

Carl Zeiss Meditec Group

Investor Presentation

Justus Felix Wehmer, CFO



May 2025



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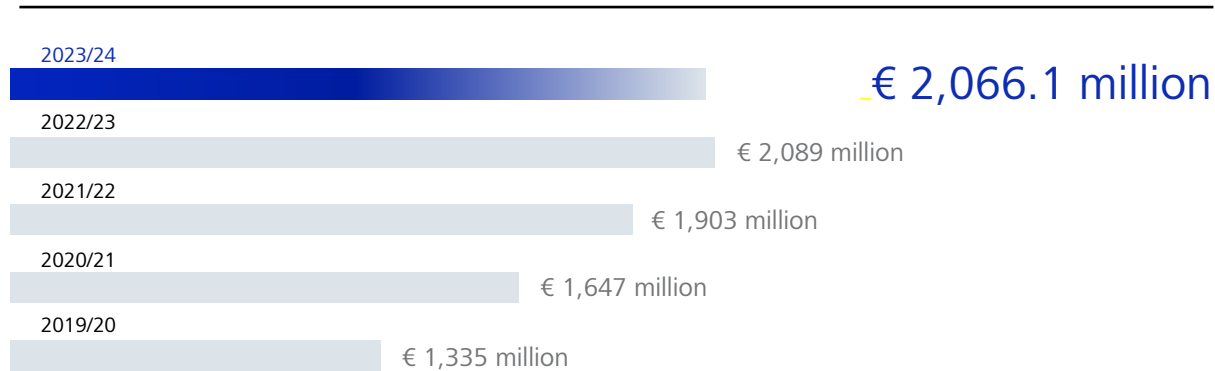


Leading market position in Ophthalmology and Microsurgery

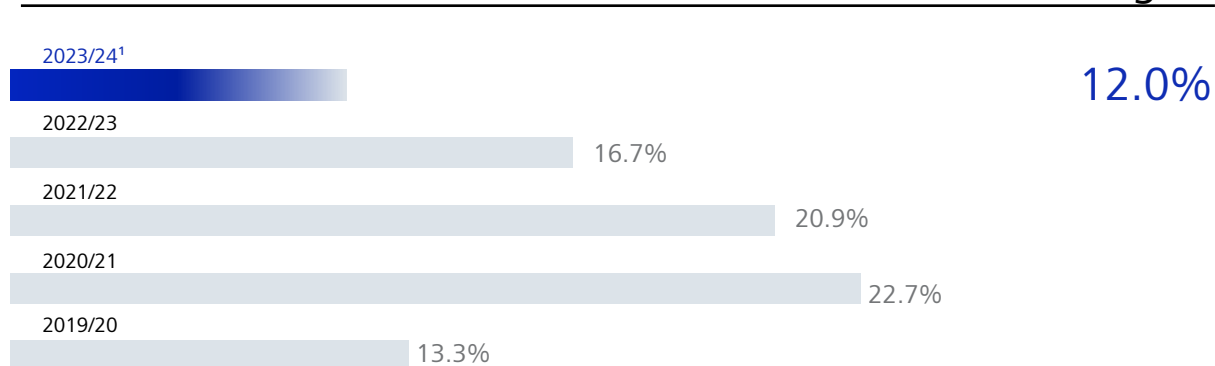
Solid revenue development over last 5 years



Total revenue



EBIT margin

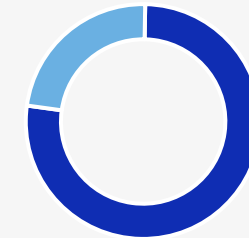


¹ 2023/24 EBITA margin at 12.0%, adjusted for amortization of PPA and impairment

MCS

23%

of total revenue



OPT

77%

of total revenue

Reporting date September 30, 2024

- Headquarters in Jena, Germany
- Around 5,730 employees worldwide
- Listed on the MDAX and TecDAX
- 59% of shares held by Carl Zeiss AG
- Leading market positions:
#2 in Ophthalmology - #1 in Microsurgery

Our markets benefit from structural tailwinds

Attractive outlook for Medical Technology



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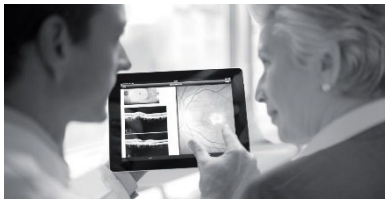
- Aging of the population and growing affluence
Continuously increasing volume of cataract surgeries



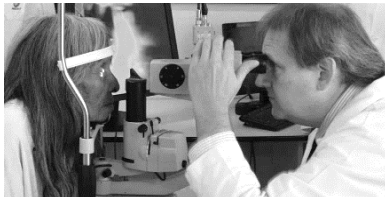
- Accelerating myopia and high myopia prevalence
Demand on premium vision quality



