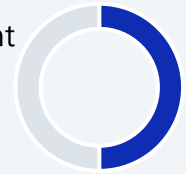
Carl Zeiss Meditec Group
6M 2024/25 Results

Dr. Markus Weber, President and CEO
Justus Felix Wehmer, CFO

Agenda

Robust revenue and strong order entry in 6M 2024/25

Stabilization in EBITA achieved



Revenue

€ 1,050.5m

+10.9%

- FX-adj. revenue +10.6%
- FX- & acquisition-adj. revenue moderately below LY by -0.5%
- Robust revenue growth in Q2 of +19%, offsetting weaker start in Q1
- Strong refractive consumables consumption during New Year holiday in China while equipment sales still below PY primarily due to transition period around launch of VISUMAX 800 in China and new KINEVO neurosurgical microscope globally

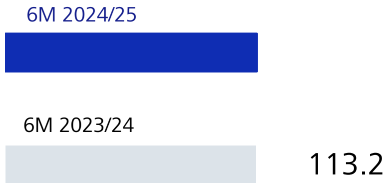
Order entry

€ 1,094.6m

+33.4%

- FX-adj. order entry +33.1%
- FX- & acquisition adj. order growth of +21%, robust order trend across all regions
- Order backlog at €385.4m, at similar level compared to end of Q1

EBITA*



€ 113.6m

+0.4%

- Slight increase despite a one-off gain of €18m from Topcon settlement in PY
- EBITA margin at 10.8% (PY 12.0%); one-off adjusted EBITA margin at 10.7% (PY 10.0%)
- Stable EBITA despite overall weaker equipment & IOL business supported by DORC consolidation, stronger than expected refractive consumables sales in China and OpEx savings (OpEx excl. DORC slightly lower yoy due to cost control)

** Earnings before interest, taxes and amortization on intangible assets from purchase price allocations*

Agenda

Ophthalmology

EBITA margin stabilization driven by refractive consumables and DORC

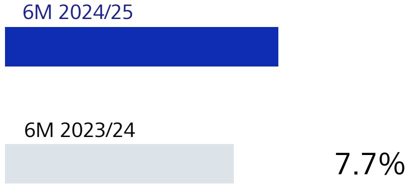
Revenue

€ 808.2m

+15.4%

- FX-adj. revenue growth of +15.1%
- FX- & acquisition-adj. revenue stable by +0.1%
- Strong growth in Q2 by +23.6%, offset the weak Q1
- DORC Consolidation driving top line; Strong refractive consumables sales during China winter peak; VBP pricing still suppressing IOL revenue; Equipment sales continued to face overall challenging investment climate

EBITA margin

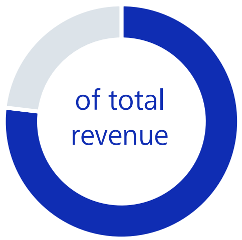


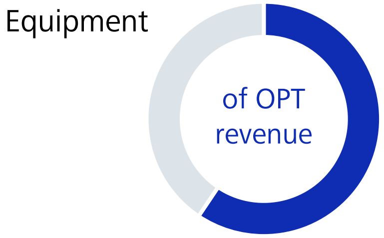
9.2%

+1.5 pp

- Strong refractive consumables business and DORC consolidation contributing to margin recovery
- Reduction in underlying OpEx through cost control measures, mainly lower R&D

Revenue Split

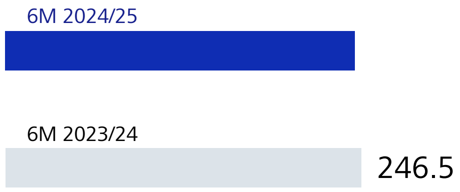




Microsurgery

Incremental recovery in top line during Q2, product mix still unfavorable

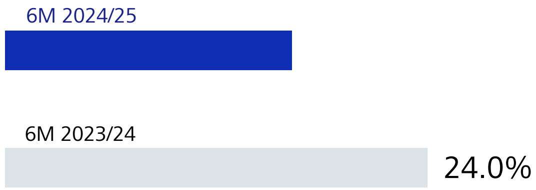
Revenue



€ 242.3
-1.7%

- FX-adj. revenue decline of -2.2%
- Weak neurosurgery business due to product cycle transition to new KINEVO® 900 S
- Incremental recovery in Q2 – back to y/y growth with revenue up +4.4%

