



On March 28, 2020, Germany enacted the *Gesetz über Massnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie* (Act on Measures of Corporate Law, Association Law, Foundation Law, and Residential Property Law to Combat the Effects of the COVID-19 Pandemic), also referred to as the **COVID-19 Act**, which opens up the possibility of conducting annual general meetings during 2020 without having shareholders or their proxies physically present (“virtual Annual General Meeting”). Given that the COVID-19 pandemic will continue for the foreseeable future, the associated rules of conduct adopted by the State of Lower Saxony, and the goal of avoiding health risks to shareholders, internal and external employees, and the members of the Company’s corporate bodies, the Management Board of LPKF Laser & Electronics Aktiengesellschaft has decided, with the approval of the Supervisory Board, to avail itself of the option to hold a virtual Annual General Meeting.

Invitation to the Annual General Meeting on June 4, 2020

LPKF Laser & Electronics Aktiengesellschaft, Garbsen, Germany
ISIN DE 0006450000

Dear Shareholders,

We invite you to our Annual General Meeting scheduled for **Thursday, June 4, 2020, at 10:00 a.m.**

The Annual General Meeting will be conducted as a virtual Annual General Meeting **without the physical presence** of any shareholders or their proxies and will be broadcast in its entirety with video and audio for shareholders who register for the Annual General Meeting on time and in the proper form and provide evidence of their shareholdings or their proxies via the password-protected Internet service available at the Web address below:

<https://www.lpkf.com/en/investor-relations/annual-general-meeting/>

The logon information for the Internet service will be sent to shareholders with their access card after they have registered on time and in the proper form and submitted evidence of their shareholdings.

The venue for the Annual General Meeting within the meaning of the *Aktiengesetz* (AktG – German Stock Corporation Act) will be the offices of LPKF Laser & Electronics Aktiengesellschaft, Osteriede 7, 30827 Garbsen, Germany. Shareholders and their proxies (with the exception of proxies appointed by the Company) are not authorized to physically attend the Annual General Meeting. They are asked to take note of the special instructions on taking part in the virtual Annual General Meeting by watching the video and audio broadcast of the Annual General Meeting, exercising their voting rights (not participating online), and the rights of shareholders in section III.

I. Agenda

1. **Presentation of the adopted annual financial statements as of December 31, 2019, the approved consolidated financial statements as of December 31, 2019, the combined Management report and Group Management report and the Supervisory Board’s report for**

the 2019 financial year, as well as the explanatory report of the Management Board on the disclosures under Sections 289a (1) and 315a (1) of the German Commercial Code (HGB).

The documents provided for Item 1 of the agenda can be viewed on the Company's website at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/> as of the time the Annual General Meeting is convened as well as during the Annual General Meeting.

The Supervisory Board has approved the annual financial statements prepared by the Management Board and the consolidated financial statements under Sections 171 and 172 of the German Stock Corporation Act (Aktiengesetz). The annual financial statements are thus adopted. In accordance with the statutory provisions, a resolution of the Annual General Meeting on Item 1 of the Agenda is therefore not scheduled.

2. Resolution regarding the use of the net profit for the 2019 financial year

The Management Board and the Supervisory Board propose that the net profit of EUR 18,852,491.47 reported in the annual financial statements of LPKF Laser & Electronics Aktiengesellschaft for the 2019 financial year be appropriated as follows:

Net retained profits	EUR 18,852,491.47
Of that, distribution of EUR 0.10 per share entitled to dividend	EUR 2,449,654.60
Of that, carry forward to new account	EUR 16,402,836.87

The proposed appropriation of profits is based on the assumption that every one of the 24,496,546 shares currently issued is entitled to a dividend. Until the Annual General Meeting, the number of no-par value bearer shares entitled to a dividend may change. In that case, an appropriately adjusted proposal on the appropriation of profits will be submitted to the Annual General Meeting. Said proposal will allow for an unchanged dividend of EUR 0.10 per share entitled to a dividend as well as a corresponding adjustment to the carryforward.

3. Resolution regarding the ratification of the acts of the Management Board for the 2019 financial year

The Management Board and the Supervisory Board propose that the acts of the members of the Management Board be ratified for the 2019 financial year.

4. Resolution regarding the ratification of the acts of the Supervisory Board for the 2019 financial year

The Management Board and the Supervisory Board propose that the acts of the members of the Supervisory Board be ratified for the 2019 financial year.

5. Election of the auditors of the annual financial statements and the consolidated financial statements for the 2020 financial year

The Supervisory Board proposes that KPMG AG Wirtschaftsprüfungsgesellschaft, Hanover, Germany, be elected auditor of the annual financial statements and the consolidated financial statements for the 2020 financial year.

6. Resolution concerning an amendment to Article 2, para. 1, of the Articles of Incorporation, modifying the purpose of the Company

In light of the successful development and marketing of the Laser Induced Deep Etching technology ("LIDE"), the Company began producing small numbers of components made from ultra-thin glass for the electronics and semiconductor industries and supplying them to customers in 2019. The Management Board sees potential for corporate growth in this business and intends to expand the production service further in addition to marketing laser systems. Considering these circumstances, the

Company wishes to modify its stated purpose to include manufacturing and selling components produced with laser systems.

The Management Board and Supervisory Board propose the following:

Article 2 (1) of the Company's Articles of Incorporation shall be amended to read as follows:

“(1) The purpose of the Company is to develop, manufacture, and market laser systems, machinery, electronic components, and devices, including the associated software, and to produce and market components manufactured using laser systems.”

A side-by-side comparison of the current version of the above provision of the Articles of Incorporation and the intended amendment to the provision can be viewed on the Company's website at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/> as of the time the Annual General Meeting is convened.

7. Resolution on amending the Articles of Incorporation to reflect changes in legislation, particularly as a result of the *Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie* (ARUG II – German Act on Implementing the Second Shareholders' Rights Directive)

Section 123, para. 4; Section 125; and Section 128; of the *Aktiengesetz* (AktG – German Stock Corporation Act), which govern the conditions for participating in the Annual General Meeting and exercising the right to vote as well as the conveying of announcements in advance of the Annual General Meeting, have been amended by the German Act on Implementing the Second Shareholders' Rights Directive (ARUG II), enacted December 12, 2019 (German Federal Law Gazette, Vol. 2019, Part I, No. 50, dated December 19, 2019). The amendments to Section 123, para. 4; Section 125; and Section 128; of the AktG will apply for the first time to Annual General Meetings that are convened after September 3, 2020. Thus, they will be in force well in advance of the Company's Annual General Meeting in 2021. The corresponding amendments to Article 3, para. 3, and Article 22, para. 1, of the Company's Articles of Incorporation should therefore already have been adopted. The Management Board intends to ensure through special filing with the commercial register that these amendments do not take effect until after September 3, 2020. The following additionally proposed amendment to Article 3, para. 2, of the Articles of Incorporation will reflect the change in numbering of the sections of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act). The proposed amendment to Article 21, para. 4, of the Articles of Incorporation is a consequence of amending Article 22, para. 1, of the Articles of Incorporation.