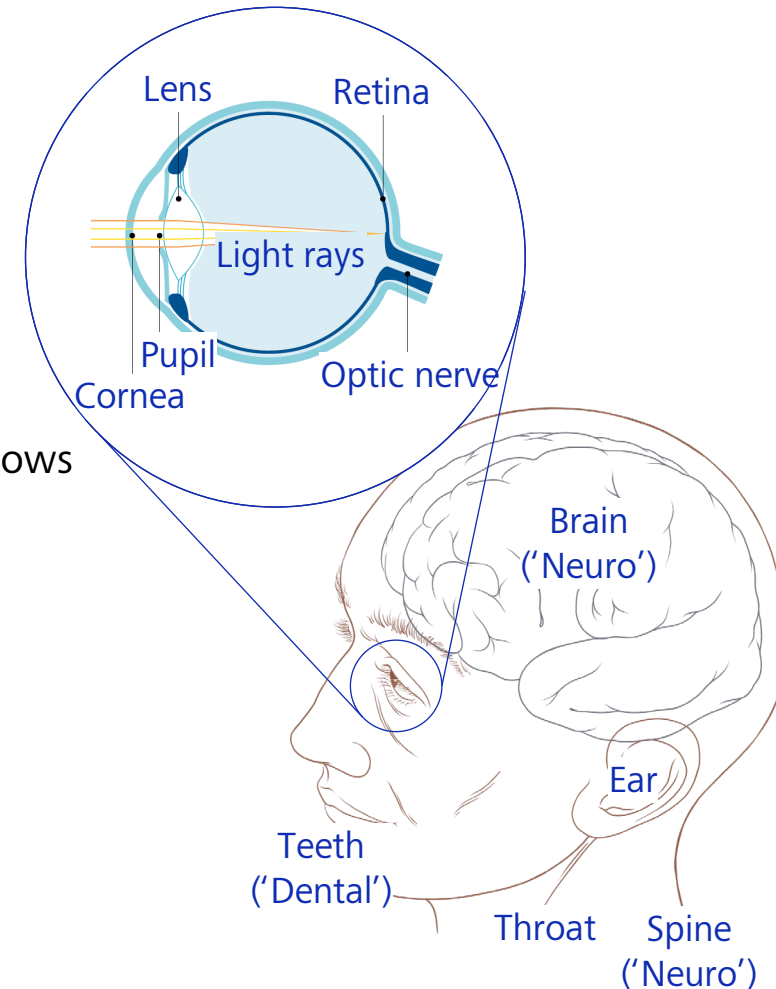
- Growing patient load requires more efficient workflows
Digitalization to re-shape healthcare



- Increasing information access and awareness
Need to improve surgical treatment outcomes

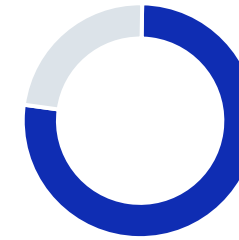
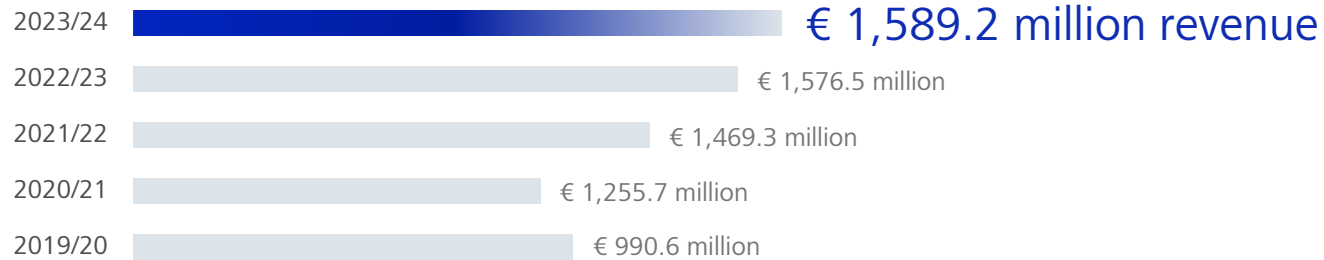


- Rising access to health care in RDEs



Ophthalmology

Advancing eye care - Every step of the way



OPT
77%
of total revenue

Reporting date September 30, 2024

Chronic Disease Mgmt



Market size¹:
~ € 2.5bn

Ophthalmic diagnosis

Refractive Surgery



Market size¹:
~ € 1.7bn

Corneal surgery for visual
correction

Surgery Anterior Seg



Market size¹:
~ € 7.5bn

Cataract treatment

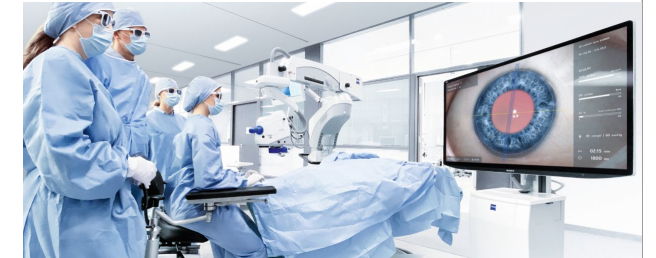
Surgery Posterior Seg



Market size¹:
~ € 2.0bn

Retinal treatment

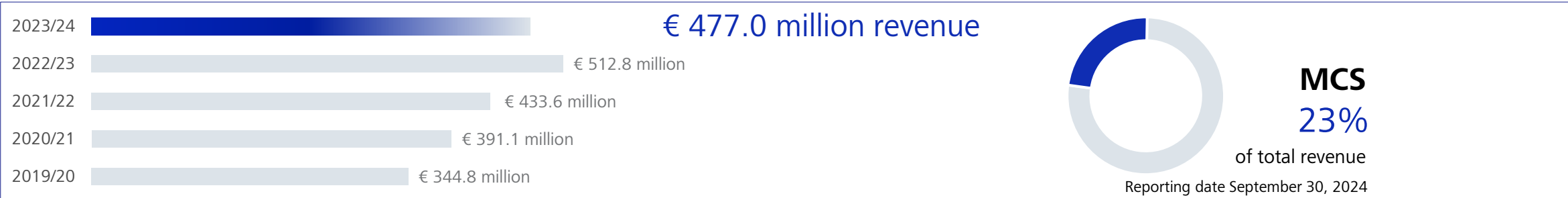
Customers: ophthalmologists, optometrists, ambulatory surgery centers, hospitals / eye clinics