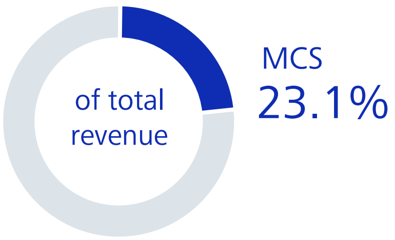
EBITA margin

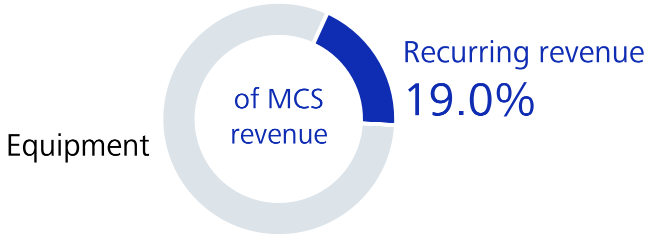


16.3%
-7.7 pp

- Lower top line and unfavorable mix led to a significant contraction in gross margin and EBITA margin ahead of emerging new product cycle
- Margin in H1 23/24 relatively high due to strong backlog-driven delivery period particularly in neurosurgical microscopes

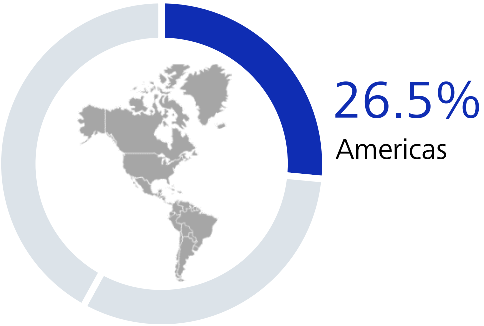
Revenue Split

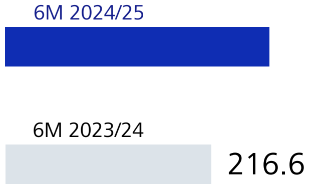




Regional development

Top line growth across all regions, Americas recovering most strongly

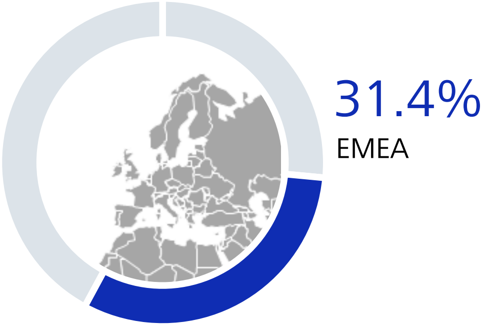


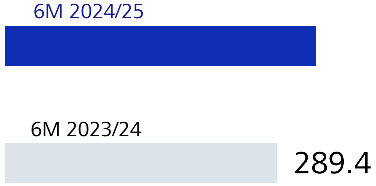


€ 278.1m
+28.4%

Americas

- FX-adj. revenue growth of +26.4%
- Growth driven by both consolidation of DORC and stronger organic growth
- Continuous recovery in order entry

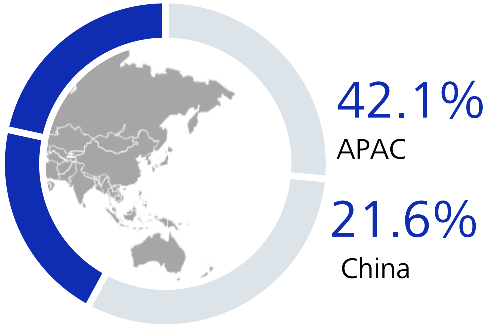




€ 330.2m
+14.1%

EMEA

- FX-adj. revenue growth of +14.5%
- Slight decline without DORC contribution against strong equipment delivery period at beginning of FY 2023/24
- Solid underlying growth in core markets such as Germany, UK and Spain



€ 442.2m
+0.2%

APAC

- FX-adj. revenue growth of +0.2%
- Positive trend in Southeast Asia and India
- Stable development in China and South Korea, Japan sales down y/y

P&L – Favorable underlying OpEx trend in 6M 2024/25

EBITA stabilizing, adj. EBITA margin above PY

Income Statement

	Period	in €m	in % of sales
Gross profit	6M 2024/25	553.8	52.7
	6M 2023/24	505.0	53.3
Rep. OpEx	6M 2024/25	455.6	43.4
OpEx ex. DORC OpEx	6M 2024/25	402.3	42.5
	6M 2023/24	415.0	43.8
S&M expenses	6M 2024/25	239.9	22.8
	6M 2023/24	200.4	21.2
G&A expenses	6M 2024/25	62.6	6.0
	6M 2023/24	40.5	4.3
R&D expenses	6M 2024/25	153.1	14.6
	6M 2023/24	174.1	18.4
EBIT	6M 2024/25	99.1	9.4
	6M 2023/24	108.2	11.4
EBITA	6M 2024/25	113.6	10.8
	6M 2023/24	113.2	12.0
Adj. EBITA	6M 2024/25	112.6	10.7
	6M 2023/24	95.0	10.0
EPS (€)	6M 2024/25	0.70	
	6M 2023/24	0.94	
Adj. EPS (€)	6M 2024/25	0.81	
	6M 2023/24	0.92	

