	66,603
Other comprehensive income	-	-	-	38,374	38,374
Total comprehensive income	-	-	66,603	38,374	104,977
Dividend payment	-	-	-40,260	-	-40,260
Balance on Sept, 30, 2022	25,261	96,245	396,350	6,237	524,093

See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Statements of Cash Flows (unaudited)

	Nine months ended September 30,	
	2022	2021
	in K€	in K€
Cash flow from operating activities:		
Net income	66,603	52,133
Depreciation/amortization	22,417	18,821
Other non-cash income/expenses	4,891	4,152
Effects of changes of assets and liabilities:		
Inventories	-75,860	-16,970
Receivables and other assets	-21,065	-43,014
Provisions, including pensions, and income tax liabilities	3,487	22,247
Payables, other liabilities	28,826	35,871
Net cash provided by operating activities	29,299	73,240
Cash flow from investing activities:		
Capital expenditures	-52,392	-22,622
Proceeds from disposals of fixed assets	214	252
Net cash used in investing activities	-52,178	-22,370
Cash flow from financing activities:		
Proceeds from increase of financial liabilities	40,000	-
Dividend payment	-40,260	-15,788
Principal elements of lease payments	-4,026	-4,165
Redemption of financial liabilities	-	20,062
Net cash provided by/used in financing activities	-4,286	-40,015
Effects of foreign exchange rate changes on cash and cash equivalents	-821	561
Net changes in cash and cash equivalents	-27,986	11,416
Cash and cash equivalents at beginning of period	99,371	122,883
Cash and cash equivalents at end of period	71,385	134,299

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See accompanying notes to the interim financial statements.

Notes to the Consolidated Interim Financial Statements (unaudited)

1. The Company and Basis of Presentation

The parent company within the Pfeiffer Vacuum Group (“the Company” or “Pfeiffer Vacuum”) is Pfeiffer Vacuum Technology AG, domiciled at Berliner Strasse 43, 35614 Asslar, Germany. Pfeiffer Vacuum Technology AG is a stock corporation organized under German law and recorded in the Register of Companies at the Local Court of Wetzlar under Number HRB 44. The Company is listed on the Prime Standard of the Deutsche Börse Stock Exchange in Frankfurt am Main, Germany, where it is included in the SDAX index.

Pfeiffer Vacuum is one of the leading full-line vacuum technology manufacturers, offering custom solutions for a wide range of needs in connection with the generation, control and measurement of vacuum. The product portfolio includes turbopumps, a range of backing pumps, such as rotary vane, Roots and dry pumps, complete pumping stations, as well as custom vacuum systems, vacuum chambers and components.

Pfeiffer Vacuum markets and distributes its products through its own network of sales companies and independent marketing agents. Moreover, there are service support centers in all major industrial locations throughout the world. The Company’s primary markets are located in Europe, the United States and Asia,

The Consolidated Financial Statements of Pfeiffer Vacuum Technology AG have been prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRS IC) as applicable in the European Union (EU). This includes the International Accounting Standards (IAS), which continue to retain their validity, the interpretations of the Standing Interpretations Committee (SIC) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

Pfeiffer Vacuum prepares its Consolidated Interim Report (“Interim Report”) in euros (€). Unless otherwise indicated, the presentation is in thousands of euros (K€). For mathematical reasons, the numbers presented in this Interim Report may include rounding differences.

2. Accounting and Valuation Methods

In preparing this interim report as of September 30, 2022, IAS 34 “Interim Financial Reporting” was applied. In doing so, basically the same accounting and valuation methods as in the Consolidated Financial Statements for the fiscal year ended December 31, 2021 were used. Please refer to the detailed description of these methods in the Notes to the Consolidated Financial Statements 2021, which are available in the internet at group.pfeiffer-vacuum.com.

The estimates and management judgements underlying the accounting and valuation can affect the amounts and reporting of assets and liabilities at the balance sheet date and the amounts of income and expense reported for the period. Due to the currently unforeseeable global consequences of the COVID-19 situation, these accounting estimates and management judgements are subject to increased

Notes to the Consolidated Interim Financial Statements (unaudited)

uncertainty. Actual amounts may differ from the estimates and management judgements; changes can have a material impact on the Interim Consolidated Financial Statements. With the update of the accounting estimates and management judgements, available information on the expected economic developments and country-specific governmental measures have been included especially in the analysis of the recoverability and collectability of trade accounts receivables and contract assets on the balance sheet date. Furthermore, the measurement of provisions and the measurement of the net realizable value of inventories have been updated to include the expected consequences of the covid-19 pandemic. There were no significant effects on the consolidated interim financial statements.