¹ CZM internal estimates

Microsurgery

Redefining surgical visualization




Neuro / Spine




Visualization and treatment of Neuro / Spine

ENT / P&R



Visualization and treatment of ENT/ Plastic & Reconstructive

Dentistry



Visualization of Dentistry

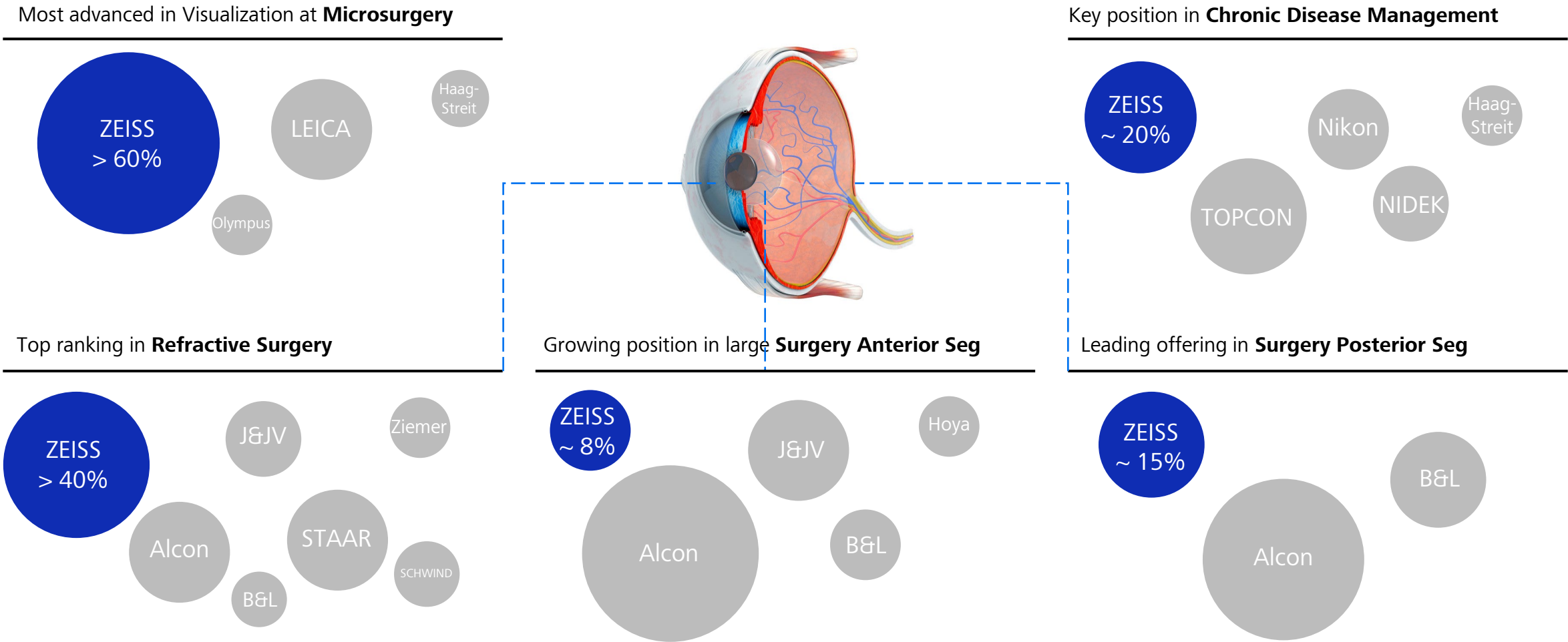
Market size of surgical visualization¹: > € 0.7bn; potential business field in treatment

Customers: clinics and hospitals, dental offices/clinics



¹ CZM internal estimates

ZEISS has leading positions in its key markets



Source: CZM internal estimates, Marketscope

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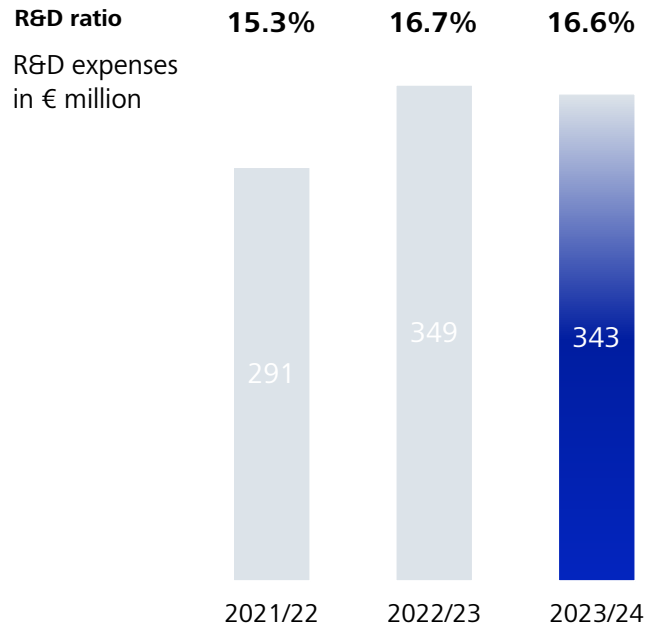
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Technological leading - Strong position in key technologies and leading in market shaping innovation



ZEISS innovates to drive customer value through superior solutions.



High commitment to R&D investment resulting in technology leadership across our portfolio

1

LEADING INNOVATION AND PUSHING THE BOUNDARIES OF TECHNOLOGY

Shaping technological progress by turning state-of-the-art technology into superior applications

History of gold standards in optical technologies

2

DEVELOPING WITH THE CUSTOMER

Involving customers and key opinion leaders from an early stage - integrated into optical R&D network of the ZEISS Group

Application-driven development

3

CONNECTIVITY & DATA MANAGEMENT

Specific applications and workplaces to handle data and to support decision-making