- Gross margin decline due to unfavorable shift in product mix, incl. VBP-related IOL price decline in China and some missing VISUMAX® and KINEVO® revenues due to transition to new product cycle
- Excluding DORC consolidation, underlying OpEx lower yoy (reduction in R&D expenses main driver)
- Admin expenses higher due to DORC consolidation and rising IT expenses
- EPS down due to decline in EBIT, negative FX hedging result, lower interest income and higher interest expenses, adj. EPS down -12%

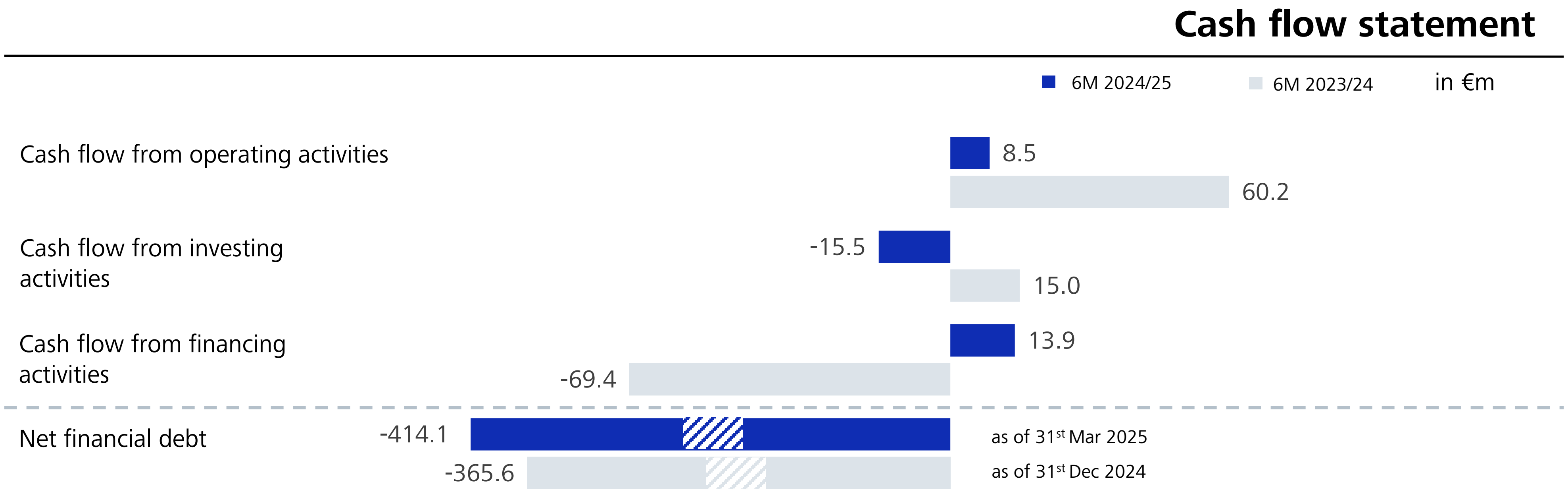
Improvement in adjusted EBITA margin

EBITA

	6M 2024/25 €m	6M 2023/24 €m	yoy %
EBIT	**99.1**	108.2	-8.4
./. Amortization of PPA*	**-14.5**	-5.0	+189.3
EBITA	**113.6**	113.2	+0.4
EBITA margin	**10.8%**	12.0%	-1.1 pp
./. Other special items**	**+1.0**	+18.2	-
Adjusted EBITA	**112.6**	95.0	+18.5
Adjusted EBITA margin	**10.7%**	10.0%	+0.7 pp

- * Regular amortization on intangible assets from purchase price allocations of DORC (€13.2m) and former acquisitions (€1.3m) in the current period
- **Primarily one-off gain from Topcon settlement PY

Operating cash-flow remains weaker y/y



- Lower **operating cash flow** due to weaker operating result and an increase in account receivables
- **Investing cash flow** decreased – driven by decline in treasury receivables while lower investment in CapEx (tangible & intangible CapEx at 3.9% of revenue)
- Higher **Financing cash flow** from increase in treasury payables and lower dividend payout
- **Net financial debt** at -€414.1m refinanced through shareholder loan from Carl Zeiss AG