The use of government measures related to the COVID-19 situation (for example short-time work, reimbursement of social security contributions, grants) had no impact on the operating profit in the current fiscal year (previous year: € 0.2 million, included in various lines of the profit and loss statement).

3. Intangible Assets

Intangible assets consist of the following:

Intangible assets

	September 30, 2022	December 31, 2021
	in K€	in K€
Goodwill	63,369	58,374
Customer Base	13,606	13,164
Software	4,783	3,757
Software before implementation	19,758	14,234
Other intangible assets	1,767	1,995
Total intangible assets	103,283	91,524

Notes to the Consolidated Interim Financial Statements (unaudited)

4. Property, Plant and Equipment

Property, plant and equipment comprise the following:

Property, Plant and Equipment

	September 30, 2022	December 31, 2021
	in K€	in K€
Land and buildings	89,579	81,225
Technical equipment and machinery	58,278	52,143
Other equipment, factory and office equipment	20,155	18,284
Construction in progress	40,433	24,300
Total property, plant and equipment	208,445	175,952

5. Inventories

Inventories consist of the following:

Inventories

	September 30, 2022	December 31, 2021
	in K€	in K€
Raw materials	94,285	55,537
Work-in-process	54,372	40,069
Finished products	93,655	66,572
Total inventories, net	242,312	162,178

Notes to the Consolidated Interim Financial Statements (unaudited)

6. Financial Liabilities

Financial liabilities were comprised as follows:

Financial Liabilities

	September 30, 2022	December 31, 2021
	in K€	in K€
Lease Liabilities	8,056	8,876
Loans	-	5,000
Non-current financial liabilities	8,056	13,876
Loans	45,000	-
Lease Liabilities	4,564	4,279
Current financial liabilities	49,564	4,279
Total financial liabilities	57,620	18,155

7. Paid Dividends

At the Annual Shareholders' Meeting on May 19, 2022, the shareholders resolved a dividend of € 4.08 per share for the year 2021. Thus, a total of € 40,260,048.72 was paid to the shareholders.

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8. Pension Benefits

Pension expense for all plans included the following components:

Pension Expense for All Plans

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
	in K€	in K€	in K€	in K€
Service cost	930	992	2,754	2,977
Interest cost	198	129	552	385
Net pension cost	1,128	1,121	3,306	3,362

Notes to the Consolidated Interim Financial Statements (unaudited)

9. Warranty

Warranty provisions developed as follows:

Warranty provisions

	Nine months ended September 30,	
	2022	2021
	in K€	in K€
Balance on January 1	13,916	13,441
Currency changes	118	76
Additions	7,203	6,177
Utilization	-3,929	-2,730
Balance on September 30	17,308	16,964

10. Earnings per Share

The following table sets forth the computation of basic and diluted earnings per share:

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Earnings per Share

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Net income (in K€)	24,018	18,252	66,603	52,133
Weighted average number of shares	9,867,659	9,867,659	9,867,659	9,867,659
Number of conversion rights	-	-	-	-
Adjusted weighted average number of shares	9,867,659	9,867,659	9,867,659	9,867,659
Earnings per share in € (basic/diluted)	2.43	1.85	6.75	5.28

Notes to the Consolidated Interim Financial Statements (unaudited)

11. Segment Reporting

Segment Reporting as at September 30, 2022 (in K €)

	Germany	France	Rest of Europe	USA	USA Production	Republic of Korea	Rest of Asia	All Others	Consolidation	Group
Net sales	221,131	245,936	86,242	132,840	63,722	84,666	138,661	48,029	-352,538	668,689
Third party	109,235	67,239	85,868	132,157	51,439	79,347	119,664	23,740	-	668,689
Intercompany	111,896	178,697	374	683	12,283	5,319	18,997	24,289	-352,538	-
Operating profit	26,180	25,826	7,206	3,807	6,811	4,196	13,023	6,905	-	93,954
Financial income	211	-146	-28	788	-643	51	-230	-180	-	-177
Earnings before taxes	26,391	25,680	7,178	4,595	6,168	4,247	12,793	6,725	-	93,777
Segment assets	181,970	186,008	41,634	94,261	80,616	77,215	104,522	59,333	-	825,559
Thereof assets according to IFRS 8,33 (b) ¹	75,815	87,645	1,468	27,504	29,052	31,446	16,383	32,284	-	301,597
Segment liabilities	113,402	99,946	11,824	13,015	14,092	13,930	23,972	11,284	-	301,465
Capital expenditures:										
Property, plant and equipment ²	13,658	7,644	201	1,697	588	14,406	2,220	4,112	-	44,526
Intangible assets	4,421	3,348	-	-	-	-	6	91	-	7,866
Depreciation ³	4,908	4,359	959	2,027	643	1,392	2,541	2,302	-	19,131
Amortization	974	357	5	478	1,347	2	24	99	-	3,286