Lead the digitization of our business

4

WORKFLOW- AND OUTCOME-DRIVEN SOLUTIONS

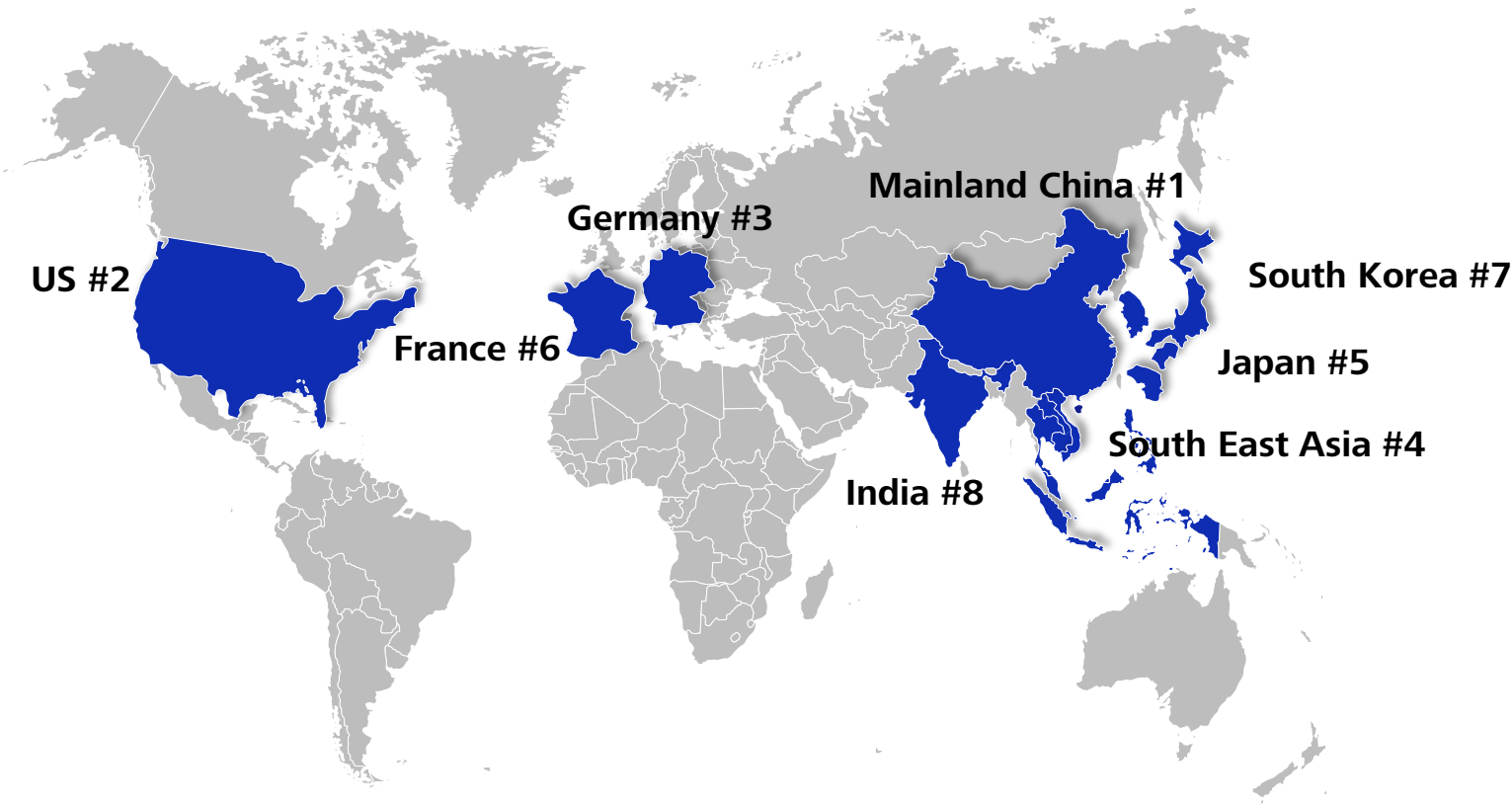
Integrated solutions supporting strong treatment outcomes and efficient workflows

We integrate our products into systems

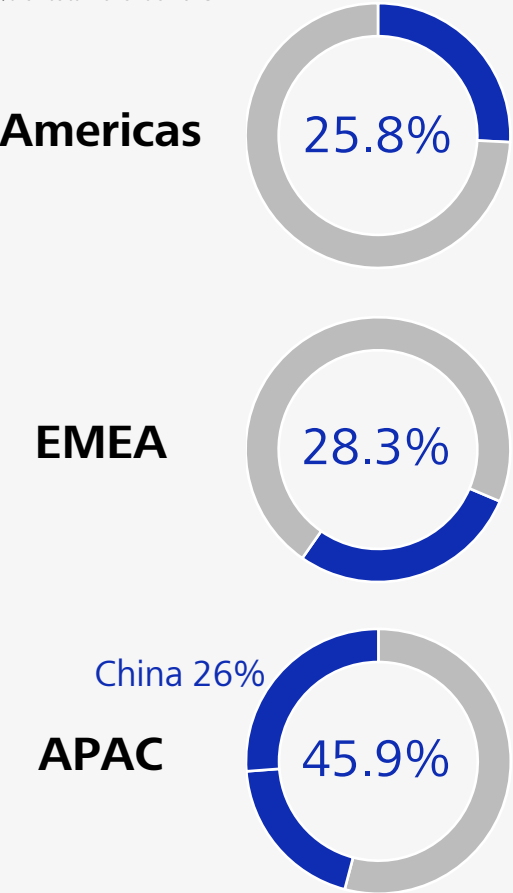
Geographical distribution – Strongest revenue generation from APAC



Carl Zeiss Meditec Group's top markets in terms of revenue
Ranked by proportion of total revenue



Carl Zeiss Meditec Group's regional split
In % of total revenue 2023/24



Driving clinical outcome and efficiency improvement ...through workflow solutions built around anchor products



Devices



Reach sufficiently significant and relevant market standing in the core and earn **"right to expand"**

Workplaces



Strategically enter additional relevant workplaces and develop an **integrated value proposition**

Workflows



Establish as a full workflow player, capture high-value elements, **leverage position**