The Management Board and Supervisory Board propose the following:

a) Article 3 (2) of the Articles of Incorporation shall be amended to read as follows:

“(2) The company is authorized to convey information to holders of securities by means of remote data transmission in accordance with Section 49, para 3, of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act).”

b) Article 3 (3) of the Articles of Incorporation shall be rescinded without replacement.

c) Article 21 (4) of the Articles of Incorporation shall be amended to read as follows:

“(4) Meetings shall be convened by means of a one-time announcement in the Federal Gazette. Any further statutory publication requirements remain unaffected. The Annual General Meeting shall be convened with at least the minimum period of notice required by law, taking into account Article 22, para. 1, of the Articles of Incorporation.”

d) Article 22 (1) of the Articles of Incorporation shall be amended to read as follows:

“(1) Those shareholders who have registered for the Annual General Meeting and have submitted satisfactory evidence of their shareholdings shall have the right to participate in the Annual General Meeting and exercise their right to vote. Evidence of shareholdings shall be provided by means of certificate of share ownership issued in text form by the last intermediary in accordance with Section

67c, para. 3, of the Aktiengesetz (AktG – German Stock Corporation Act). The last intermediary can also send the certificate directly to the Company, and it must refer to the twenty-first day before the start of the Annual General Meeting. Both the registration and the evidence of shareholdings must be received by the Company no later than six days prior to the Annual General Meeting at the address provided for this purpose in the convening notice. The day of the Annual General Meeting and the day on which the certificate is received shall not be counted. The convening notice for the Annual General Meeting may stipulate shorter deadlines, to be measured in days, for registration and receipt of the certificate of share ownership.”

- e) The Management Board is instructed to file the amendments to the Articles of Incorporation as stated in letters a) through d) above for entry in the commercial register only after September 3, 2020.

A side-by-side comparison of the current version of the above provisions of the Articles of Incorporation and the intended amendments to the provisions can be viewed on the Company’s website at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/> as of the time the Annual General Meeting is convened.

8. Resolution on authorizing the Company to acquire treasury shares while also disapplying the option to sell and to use them while disapplying shareholders’ statutory pre-emptive rights

The authority granted by the Annual General Meeting of May 28, 2015, in accordance with Section 71, para. 1, no. 8, AktG, to acquire treasury shares is limited until May 27, 2020, and will have thus expired by the date of the Annual General Meeting. The proposed resolution below is a request for new authorization to acquire and use treasury shares, with said authority being limited until June 3, 2025.

The Management Board and Supervisory Board propose the following:

- a) Creation of new authority to acquire treasury shares

The Management Board is authorized, subject to the Supervisory Board’s prior approval, to buy back treasury shares until June 3, 2025, corresponding in total to up to 10% of the Company’s share capital either on the date the resolution was adopted or on the date the authorization is exercised, whichever is lower. At no point shall the treasury shares acquired, together with other treasury shares owned by the Company or that are attributable to it in accordance with Sections 71d and 71e of the AktG, amount to more than 10% of the share capital. The authority may not be exploited for the purpose of trading in treasury shares. This authority may be exercised in full or in part or in multiple tranches on one or more occasions in pursuit of one or more goals by the Company, its affiliated companies or companies in which the Company holds a majority stake or by third parties acting for their account or the account of the Company.

- b) Methods of acquisition

At the Management Board’s discretion, the shares may be acquired, with the prior consent of the Supervisory Board, (1) through the stock market or (2) based on a public offer to buy made to all shareholders or a public request for all shareholders to make offers to sell.

- (1) If the shares are acquired through the stock market, the purchase price per share paid by the Company (minus ancillary expenses) may not be more than 10% above or below the price determined in the Xetra trading system (or a comparable successor system) through the opening auction on the stock market trading day of the Frankfurt Stock Exchange.

- (2) If the shares are acquired on the basis of a public offer to buy made to all shareholders or a public request for all shareholders to make offers to sell, then the following rules apply:

- In the case of a public offer to buy made to all shareholders, the purchase price offered per share (minus ancillary expenses) and

- In the case of a public request for all shareholders to make offers to sell, the limits of the range of purchase prices per share set by the Company (minus ancillary expenses) shall not

be more than 10% above or below the arithmetic mean of the closing prices of the Company's shares in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last three trading days before the date of the public announcement of the public offer to buy or the public request for shareholders to make offers to sell.

If, following announcement of a public offer to buy made to all shareholders or a public request for all shareholders to make offers to sell, there are significant deviations in the defining price, the offer to buy and/or the request for offers to sell can be adjusted. In that case, the Company will take into account the arithmetic mean of the closing prices of the Company's shares in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last three trading days before public announcement of the adjustment.

The volume of shares to be acquired on the basis of a public offer to buy made to all shareholders or a public request for all shareholders to make offers to sell can be limited. If, in the case of a public offer to buy or a public request to make offers to sell, the volume of shares to for purchase exceeds the intended buy-back volume, the purchase can take place in proportion to the respective numbers of shares subscribed or offered. The right of shareholders to offer their shares in proportion to their ownership interest is hereby precluded. The company may make allowances for preferred acceptance of low numbers, up to 100, of shares offered for sale as well as commercial rounding to avoid mathematical fractions of shares. Any additional right of shareholders to make offers to sell is hereby precluded.

The public offer to buy made to all shareholders or public request for all shareholders to make offers to sell may be subject to further conditions. The Management Board shall determine the further details of the respective stock acquisition.

c) Use of treasury shares

The Management Board is authorized, subject to the Supervisory Board's prior approval, to use the shares acquired on the basis of this authority for any and all lawful purposes, including but not limited to the following:

- (1) The shares can be canceled without the cancellation or the performance of such action requiring a separate resolution adopted by the Annual General Meeting. They can also be canceled by means of a simplified procedure not involving a capital reduction by adjusting the notional amount of the remaining no-par value bearer shares as a proportion of the Company's share capital. If cancellation takes place using the simplified method, the Management Board is authorized to adjust the number of no-par value bearer shares in the Articles of Incorporation.
- (2) The shares may also be sold by other means than through the stock market or on the basis of an offer to all shareholders if the purchase price to be paid does not fall significantly below the stock market price of the shares already listed having essentially the same features. The number of shares sold in this manner, together with the number of other shares sold during the period of this authority while disapplying pre-emptive rights under Section 186, para. 3, sentence 4, AktG, or issued from authorized capital and the number of shares that may be created by exercising options and/or conversion rights and/or fulfilling obligations to exercise options or conversion rights based on warrant bonds or convertible bonds or profit participation certificates that were issued during the period of this authority while disapplying pre-emptive rights under Section 186, para. 3, sentence 4, AktG, may not exceed 10% of the share capital, neither as of the effective date thereof nor on the date said authority is exercised.
- (3) The shares may be sold for payments in kind for the purpose of acquiring companies, parts of companies, shareholdings in companies, other assets in connection with a planned acquisition, accounts payable by the Company, or as part of corporate mergers,

or for the purpose of acquiring industrial property rights, including copyrights and know-how or rights to use such rights.