Agenda

Multi-year development of order entry, sales and book-to-bill, excl. DORC shows business likely to return to stable growth path

Pre-Pandemic trend

Order entry in line with steady revenue growth

Early Pandemic

Demand shock

Late Pandemic

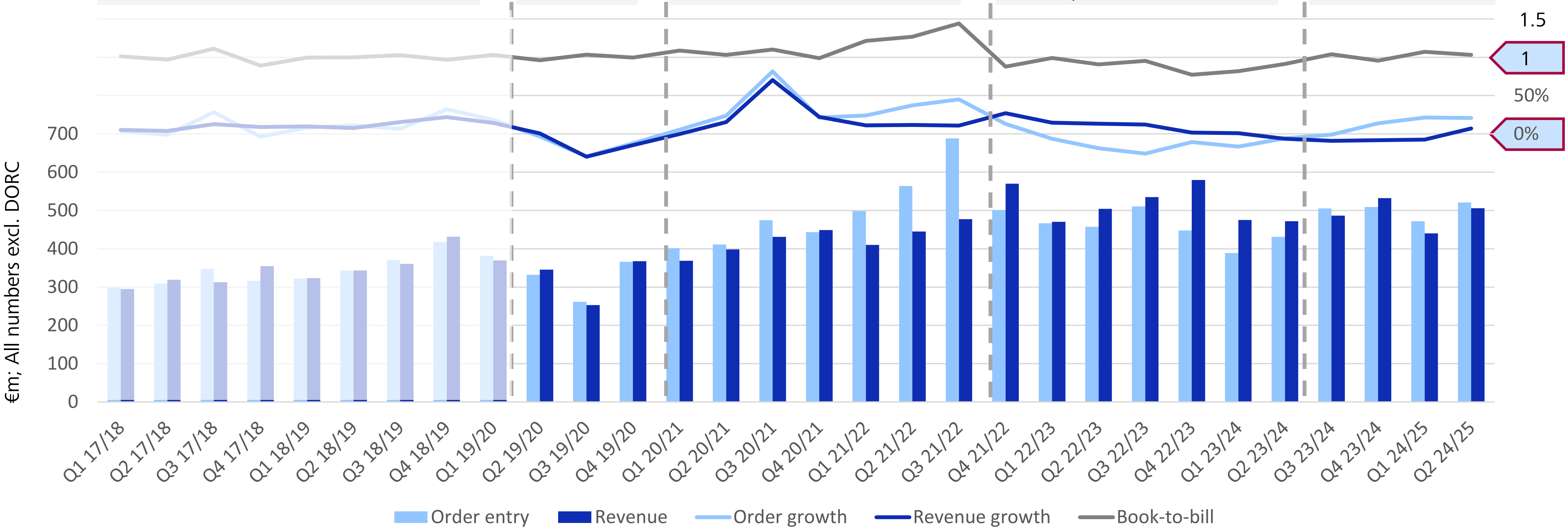
Demand recovery constrained by supply chain crisis, disproportionately high orders and book-to-bill due to perceived scarcity

Post-COVID environment

Supply chain constraints easing, strong deliveries – certain market segments temporarily over-saturated, equipment demand weakening due to inflation & high interest rate environment, weaker product cycle in surgical microscopes, weak book-to-bill