Pre-treatment

Surgical Visualization

Instruments / Therapy

Implants

Post-treatment

Example: ZEISS Tumor Workflow

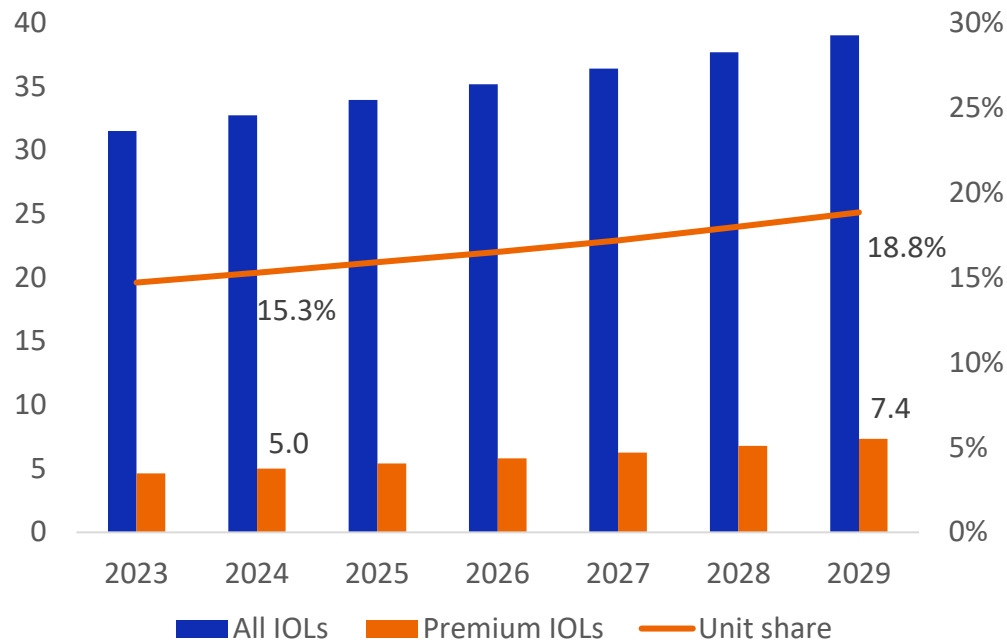


IOL market - Cataract surgeries projected to grow strongly

Accelerating Premium IOL growth

Premium IOL trend until 2029

in million units



Premium IOLs include Mono toric, Bifocal, Trifocal, EDoF, Accomodating, Presbyopia correcting etc.

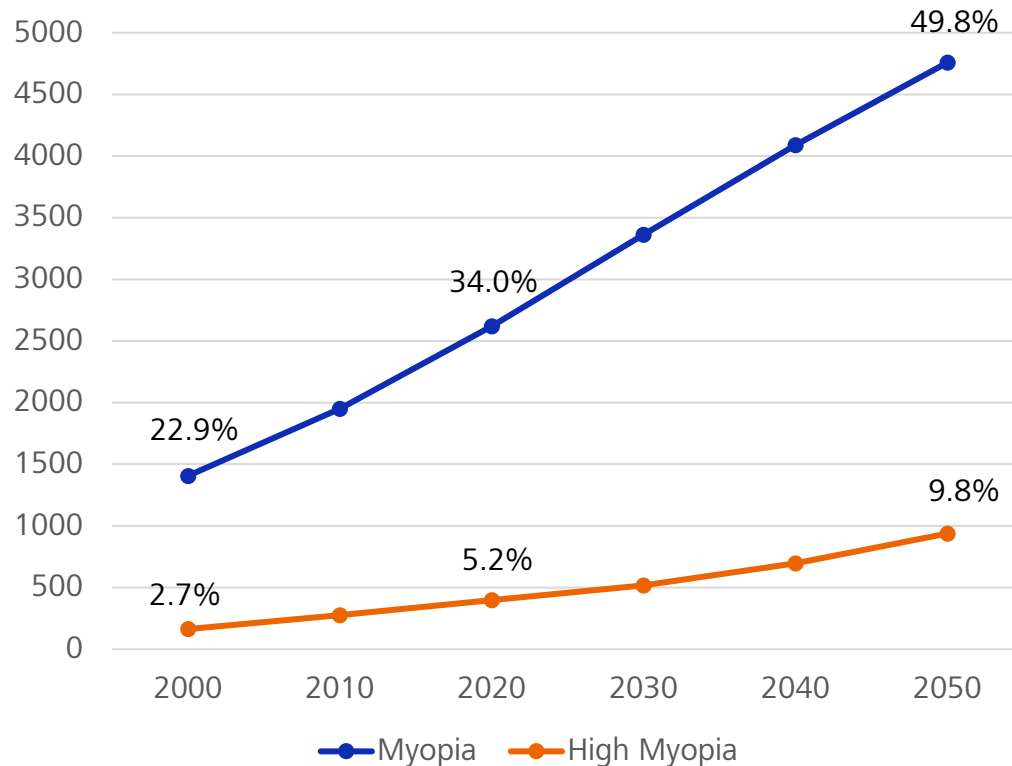
- Current cataract procedures around 32m annually
- All IOLs to grow at 4% CAGR and premium IOLs at 8% CAGR by unit
- Premium IOL unit share (Premium IOL units / all IOL units) reached 15% while its revenue share reached 45% in 2024
- Growth to accelerate further: Premium IOL unit share to approach 19% while its revenue share to reach 53% in 2029
- Drivers: new innovations, technological improvement, higher awareness and adoption by patients, favorable health insurance provisions

Refractive market - Myopia prevalence to significantly expand

High myopia to grow at even more accelerated pace

Global myopia prevalence

in million people



Myopia rate	2020	2050
Asia Pacific, high income	53.4%	66.4%
North America, high income	42.1%	58.4%
Western Europe	36.7%	56.2%