- (4) The shares can be used in connection with share-based compensation and/or employee stock purchase programs offered by the Company or its affiliated companies and issued to individuals who are or were employed by the Company or one of its affiliated companies as well as to members of corporate bodies of companies affiliated with the Company. They can be offered for sale, promised, and transferred to the individuals and members of the Company's corporate bodies named above, especially in exchange for payment or free of charge, but the employment relationship or position as a member of the Company's corporate bodies must exist as of the date the offer, promise, or transfer is made. The number of treasury shares thus used may not exceed a proportionate amount of the share capital totaling EUR 200,000.00.
- (5) The shares can be used to fulfill options and/or conversion rights or obligations based on warrant and/or convertible bonds or profit participation certificates yet to be issued by LPKF Laser & Electronics Aktiengesellschaft or a Group company within the meaning of Section 18 of the AktG in which LPKF Laser & Electronics Aktiengesellschaft directly or indirectly owns a majority of shares.
- (6) The shares may be used, to the extent it is necessary to grant pre-emptive rights to new shares to the bearers or creditors of warrant bonds and/or convertible bonds or profit participation certificates with options and/or conversion rights and/or conversion obligations issued by the Company or a Group company belonging to LPKF Laser & Electronics Aktiengesellschaft within the meaning of Section 18 of the AktG in which LPKF Laser & Electronics Aktiengesellschaft directly or indirectly holds a majority of shares. Said pre-emptive rights shall be granted on the occasion of the following stock issues involving shareholders' pre-emptive rights and to the extent to which they would be entitled upon exercising their options or conversion rights or fulfilling the obligation to exercise their options or conversion rights.

The shareholders' pre-emptive right to the treasury shares acquired on the basis of this authority is disappplied as long as they are used in accordance with the authorizations granted under paras. 2) through 6) above. Moreover, the Management Board is authorized to disapply shareholders' pre-emptive rights to fractional shares in the event the shares are sold through an offer to sell made to all shareholders.

However, the authority to use treasury shares while disapplying shareholders' pre-emptive rights in accordance with paras. 2) through 6) above is limited to the extent that, once the authority is exercised, the total number of shares treasury shares used while disapplying shareholders' pre-emptive rights, together with the number of other, new shares issued from authorized capital during the period of this authority while disapplying pre-emptive rights or that are required to be issued on the basis of convertible bonds, options, or profit participation certificates issued during the period of this authority do not exceed a total of 10% of the share capital. The determining factor shall be either the share capital as of the effective date of said authority or the share capital existing as of the date the said authority is exercised, whichever value is lower.

The existing authorities can be exercised on one or more occasions, in full or in part, individually or collectively. The authorities under paras. 2) through 6) above may also be exercised by affiliated companies or companies in which the Company holds a majority stake or by third parties acting for their account or the account of the Company.

The written report by the Management Board in accordance with Section 71, para. 1, no. 8, sentence 5, in conjunction with Section 186, para. 4, sentence 2 of the AktG on the reasons for authorizing the Management Board to disapply shareholders' option to sell when the Company is purchasing and their pre-emptive rights when the Company is using treasury shares is printed below the agenda under section II.

II. Report

Written report by the Management Board in accordance with Section 71, para. 1, no. 8, sentence 5, AktG, in conjunction with Section 186, para. 4, sentence 2, AktG, regarding agenda item 8 on the reasons for authorizing the Management Board to disapply shareholders' option to sell when the Company is purchasing and their pre-emptive rights when the Company is using treasury shares

The Company requires special authorization from the Annual General Meeting to acquire treasury shares, unless such purchases are expressly permitted by law. The authority granted by the Annual General Meeting of May 28, 2015, in accordance with Section 71, para. 1, no. 8, AktG, to acquire and use treasury shares is limited until May 27, 2020, and will have thus expired by the date of the Annual General Meeting. The proposed resolution below grants the Company new authority to acquire treasury shares, with said authority being limited until June 3, 2025, and to use treasury shares acquired on the basis of said authority.

The proposed resolution under Item 8 of the agenda allows the Management Board, subject to the Supervisory Board's prior approval, to acquire treasury shares, corresponding in total to up to 10% of the Company's share capital either on the date the resolution was adopted or on the date the authorization is exercised, whichever is lower. The shares must be acquired through the stock market, on the basis of a public offer to buy made to all shareholders or a public request for all shareholders to make offers to sell. The Company is required to observe the principle of equal treatment of shareholders pursuant to the German Stock Corporation Act at all times. In the case of a public request for all shareholders to make offers to sell, the individuals addressed with said request can decide how many shares they wish to offer the Company and at what price (if a price range has been set).

If the shares are acquired through a public offer to buy made to all shareholders or a public request for all shareholders to make offers to sell, a limit can be placed on the volume of the offer to buy or the request for offers to sell. This can cause the number of shares of the Company offered by shareholders to exceed the number of shares requested by the Company. In that case, the purchase must take place proportionately. The Company needs a way to conduct the buy-back based on the percentage of shares subscribed or offered (tender quotas) instead of ownership interest because this enables the technical aspects of the purchasing procedure to be executed better in an economically reasonable scope. In addition, it should be possible to make allowances for preferred acceptance of low numbers of shares, up to 100 per shareholder, offered for sale. This option helps avoid fractional shares when setting the purchase quotas as well as minor residual amounts, thereby making it easier to conduct the share buy-back from a technical aspect. This also prevents de facto discrimination of small shareholders. Finally, the process should allow for commercial rounding to avoid mathematical fractions of shares. Therefore, the purchase quota and the number of shares to be purchased from individual shareholders making offers to sell can be rounded as needed to produce whole numbers of shares acquired for purposes of settlement. The Management Board considers the disapplication of any additional right to sell by shareholders to be objectively justified.

The respective price offered or the limits of the range of purchase prices per share set by the Company (minus ancillary expenses) shall not be more than 10% above or below the arithmetic mean of the closing prices of the Company's shares in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last three trading days before the date of the public announcement of the offer to buy or the public request for shareholders to make offers to sell. If, following announcement of a public offer to buy made to all shareholders or a public request for all shareholders to make offers to sell, there are significant deviations in the defining price, the offer to buy and/or the request for offers to sell can be adjusted. In that case, the Company will take into account the arithmetic mean of the closing prices during the last three trading days before public announcement of the adjustment. The offer to buy made to all shareholders or request for all shareholders to make offers to sell may be subject to further conditions. The Management Board shall determine the further details of the respective stock acquisition.

The option to sell or use treasury shares also being proposed can serve every lawful purpose. Pursuant to Section 71, para. 1, no. 8, sentence 5, AktG, the Annual General Meeting may also authorize the Management Board to sell shares by means other than through the stock exchange or based on an offer made to all shareholders. In certain cases, such means are meant to be carried out under the proposed authority to use treasury shares while disapplying shareholder's pre-emptive rights. According to the proposed resolution, the Management Board shall require the prior approval of the Supervisory Board even to use treasury shares.