¹ Non-current assets other than financial instruments, deferred tax assets and prepaid pension cost

² Including investment properties and excluding additions of right-of-use assets from leases

³ Including right-of-use assets from leases and investment properties

Segment Reporting as at September 30, 2021 (in K €)

	Germany	France	Rest of Europe	USA	USA Production	Republic of Korea	Rest of Asia	All Others	Consolidation	Group
Net sales	198,808	191,376	81,874	111,614	42,119	96,852	115,305	38,415	-301,108	575,255
Third party	94,418	39,813	81,687	110,713	33,891	93,614	103,714	17,405	-	575,255
Intercompany	104,390	151,563	187	901	8,228	3,238	11,591	21,010	-301,108	-
Operating profit	20,504	12,621	5,796	4,654	2,349	12,993	9,984	5,067	-	73,968
Financial income	-117	-152	-15	684	-543	92	-200	-290	-	-541
Earnings before taxes	20,387	12,469	5,781	5,338	1,806	13,085	9,784	4,777	-	73,427
Segment assets	170,547	146,335	43,498	80,378	69,226	88,597	96,537	48,324	-	743,442
Thereof assets according to IFRS 8,33 (b) ¹	61,004	76,716	1,386	24,407	40,345	17,452	13,442	24,008	-	258,760
Segment liabilities	125,960	84,845	12,888	13,892	7,771	30,839	18,139	8,576	-	302,910
Capital expenditures:										
Property, plant and equipment ²	4,059	5,666	248	1,999	362	2,658	1,123	2,029	-	18,144
Intangible assets	3,611	782	4	23	-	-	30	28	-	4,478
Depreciation ³	3,767	3,273	338	817	505	875	1,297	1,617	-	12,489
Amortization	633	326	6	181	1,198	2	25	193	-	2,564

¹ Non-current assets other than financial instruments, deferred tax assets and prepaid pension cost

² Including investment properties and excluding additions of right-of-use assets from leases

³ Including right-of-use assets from leases and investment properties

Notes to the Consolidated Interim Financial Statements (unaudited)

12. Income Tax Expense

Under German corporate tax law, taxes on income are composed of corporate taxes, trade taxes and an additional surtax.

The Company's effective tax rate was 29.0% for the first nine months of 2022 and thus on the tax rate for the third quarter 2021 (29.0%).

13. Independent Auditor

At the Annual General Meeting on May 19, 2022, the Supervisory Board proposed and the Shareholders elected PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Germany, as the independent auditor of both the accounts of the Company and the consolidated accounts for the 2022 fiscal year.

14. Major Related Party Transactions

Besides the transactions between the subsidiaries that are eliminated during the consolidation process, the regular compensation of Management and Supervisory Board members and the reception of purchases based unchanged on arm's length conditions of a very low single digit million Euro amount from an operating company of the Busch group there were no major related party transactions in the first three quarters of 2022.

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Asslar, November 3, 2022

Pfeiffer Vacuum Technology AG

Management Board

Dr, Britta Giesen

Dr, Britta Giesen

Wolfgang Ehrk

Wolfgang Ehrk

Additional Information

Financial Calendar 2023

- Financial Results 2022
Tuesday, March 28, 2023
- 1st Quarter 2023 (3-Month) Results
Thursday, May 4, 2023
- Annual General Meeting
Thursday, May 25, 2023
- 2nd Quarter 2023 (Half Year) Results
Tuesday, August 1, 2023
- 3rd Quarter 2023 (9-Months) Results
Thursday, November 2, 2023

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*This version of the Quarterly Financial Report is a translation of the German version.
Only the German version is binding.*