- Myopia: -0.5D or less, high myopia: -5.0D or less
- Myopia and high myopia estimates suggest significant increases in prevalence globally
- Currently 1/3 of world population is myopic, 1/20 high-myopic; in 30 years around 1/2 of world population is myopic, 1/10 high-myopic
- High income regions with more accelerated trend

Source: Estimates by American Academy of Ophthalmology

ZEISS provides the most comprehensive diagnostic and surgical solution portfolio in eye care



							
Diagnostics	Routine Diagnostics	+				+	+
	Retinal Imaging	+				+	+
	Perimetry	+					+
	Biometry	+	+		(+)	+	+
Surgical	Therapeutic Laser	+	+				
	Refractive Laser	+	+	+	+		
	Surgical Microscopy	+	+		(+)	+	+
	Phaco & IOLs	+	+	+	+		
	Vitreotomy	+	+		+		

- ZEISS provides gold standard systems and solutions across eye diagnostics and surgery based on deep application know-how in optics and imaging.
- Connectivity of imaging and surgical devices used to support surgeons' quest for premium treatment outcomes and workflow efficiency.

Digital Supported Cataract Workflow

Integrated solutions to provide highest level of care

PART OF THE ZEISS MEDICAL ECOSYSTEM

ZEISS Cataract Workflow

Efficiency without
compromise



Assess & educate

Obtaining deeper insights and engaging patients early on



ZEISS EYEGUIDE



ZEISS IOLMaster 700



ZEISS CIRUS 6000



Plan

Streamlining pre-operative planning



ZEISS EQ Workplace



ZEISS Digital Ordering Platform



Treat

Bringing surgical efficiency to the next level



ZEISS OPMI LUMERA



ZEISS QUATERA 700



ZEISS OPTIKIT



ZEISS CT LUCIA



ZEISS OVDs



Check

Enabling learning for future cases

ZEISS SL 800 &
ZEISS SL Imaging Solution

ZEISS Surgery Optimizer

ZEISS Medical Ecosystem

Connecting devices > Connecting data > Connecting applications



ZEISS Medical Ecosystem represents a fully integrated environment where a combination of devices, data platform, software applications and services enables our customers to improve efficiency and accuracy



ZEISS Medical Ecosystem

Digital Applications



Adding value beyond the devices - enabling customers to benefit from a streamlined workflow, improved clinical planning and algorithms designed to monitor performance and contribute to patient outcome quality



PATIENT SATISFACTION



ZEISS EYEGUIDE

- Facilitates patient education
- Aids in patient compliance
- Captures patient preferences



EFFICIENCY



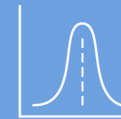
ZEISS VERACITY Surgery Planner / ZEISS EQ Workplace

- Reduces transcription errors by eliminating multiple data entry points

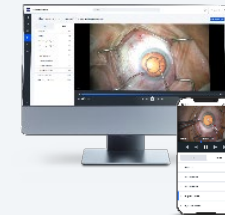


ZEISS VERACITY Surgery Planner / ZEISS EQ Workplace + ZEISS CALLISTO eye

- Reduces time in toric IOL workflow with markerless toric alignment in the surgical microscope



STANDARDIZATION OF PRACTICE



ZEISS Surgery Optimizer

- Utilizes surgical videos to enable self-training & standardization of surgical techniques

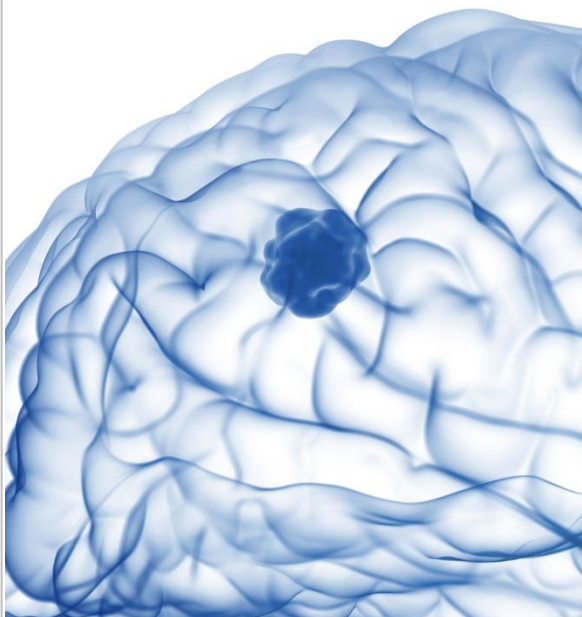
Tumor Workflow

Integrated solutions to provide highest level of care

ZEISS

Tumor Workflow

Reconsidered brain tumor treatment standard, striving for the best possible treatment of patients.



See.



Visualize of small and fluorescence-stained structures during tumor treatment.

ZEISS KINEVO 900



Check.



Enable real-time feedback on tissue microstructure through digital pathology consultation.

ZEISS CONVIVO



Treat.