The condition for doing so according to the alternative proposed under agenda item 8c, no. 2, is that the treasury shares are sold, pursuant to Section 186, para. 3, sentence 4, AktG, at a price that is not significantly lower than the stock exchange price of the Company's already listed shares having essentially the same features. The Company shall hereby avail itself of the lawful and commonly practiced option to conduct simplified disapplication of pre-emptive rights. The intent to protect shareholders from dilution is taken into account by allowing the shares to be sold only at a price that is not significantly lower than the defining price on the stock exchange. Final determination of the sale price for the treasury shares shall be made shortly before the sale. The Management Board shall — with the approval of the Supervisory Board — set the discount on the stock exchange price as low as possible based on the prevailing market conditions at the time that the shares are issued. The discount on the stock exchange price shall on no account exceed 5% of the stock exchange price. The option to sell treasury shares while disapplying pre-emptive rights and by means other than through the stock exchange or an offer made to all shareholders is, in light of the fierce competition on the capital markets, in the interest of the Company. Doing so provides the Company with the opportunity to offer treasury shares to national and international investors quickly and flexibly, expand its group of shareholders, and stabilize the value of its shares. Selling at a purchase price that is not significantly lower than the stock market price and limiting the total number of treasury shares that can be sold while disapplying pre-emptive rights to a maximum of 10% of the share capital (as of the effective date and upon exercising the authority) reasonably safeguards the shareholder's financial interests. The 10% limit also includes other shares sold or issued (e.g. from authorized capital) during the period of authorization in direct or corresponding application of Section 186, para. 3, sentence 4, AktG, while disapplying pre-emptive rights or that are created by exercising options and/or conversion rights and/or fulfilling obligations to exercise options or conversion rights based on bonds or profit participation certificates that were issued during the period of this authority while disapplying pre-emptive rights under Section 186, para. 3, sentence 4, AktG. Since the treasury shares are issued close to the stock exchange price, each shareholder can purchase shares on the market at almost the same conditions in order to maintain his or her ownership interest.

According to the resolution proposed in agenda Item 8 c), no. 3, the Company also has the option of having treasury shares available so they can be offered in exchange for payments in kind when acquiring companies, parts of companies, shareholdings in companies, other assets in connection with such planned acquisitions, accounts payable by the Company or as part of corporate mergers if this form of payment is required. The proposed authorization will provide the Company with the necessary freedom and flexibility to take advantage of available opportunities to carry out such acquisitions and mergers quickly. Furthermore, the Company should also be able to use the treasury shares when acquiring industrial property rights, including copyrights and know-how or rights to use such rights. This is also intended to enable the Company to acquire such rights quickly, flexibly, and in a way that protects liquidity in order to improve its competitive position. The proposed disapplication of pre-emptive rights is in line with this objective. When determining valuation ratios, the Management Board and Supervisory Board shall take care to ensure that shareholder interests are adequately protected. In particular, they shall base their valuation of the treasury shares offered as payment on the price of the Company's shares on the stock market. However, the Company does not intend to systematically link the valuation to a stock market price so that the outcome of negotiations, once reached, will not be jeopardized by any fluctuations in the share price on the stock market.

The authorization proposed under agenda item 8 c), no. 4, is intended to give the Company or its affiliated companies the opportunity to use shares of the Company in connection with compensation and/or employee stock purchase programs and to issue them to individuals who are or were employed by the Company or one of its affiliated companies as well as to members of corporate bodies of companies affiliated with the Company. The number of treasury shares thus used may not exceed a proportionate amount of the share capital totaling EUR 200,000.00. The shares of the Company can be offered for sale, promised, and transferred to the above named individuals and members of corporate bodies of companies affiliated with the Company, especially in exchange for payment or free of charge, but the employment relationship or position as a member of the Company's corporate bodies must exist as of the date the offer, promise, or transfer is made. This will allow shares acquired by the Company to be used, generally with blackout dates imposed, as a component of compensation for the previously named individuals, encourages employees to invest in the Company's share capital, thereby strengthening the identification of employees and members of corporate bodies of the Company's affiliated companies with the Company, which is in the interest of the Company and its shareholders. Issuing employee shares is therefore intended to be used in individual cases as a means of rewarding and motivating employees. The authorized capital stipulated under Article 4, para. 6, of the Articles of Incorporation also allows for issuance of employee shares. However, to achieve the greatest possible flexibility and cost-effectiveness, the Company should also have the option of buying back shares on

the basis of Section 71, para. 1, no. 8, AktG, and offer them or issue them to employees. This may be more cost effective than performing a capital increase and admission of shares from authorized capital, which involve a certain amount of effort and expense, especially when only small numbers of shares are expected to be needed for an employee stock purchase program. For the same reasons, the authorization also allows for issuing shares to members of the corporate bodies of affiliated companies as well.

Furthermore, the Management Board should be authorized under agenda item 8 c), no. 5, subject to the approval of the Supervisory Board, to use the treasury shares acquired under the proposed authorization, to service options and/or conversion rights or obligations created by exercising and/or converting warrants and/or convertible bonds and/or profit participation certificates issued by LPKF Laser & Electronics Aktiengesellschaft or a Group company within the meaning of Section 18 of the AktG in which LPKF Laser & Electronics Aktiengesellschaft directly or indirectly holds a majority of shares on the basis of appropriate authority granted by the Annual General Meeting. The proposed resolution does not create the authority to issue warrant bonds or convertible bonds or profit participation certificates. The authority to be granted under agenda item 8 c), no. 5, merely serves the purpose of giving management the possibility to service options or conversion rights and/or obligations granted/imposed as a result of other authorizations with treasury shares instead of utilizing the otherwise normally available contingent capital. An advantage of using existing treasury shares is that the shareholders do not suffer any negative effects beyond the dilution that may be associated with the disapplication of pre-emptive rights when warrants and/or convertible bonds or profit participation certificates are issued. Instead, such action increases the Management Board's flexibility by not forcing it to service warrant bonds and/or convertible bonds or profit participation certificates from contingent capital. Instead, it can also make use of treasury shares when doing so appears less costly and in the interest of the company and its shareholders based on the specific situation. At the time the Annual General Meeting on June 4, 2020, was convened, LPKF Laser & Electronics AG had not issued any warrant bonds and/or convertible bonds or profit participation certificates. However, the Management Board is authorized to issue registered or bearer bonds with warrants and/or convertible bonds (referred to collectively as "bonds") on one or more occasions before May 30, 2023, with or without a limit on the term, up to a total nominal amount of EUR 80,000,000.00, and to grant/impose on the bearers or creditors of bonds option or conversion rights or option or conversion obligations to receive no-par value bearer shares of the Company with a proportionate amount of the share capital of up to a total of EUR 5,567,397.00, in accordance with the more detailed provisions of the terms and conditions of the bonds with warrants and/or convertible bonds. If the Company issues such bonds in the future, increased flexibility in servicing them is in the interest of the Company and its shareholders.

In accordance with agenda item 8 c), no. 6, the Company should also be able to use the treasury shares acquired on the basis of the authorization, to the extent necessary, to give bearers of warrant bonds and/or convertible bonds or profit participation certificates issued by the Company or companies in which it holds a majority interest a pre-emptive right to shares as they would be entitled upon exercising their option or conversion rights or fulfilling their obligation to exercise their options or conversion rights based on the bonds or profit participation rights. To make it easier to place bonds and profit participation certificates on the capital market, the corresponding bond conditions generally include protection against dilution. One option for protecting against dilution is to grant the bearers of bonds or profit participation certificates pre-emptive rights to new (or existing) shares during subsequent share issues in the same volume to which shareholders are entitled. That will put them in the same position as if they were already shareholders. To be able to provide bonds or profit participation certificates with such protection against dilution, which can also be serviced using treasury shares, shareholders' pre-emptive rights to treasury shares must be disappplied. This makes it easier to place bonds and profit participation certificates and thus serves the shareholders' interests in ensuring an optimum financing structure for the Company. At the time the Annual General Meeting on June 4, 2020, was convened, LPKF Laser & Electronics AG had not issued any warrant bonds and/or convertible bonds and/or profit participation certificates. However, it does have the authority outlined above to issue bonds.