New normal

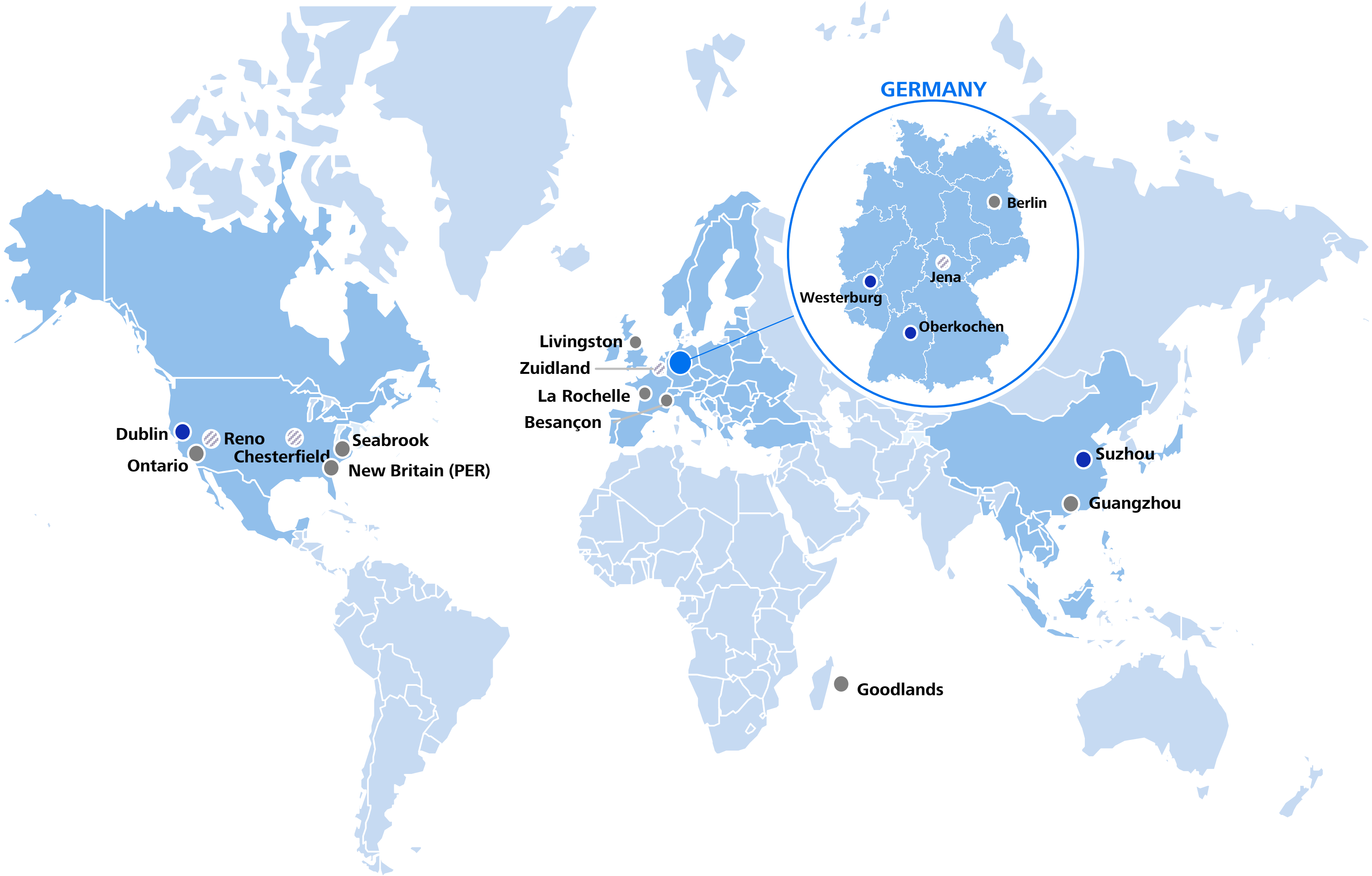
Orders and revenues closer in-line, rising share of recurring business reducing volatility, equipment product cycle improving



Impact by US tariffs and mitigation measures

Competitive positioning in most categories not impacted

- US import revenue exposed to tariffs around €250m, majority from EU countries. Direct supply chain from China into US immaterial
- Pricing measures under review across portfolio if tariff were made permanent
- Competitive positioning in most categories unchanged, key equipment competitors with similar tariff exposure
- Significant short-term uncertainty for US order entry related to ongoing trade conflict
- Increasing macro-economic and currency (in particular USD, CNY, KRW) risk
- Sourcing strategy, supplier network and material inflation risks under monitoring



Agenda

Outlook for FY 2024/25 unchanged

- **Revenue** is expected to return to moderate growth
- **EBITA** and **EBITA margin** are expected stable to slightly higher in FY 2024/25 (FY 2023/24 EBITA: €248.9m, EBITA margin: 12.0%)
- In light of the current macroeconomic and geopolitical uncertainties—particularly regarding the introduction of trade tariffs by the U.S. and increased currency risks, no precise forecast can be made at this time
- **A gradual increase in the EBITA margin** is targeted in subsequent years, supported by increasing recurring revenues. Long-term sustainable potential for the EBITA margin is seen in the range of at least 16-20%

Designated CEO Maximilian Foerst

30 years of experience at ZEISS and in Medical Technology - long time key partner for Carl Zeiss Meditec in building market leadership for premium ophthalmic surgery in China & Korea

Jun 2025	Designated CEO of Carl Zeiss Meditec AG
2009	Head of ZEISS Greater China
2007	President, ZEISS Korea
2001	President, ZEISS France
1998	Director Sales and Marketing, BU Ophthalmology
1996	Head of Product Management Lasers, BU Ophthalmology
1995	Joined ZEISS AG as Project Manager

- Educational Background: Executive programs at Harvard Business School and INSEAD; MBA University of Georgia, USA; Master for BA at Erlangen-Nuremberg University, Germany; Master for Industry at BTS Commerce International, Paris

ZEISS

Seeing beyond