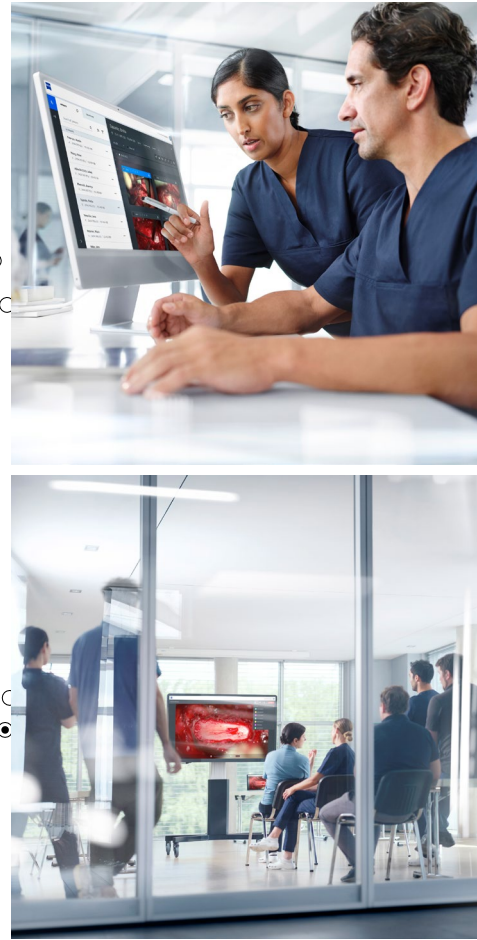
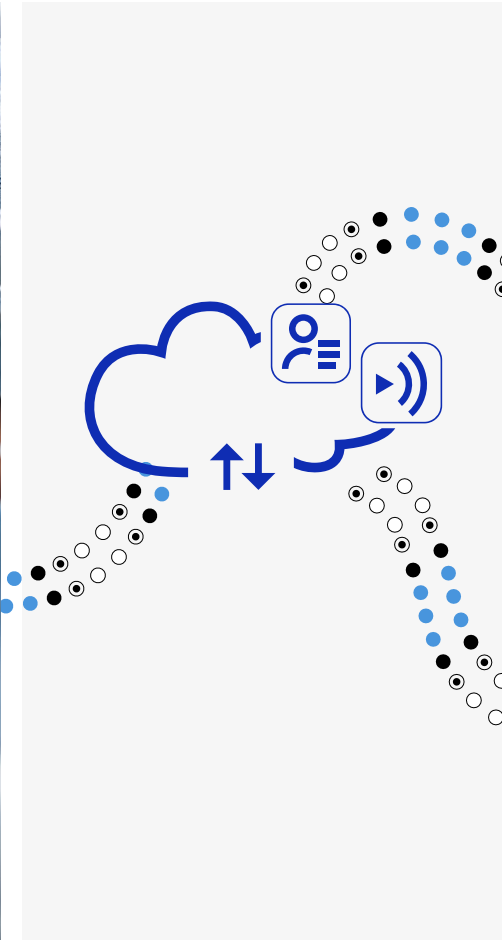


Precisely target and intraoperatively irradiate the tumor cavity.

ZEISS INTRABEAM 600



Leading digital solutions beyond optical capabilities



- ✓ **Visual Certainty**
- ✓ **Seamless Performance**
- ✓ **Integrated Connectivity**

ZEISS Surgical Cloud and ZEISS Livestream

- Contemporary connections
- Simplify data management
- Facilitate collaboration and education

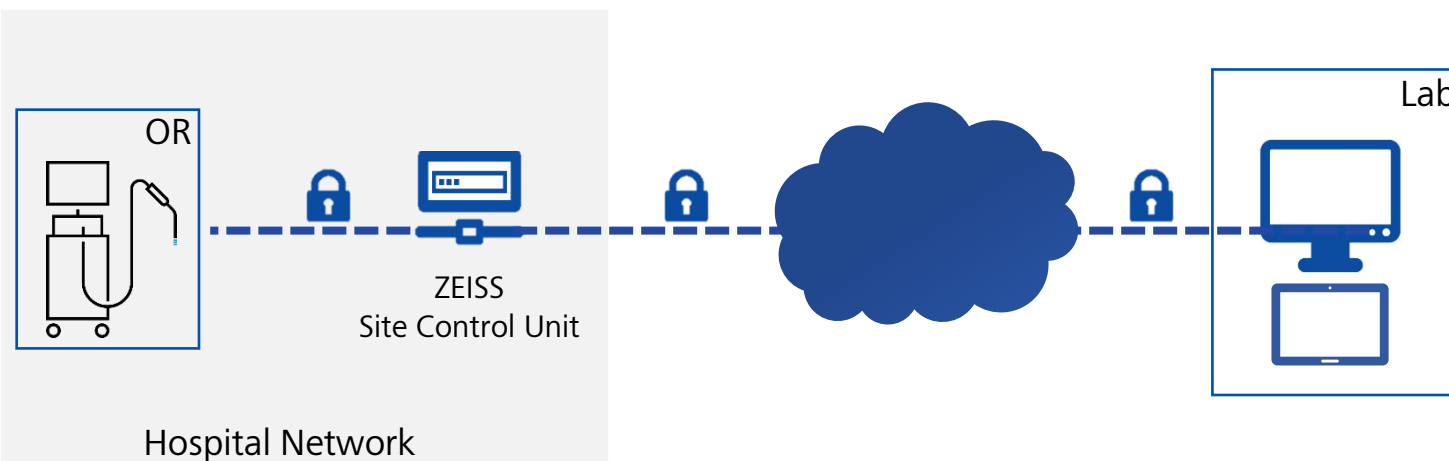
Strong position with a durable competitive advantage



Largest R&D team for surgical visualization

Leading in bringing robotic and advanced video technology to microsurgery

Close collaboration with customers



Technology leadership

Strong brand

High customer loyalty

High market share

Long product lifecycles

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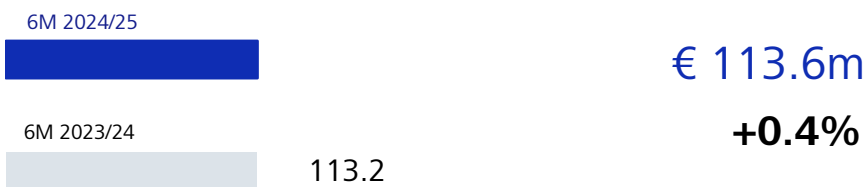
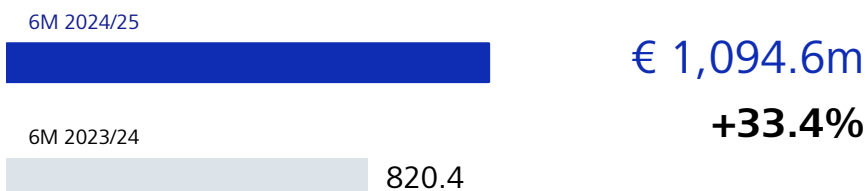
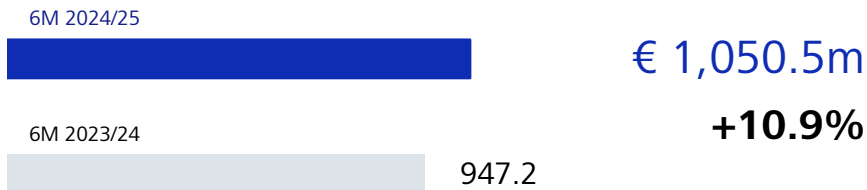
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Robust revenue and strong order entry in 6M 2024/25