When selling treasury shares by way of an offer to all shareholders, the Management Board should also be authorized to disapply shareholders' pre-emptive rights to fractional shares. This exclusion of pre-emptive rights to fractional shares is necessary to facilitate the technical handling of the sale of treasury shares acquired by way of a public offer to all shareholders. The fractions of treasury shares excluded from the subscription rights of the shareholders will be sold to the Company's greatest possible advantage either via the stock exchange or in some other way.

The use of treasury shares while disapplying pre-emptive rights under the authority granted according to agenda item 8 c), nos. 2 through 6, shall be considered only to the extent that the proportion of the share capital accounted for by the treasury shares used in this way, taking into account the new shares

issued from authorized capital during the term of this authority while disapplying pre-emptive rights as well as the new shares to be issued based on convertible bonds and/or warrant bonds or profit participation certificates issued during the term of this authority while disapplying pre-emptive rights, does not exceed a total of 10% of the share capital. The determining factor shall be either the share capital as of the effective date of said authority or the share capital existing as of the date the said treasury shares are sold, depending on the date on which the amount of share capital is lower. This ensures in the interest of the shareholders that the option to use treasury shares while disapplying pre-emptive rights is also limited to a total share volume of 10% of the share capital while taking into account all other authority to disapply pre-emptive rights.

We wish to point out that the Company, in addition to the authority to acquire and use treasury shares proposed under agenda item 8, still has authorized capital of as much as EUR 3,340,439.00 pursuant to Article 4, para. 6, of the Articles of Incorporation and contingent capital of as much as EUR 5,567,397.00 for servicing convertible bonds and/or warrant bonds pursuant to Article 4, para. 7, of the Articles of Incorporation as of the date of the Annual General Meeting. The authority to disapply pre-emptive rights when conducting capital increases from authorized capital and when issuing convertible bonds and/or warrant bonds is limited to a total of 10% of the share capital and has already been completely exhausted.

The authorities to use treasury shares can be exercised on one or more occasions, in full or in part, individually or collectively. The authorities under agenda item 8 c), nos. 2 through 6, may also be exercised by affiliated companies or companies in which the Company holds a majority stake or by third parties acting for their account or the account of the Company.

Finally, the treasury shares acquired on the basis of the authority granted in accordance with the proposed resolution under agenda item 8 c), no. 1 can be canceled by the Company without the need for a new resolution by the Annual General Meeting. Pursuant to Section 237, para. 3, no. 3, AktG, the annual general meeting of a company can decide to cancel its fully paid no-par value bearer shares without requiring a reduction in the company's share capital. The authorization proposed here expressly allows for this alternative in addition to cancellation with a reduction in capital. Retiring treasury shares without a capital decrease automatically increases the notional amount of the remaining no-par value bearer shares as a proportion of the Company's share capital. The Management Board should therefore be authorized to amend the Articles of Incorporation as needed concerning the change in the number of no-par value bearer shares as a result of the cancellation.

When deciding to acquire and use treasury shares, the Management Board shall be guided solely by the best interests of the shareholders and the Company.

In each instance, the Management Board shall inform the next Annual General Meeting of any utilization of the above authorization.

III. Further details regarding the convening of the meeting

Pursuant to Section 1, para. 2, of the COVID-19 Act and according to the decision made by the Management Board with the Supervisory Board's approval, the Annual General Meeting shall be conducted as a virtual Annual General Meeting without the physical presence of shareholders or their proxies. Shareholders and their proxies may exercise their voting rights during the Annual General Meeting exclusively by absentee ballot (not participating online) or by assigning proxies and issuing instructions to the proxies appointed by the Company in accordance with the provisions below.

Video and audio broadcast of the complete Annual General Meeting on the Internet

Shareholders who have registered for the Annual General Meeting on time and in the proper form and have submitted evidence of their shareholdings can watch the Annual General Meeting in its entirety with audio and video on June 4, 2020, starting at 10 a.m. via the password-protected Internet service available at the Web address below:

<https://www.lpkf.com/en/investor-relations/annual-general-meeting/>

The logon information for the Internet service will be sent to shareholders together with the access card mailed to them after they have registered on time and in the proper form and submitted evidence of their shareholdings.

Even authorized intermediaries (e.g. banks) or individuals or institutions (proxy advisors, shareholders' associations, professional agents) deemed equivalent to them in accordance with Section 135, para. 8, AktG, or other proxies may watch the Annual General Meeting in its entirety on the Internet in place of the shareholder by using the logon information contained on the access card received by mail.

Conditions for participating in the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting and exercising the right to vote

Shareholders and their proxies (with the exception of proxies appointed by the Company) are not authorized to physically attend the virtual Annual General Meeting.

Only shareholders who have registered for the Annual General Meeting and have submitted evidence of their shareholdings to the Company shall have the right to attend the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting and to exercise voting rights by absentee ballot (not participating online) or by assigning proxies and issuing instructions to the proxies appointed by the Company. The evidence of shareholdings must be provided by means of a confirmation in text form prepared by the depository bank in German or English. Such evidence of the shareholding must refer to the beginning of the twenty-first day before the General Meeting, which, in this case is

**Thursday, May 14, 2020, 00:00 a.m.
(the "Record Date").**

Both the registration and the evidence of shareholdings must be received by the Company no later than six days prior to the Annual General Meeting (not including the day of the Annual General Meeting or the day on which the evidence is received), i.e. by no later than

Thursday, May 28, 2020, 12:00 p.m. (midnight),

at the address specified below:

LPKF Laser & Electronics Aktiengesellschaft
c/o C-HV AG
Gewerbepark 10
92289 Ursensollen
or
Fax: +49 (0) 9628 92 99-871
or
E-mail: anmeldestelle@c-hv.com

Significance of the Record Date

The Record Date is the deciding criterion for participating in the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting and its proceedings, the right to exercise one's vote, and the scope of one's vote. In relation to the Company, a person shall be considered a shareholder for purposes of entitlement to participate in the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting and exercising one's voting rights at the Annual General Meeting only if he or she has submitted proof of share ownership. The shareholder's right to participate in the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting and the scope of the shareholder's vote shall be determined solely by the number of shares owned as of the Record Date. The Record Date does not imply any limitation on the sale of shareholdings. Even if shareholdings are partially or completely sold after the Record Date, the ownership of shares on the Record Date shall be the only relevant factor for the right to participate in the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting and the scope of one's vote. In other words, the sale of shares or any other form of transfer of the shares after the Record Date shall have no influence on the right to participate in the Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting or the scope of one's vote. The same applies to the acquisition of shares after the Record Date. Persons who do not own any shares on the Record

Date and who only become shareholders after this date are not authorized to participate in the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting or vote unless they are authorized by way of a proxy to participate and vote on behalf of someone else or to exercise such a person's rights.

Total number of shares and voting rights at the time the Annual General Meeting is convened

The Company's share capital at the time the Annual General Meeting is convened amounts to EUR 24,496,546.00 and is divided into 24,496,546 no-par value bearer shares which all have the same voting rights and each grant one vote. The total number of shares and voting rights at the time the Annual General Meeting is convened is therefore 24,496,546.

Procedures for voting by absentee ballot and by proxy

1. Procedure for voting by absentee ballot

Shareholders have the option to cast their votes by absentee ballot by following the procedure outlined below without participating in the Annual General Meeting. Timely registration for the Annual General Meeting and timely submission of evidence of shareholdings in accordance with the foregoing provisions are required in this case as well. Votes cast by absentee ballot that are not associated with a proper registration shall be null and void. Votes cast by absentee ballot must be submitted in writing or by electronic means. Voting by absentee ballot can be performed using our password-protected Internet service, which is available at the Web address below:

<https://www.lpkf.com/en/investor-relations/annual-general-meeting/>

Absentee ballots can also be cast by using the form for voting by mail, which will be sent to shareholders with their access card. It can also be downloaded from the Company's website at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/>. The logon information for the Internet service will be sent to shareholders with the access card after they have properly registered and submitted evidence of their shareholdings.

Notwithstanding the requirement to register on time and provide proof of share ownership, votes can be cast by electronic absentee ballot using the password-protected Internet service until immediately before the start of voting during the virtual Annual General Meeting on June 4, 2020 (the chairperson of the meeting will announce the start of voting).

Notwithstanding the requirement to register on time and provide proof of share ownership, votes cast by absentee ballot without using the Internet service must be submitted by mail, fax, or e-mail by no later than **Wednesday, June 3, 2020, 6:00 p.m. (time of receipt)** at the address below:

LPKF Laser & Electronics Aktiengesellschaft
c/o C-HV AG
Gewerbepark 10
92289 Ursensollen
or
Fax: +49 (0) 9628 92 99-871
or
E-mail: anmeldestelle@c-hv.com

If more than one copy of the ballot is received, the final ballot (based on date of submission) shall prevail. If multiple copies of the ballot with varying instructions are received by different means and it cannot be determined which ballot was submitted last, they will take precedence in the following order: 1. Internet service, 2. e-Mail, 3. fax, and 4. hard copy.

Absentee ballots already cast can be amended or rescinded using the methods indicated above until the times specified for each. Additional details on absentee voting are available on the Company's website at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/> or are found on the form mailed along with the access card.

Even authorized intermediaries (e.g. banks), individuals or institutions (proxy advisors, shareholders' associations, professional agents) deemed equivalent to them in accordance with Section 135, para. 8, AktG, or other proxies may take advantage of absentee voting.

2. Procedure for voting by proxy

Shareholders also have the option of following the procedure outlined below to have their voting rights exercised by the proxies appointed by the Company during the Annual General Meeting. Timely registration and timely submission of evidence of shareholdings by the shareholder in accordance with the foregoing provisions are required in this case as well. The proxies appointed by the Company are available for the sole purpose of exercising voting rights and, if authorized, shall exercise those voting rights exclusively as instructed. The proxies appointed by the Company are not authorized to vote without receiving prior instructions from the shareholders. Such authorization (with instructions) and any revocation thereof must be issued in text form. A form for assigning proxies and issuing instructions as well as other related details are contained in the materials mailed with the access card.

Notwithstanding the requirement to register on time and provide proof of share ownership, proxies can be assigned and instructions issued to the proxies appointed by the Company using the password-protected Internet service until immediately before the start of voting during the virtual Annual General Meeting on June 4, 2020 (the chairperson of the meeting will announce the start of voting). The logon information for the Internet service will be sent to shareholders with the access card.

Notwithstanding the requirement to register on time and provide proof of share ownership, proxies and instructions intended for the proxies appointed by the Company but not assigned and issued using the Internet service must be received by the Company by mail, fax, or e-mail by no later than **Wednesday, June 3, 2020, 6:00 p.m. (CEST)** (time of receipt) at the address below:

LPKF Laser & Electronics Aktiengesellschaft
c/o C-HV AG
Gewerbepark 10
92289 Ursensollen
or
Fax: +49 (0) 9628 92 99-871
or
E-mail: anmeldestelle@c-hv.com

If more than one copy is received, the final declaration (based on date of submission) shall prevail. If multiple copies with varying instructions are received by different means and it cannot be determined which declaration was submitted last, they will take precedence in the following order: 1. Internet service, 2. e-Mail, 3. fax, and 4. hard copy.

Shareholders who do not themselves wish to exercise their right to vote via absentee ballot or by assigning proxies and issuing instructions to proxies appointed by the Company for the Annual General Meeting may also have their votes cast through a different proxy, for example, by an intermediary (e.g. a bank), an association of shareholders, a proxy advisor, or another person of their choosing. This also applies to the option of asking questions online and protest online to a resolution adopted by the Annual General Meeting. Timely registration and timely submission of evidence of shareholdings by the shareholder in accordance with the foregoing provisions are required in this case as well. For his or her part, the proxy may exercise the right to vote to the extent permitted by law only by absentee ballot or by delegating the authority to another person and issuing instructions to the proxies appointed by the Company.

If neither an intermediary (e.g. a bank), a shareholders' association, a proxy advisor, nor one of the other persons or institutions deemed equivalent under Section 135 of the AktG is assigned a proxy, a power of attorney must be granted in text form within the meaning of Section 126b of the *Bürgerliches Gesetzbuch* (BGB – German Civil Code). In such instances, revocation of a power of attorney and proof that a power of attorney has been granted must also be submitted to the Company in text form.

Shareholders who wish to appoint a proxy may use the forms for granting a power of attorney that the Company provides for that purpose on the Internet at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/>. The materials sent to shareholders along with their access card also contain proxy forms. Proxies can also be assigned directly via our password-protected Internet service at the following Web address:

<https://www.lpkf.com/en/investor-relations/annual-general-meeting/>

The declaration of proxy authorization may be made either to the proxy or the Company.

Documentary proof of the proxy must be sent to the Company at the address below:

LPKF Laser & Electronics Aktiengesellschaft
c/o C-HV AG
Gewerbepark 10
92289 Ursensollen
or
Fax: +49 (0) 9628 92 99-871
or
E-mail: anmeldestelle@c-hv.com

For the transmission of proof of authorization on the day of the Annual General Meeting until before voting commences, we request that you use only the above-mentioned fax number or e-mail address. The aforementioned communication channels and the Internet service may also be used if the declaration of proxy authorization is submitted directly to the Company. In this case, no separate evidence of the proxy authorization is required. The revocation of a previously issued proxy may also be submitted directly to the Company by using the aforementioned communication channels or the Internet service.

When assigning a proxy to an intermediary (e.g. a bank), a shareholder's association, a proxy advisor, or a person or institution deemed equivalent under Section 135, para. 8, AktG, and when revoking and providing proof of such authorization, special rules may apply. In such cases, shareholders are advised to coordinate with their intended proxy in advance to determine whether the proxy might require a special form for granting the proxy.

Banks, shareholder's associations, proxy advisors, and other intermediaries covered by Section 135, AktG, as well as persons and institutions deemed equivalent under Section 135, AktG, who represent multiple shareholders are advised to contact the following address in advance of the Annual General Meeting concerning the exercising of voting rights:

LPKF Laser & Electronics Aktiengesellschaft
c/o C-HV AG
Gewerbepark 10
92289 Ursensollen
or
Fax: +49 (0) 9628 92 99-871
or
E-mail: anmeldestelle@c-hv.com

If a shareholder appoints more than one person to serve as their proxy, the Company may reject one or more of these appointments.

Having proxies exercise one's rights via the Internet service (no participating online) requires the shareholder to give the proxy logon information received with the access card for the Annual General Meeting or the logon information generated for the proxy upon assignment of authorization via the Internet service.

3. Additional instructions, in particular concerning the exercising of voting rights by shareholders by absentee ballot and the assigning of proxies and issuing instructions to the proxies appointed by the Company

Once shareholders have successfully registered and provided evidence of share ownership, they will have access to our Internet service, in addition to the methods by mail, fax, and e-mail listed above, until June 3, 2020, 6:00 p.m. (CEST) (time of receipt), for assigning proxies and issuing instructions to the proxies appointed by the Company, amending them, and casting their votes by absentee ballot and changing said votes until immediately before the start of voting during the virtual Annual General Meeting on June 4, 2020 (the chairperson of the meeting will announce the start of voting). The logon information for the Internet service will be sent along with the shareholder's access card.

Voting by absentee ballot, assigning proxies, and issuing instructions to the proxies appointed by the Company shall be limited to the votes taken on the proposed resolutions announced in the agenda by the Management Board and/or the Supervisory Board (including any possible adjustment it contains regarding the proposed resolution on appropriation of profits so it corresponds to the current number of shares eligible for a dividend at the time of the resolution) as well as any vote on the counterproposals or nominations submitted by shareholders in advance of the Annual General Meeting pursuant to Sections 126 and 127 of the AktG. If separate votes are taken on any of the items on the agenda without said vote having been announced in advance of the virtual Annual General Meeting, then the vote cast or instructions issued concerning that item of the agenda shall also be counted overall as a corresponding vote or instructions regarding each point of the separate vote.

Please note that shareholders and their proxies will have neither the right to give speeches nor ask questions during the Annual General Meeting in accordance with Section 131 of the AktG, nor will they be permitted to make motions during the Annual General Meeting. They will also not be permitted to propose resolutions during the Annual General Meeting because they will not be physically present but voting by absentee ballot and, hence, not participating in the Annual General Meeting. The proxies appointed by the Company are exclusively available to exercise voting rights and not to exercise other shareholders' rights. Please note the following information concerning shareholders' rights and the instructions contained in the materials received along with your access card and at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/>.

Shareholders' rights

Proposals to add items to the Agenda pursuant to Section 122, para. 2, German Stock Corporation Act (Aktiengesetz)

Shareholders whose total shareholdings are equivalent to 1/20th of the Company's share capital or the pro rata amount of EUR 500,000.00 may request to have items placed on the Agenda and published in accordance with Section 122, para. 2, of the German Stock Corporation Act (Aktiengesetz). Every request for a new Agenda item must be accompanied by an explanation of the reasons for it or a proposed resolution. The request must be sent in writing to the Management Board and must be received by the Company at least thirty days prior to the date of the Annual General Meeting (excluding the day of the Annual General Meeting and the day the communication is received), in other words, by no later than

Monday, May 4, 2020, 12:00 p.m. (midnight)

Please send such requests to the following address:

**LPKF Laser & Electronics Aktiengesellschaft
Management Board
Osteriede 7
30827 Garbsen
Germany**

Any items added to the agenda and subject to disclosure shall be published promptly in the Federal Gazette upon receipt of the request and distributed to media outlets that can be expected to disseminate the information throughout the European Union. They will also be made available on the Company's website at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/> and announced to shareholders.

Counterproposals and candidate nominations submitted by shareholders pursuant to Section 126, para.1, and Section 127, German Stock Corporation Act (Aktiengesetz)

In accordance with Section 126, para. 1, of the AktG, shareholders may send the Company counterproposals to proposals made by the Management Board and/or Supervisory Board regarding a particular item on the agenda as well as make recommendations on the choice of auditor in accordance

with Section 127 of the AktG. Counterproposals and nominations are to be submitted exclusively to the following address:

LPKF Laser & Electronics Aktiengesellschaft
Osteriede 7
30827 Garbsen
Germany
Fax: +49 (0) 5131 7095-9111
E-mail: investorrelations@lpkf.com

In accordance with Section 126 (1) German Stock Corporation Act (Aktiengesetz), the Company publishes counterproposals including the name of the shareholder, potential reasons for the counterproposal and any comment by the management on the Company's website at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/> if it receives the counterproposals, including potential reasons, at least 14 days prior to the date of the Annual General Meeting (excluding the day of the Annual General Meeting and the day the submission is received), in other words, by no later than

Wednesday, May 20, 2020, 12:00 a.m. (midnight),

at the aforementioned address. Applications not sent to this address will be disregarded. The Company may refuse to publish a counterproposal if the conditions specified in Section 126 (2) German Stock Corporation Act (Aktiengesetz) apply, for instance, if the counterproposals could lead the Annual General Meeting to pass a resolution which violates the law or the Articles of Incorporation. Thus, the Company shall not make use of its right under Section 126, para. 2, sentence 1, no. 6, of the AktG. It is not mandatory to publish the reasons provided for a counterproposal if they exceed 5,000 characters. Pursuant to Section 127 German Stock Corporation Act (Aktiengesetz), the aforementioned applies analogously to proposals submitted by shareholders for the election of auditors. In addition to those cases specified in Section 126 (2) German Stock Corporation Act (Aktiengesetz), publication of election proposals submitted by shareholders may also be refused when the proposal does not include the name, profession and place of domicile of the proposed candidate.

Shareholders and their proxies shall not be permitted to submit counterproposals and nominations during the Annual General Meeting because they will not be physically present but voting by absentee ballot and, hence, not participating in the Annual General Meeting. The proxies appointed by the Company are not available to exercise rights to make motions. Counterproposals and/or nominations submitted on time and in the proper form in accordance with the above provisions under Sections 126 and 127, AktG, and made available by the Company will nevertheless be addressed during the virtual Annual General Meeting as though they were submitted during the Annual General Meeting, provided the shareholder making such a motion has registered for the Annual General Meeting on time and in the proper form and provided proof of his or her share ownership.

Right to information under Section 131, para. 1, AktG, and opportunity to ask questions under Section 1, para. 2, sentence 1, no. 3, sentence 2, of the COVID-19 Act

Shareholders will not have the right to request information from the Management Board verbally during the Annual General Meeting in accordance with Section 131, paras. 1 and 4, AktG.

However, shareholders who have registered for the Annual General Meeting on time and in the proper form in accordance with the above provisions and proved their share ownership will have the opportunity to ask questions by means of electronic communication in accordance with Section 1, para. 2, sentence 1, no. 3, of the COVID-19 Act. That opportunity is not tied to a right to receive a response. The Management Board shall use its professional judgment and discretion in deciding which questions and how to answer. Questions submitted in foreign languages will be disregarded.

The Management Board has decided with the approval of the Supervisory Board under Section 1, para. 2, sentence 2, of the COVID-19 Act, that any questions must be received by the Company no later than **Tuesday, Jun 2, 2020, 12:00 a.m. (midday CEST)**, and submitted online via the password-protected Internet service at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/>. To that end, the

Internet service provides an option to "Submit questions online." Questions submitted after the deadline will be disregarded.

Answers will be provided during the video and audio broadcast of the virtual Annual General Meeting. For reasons of privacy, questions submitted by natural persons will be answered during the virtual Annual General Meeting without naming the individual posing the question. The Company reserves the right to respond to frequently asked questions in advance on its website.

Option to protest online against a resolution adopted by the Annual General Meeting under Section 1, para. 2, sentence 1, no. 4, of the COVID-19 Act

Shareholders who have exercised their voting rights on one or more resolutions adopted by the Annual General Meeting shall be given the opportunity to protest by means of electronic communication on any resolution adopted by the Annual General Meeting. The requirement to appear at the Annual General Meeting shall be waived, and such protests shall be recorded by the notary. Such declarations can be made from the start of the Annual General Meeting until it has been adjourned by the chairperson of the meeting via our password-protected Internet service at <https://www.lpkf.com/en/investor-relations/annual-general-meeting/>.

Additional explanations and information available on the Company website

From the time the Annual General Meeting has been convened, information pursuant to Section 124a German Stock Corporation Act (Aktiengesetz) will be made available to shareholders on the Company's website at

<https://www.lpkf.com/en/investor-relations/annual-general-meeting/>

Additional information concerning the rights of shareholders pursuant to Section 122, para. 2; Section 126, para. 1, Section 127; and Section 131, para. 1, of the AktG; as well as Section 1, para. 2, sentence 1, no. 3, and no. 4, sentence 2, of the COVID-19 Act, is also published at the Web address below:

<https://www.lpkf.com/en/investor-relations/annual-general-meeting/>

Garbsen, Germany, April 2020
LPKF Laser & Electronics Aktiengesellschaft

The Management Board

Information for Shareholders of LPKF Laser & Electronics AG on Data Protection as per Art. 13 and 14 GDPR

Through this data protection notice, we are informing you of the processing of your personal data by LPKF Laser & Electronics Aktiengesellschaft ("LPKF") and of your rights in accordance with data protection law.

Controller of data processing

LPKF Laser & Electronics Aktiengesellschaft
Osteriede 7
30827 Garbsen, Germany
Telephone: +49 (0) 5131 7095-0
E-mail: info@lpkf.com

Contact information of our Data Protection Officer

Jürgen Recha, Data Protection Officer
Interev GmbH

Robert-Koch-Strasse 55
30853 Langenhagen, Germany
Telephone: +49 (0) 511 - 89 79 84 10
Juergen.Recha@interev.de

Purposes and legal bases of data processing

In connection with the virtual Annual General Meeting, LPKF processes your personal data (especially name, address, and, if necessary, other contact information of the shareholder, number of shares, type of ownership of the shares, access card number and code; if applicable, name and address of the authorized representative respectively mandated by the shareholder) in accordance with the requirements of the German Data Protection Act (Bundesdatenschutzgesetz – "BDSG"), the General Data Protection Regulation ("GDPR"), the German Stock Corporation Act (Aktiengesetz – "AktG"), and all other relevant legal requirements. In doing so, the Company processes data that shareholders provide as part of registration for the Annual General Meeting or that has been provided by their custodian bank to the Company on this occasion. In accordance with Section 135 Para. 5 Sentence 2 AktG, a shareholder can authorize an intermediary (e.g. a bank) or shareholders' association, proxy advisor, another individual or institution deemed equivalent according to Section 135, para. 8, AktG, and who professionally undertakes to exercise voting rights on behalf of shareholders at the Annual General Meeting to represent him or her at the Annual General Meeting and to exercise the voting right in the name of the party concerned. In this case, only the personal data of the representative is processed.

LPKF processes your personal data for the purpose of processing the registration and participation of the shareholders at the virtual Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting (e.g. verification of eligibility to participate) and enabling shareholders to exercise their rights in the context of the Annual General Meeting (which includes the granting, the withdrawal, and the documentation of any and all powers of attorney and instructions).

Processing this personal data is absolutely necessary for the proper preparation, execution, and follow-up of the Annual General Meeting. Without the provision of the relevant data, your participation in the Annual General Meeting by watching the video and audio broadcast of the complete Annual General Meeting, the exercise of voting rights and other AGM-related rights are not possible.

Processing concerns procedures involving registration of shareholders for the virtual Annual General Meeting, watching the video and audio broadcast of the complete Annual General Meeting, exercising rights associated with the virtual Annual General Meeting by a personally chosen proxy or proxy appointed by LPKF, the list of attendees, requests to amend the agenda, and counterproposals and nominations.

The legal basis for the aforementioned data processing procedures is respectively Art. 6 (1) c) GDPR. According to the latter, data processing is lawful if it is necessary for the fulfillment of a legal obligation that the responsible person/company is subject to. The obligation to carry out the aforementioned processing procedures respectively arises from the Stock Corporation Act.

The processing of the aforementioned personal data in each case is necessary to fulfill the legally prescribed obligations of LPKF.

If you submit questions online prior to the virtual Annual General Meeting in accordance with Section, 1, para. 2, of the COVID-19 Act in conjunction with the provisions in the in convening notice or protest on resolutions adopted by the Annual General Meeting during the Annual General Meeting, we will process your personal information (name, address, access card number, and access code) based on our legitimate interest in being able to respond to your question or protest.

For reasons of privacy, questions submitted by you will be answered during the virtual Annual General Meeting without disclosing your name.

Furthermore, your personal data may also potentially be processed for the fulfillment of other legal obligations, such as supervisory requirements, as well as share, trade, and tax retention obligations. The legal basis for the processing are the respective legal regulations in connection with Art. 6 Paragraph. 1 Sentence 1 c) GDPR.

If it is intended to process your personal data for another purpose, we will inform you of this beforehand as part of the legal provisions.

We do not use any purely automated decision-making procedures as per Article 22 GDPR or profiling.

Categories of recipients

We inform you below of which categories of recipients we share your personal data with:

External service providers: For the organization of the virtual Annual General Meeting (including production of video and audio recordings and streaming the webcast), we rely on external service providers that process your personal data as per our instructions in compliance with Art. 28 GDPR.

Shareholders and third parties: As part of the legally prescribed consultation right for the participant directory of the Annual General Meeting, shareholders can, upon request, access the data entered in the participant directory for up to two years after the Annual General Meeting. The list of attendees will also be made accessible to those in attendance as part of the Annual General Meeting. Your personal data will also be published in accordance with legal regulations as part of requests to amend the agenda that must be made public, counterproposals, and nominations.

Other recipients: As part of legal regulations, we may be obliged to share your personal data with other recipients, such as authorities and courts.

The transfer of personal data to a recipient in a third-party country is not planned.

Duration of the storage of your personal data

Fundamentally, we delete or anonymize your personal data as soon as – and to the extent that – they are no longer required for the purposes indicated herein, unless legal evidence and/or retention obligations (in accordance with the German Stock Corporation Act, the German Commercial Code, the German Tax Code, or other legal regulations) oblige us to further retention. The data in connection with Annual General Meetings is regularly deleted or anonymized after three years, unless further processing is required in individual cases in connection with claims asserted toward LPKF or by LPKF (legal statute of limitations of up to 30 years).

Your rights in accordance with data protection law

To the extent that we process personal data about you, you have the following rights:

- Right of information on the data stored about you by LPKF (Art. 15 GDPR);
- Right of correction of incorrect data stored about you (Art. 16 GDPR);
- Right of deletion of your data, especially if it is no longer required for the purposes for which it was originally collected (Art. 17 GDPR);
- Right to restriction of processing (blocking), especially if the processing of your data is unlawful or if you dispute the accuracy of your data (Art. 18 GDPR);
- Right of complaint: For complaints regarding the processing of your personal data, our Data Protection Officer is at your service at the contact information provided. Regardless of the above, you have the right to file a complaint with the relevant data protection authority.