Stabilization in EBITA achieved



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

Revenue

- 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

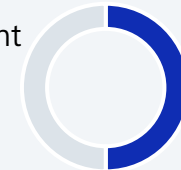
Order entry

- 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*

- 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)

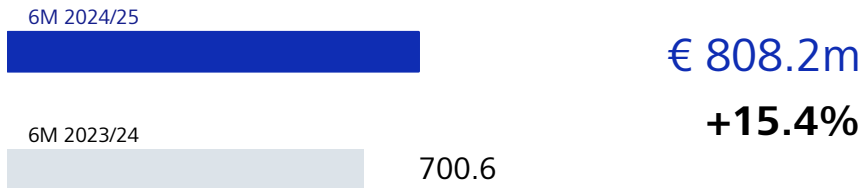
Equipment



Recurring revenue
50%

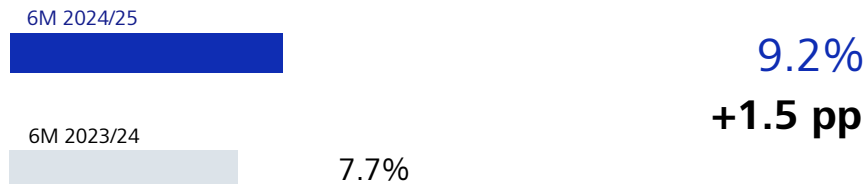


Revenue



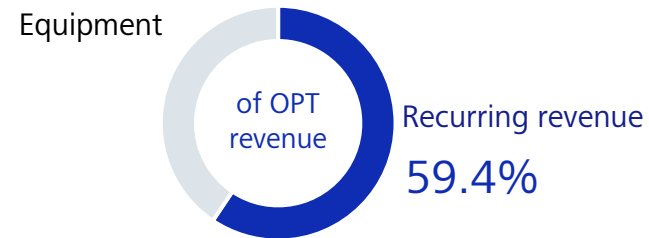
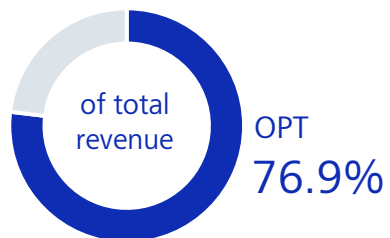
- FX-adj. revenue growth of +15.1%
- FX- & acquisition-adj. revenue stable by +0.1%
- Strong growth in Q2 by +23.6%, offset the weak Q1
- DORC Consolidation driving top line; Strong refractive consumables sales during China winter peak; VBP pricing still suppressing IOL revenue; Equipment sales continued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

EBITA margin



- 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

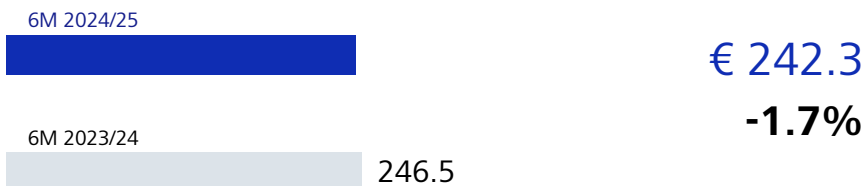


Microsurgery

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

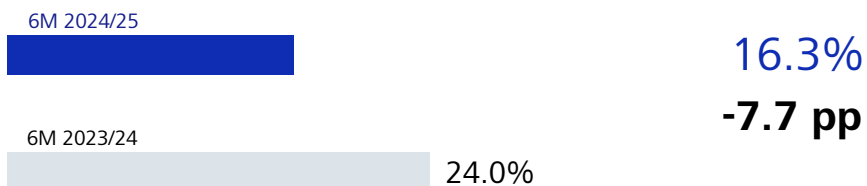


Revenue



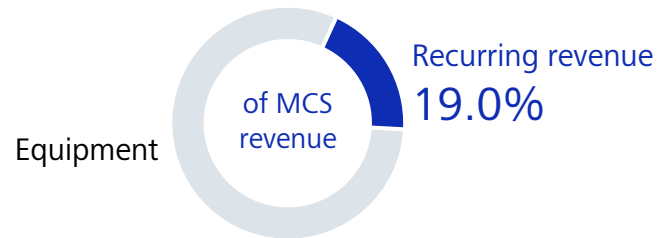
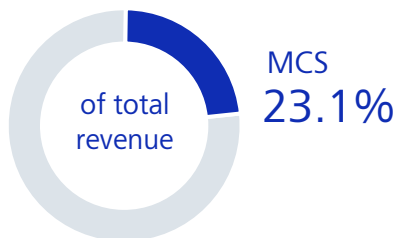
- FX-adj. revenue decline of -2.2%
- Weak neurosurgery business due to product cycle transition to new KINEVO® 900 S
- Incremental recovery in Q2 – back to y/y growth with revenue up +4.4%

EBITA margin



- 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

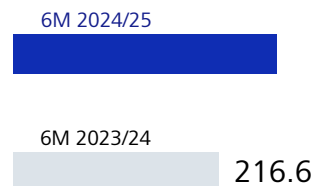
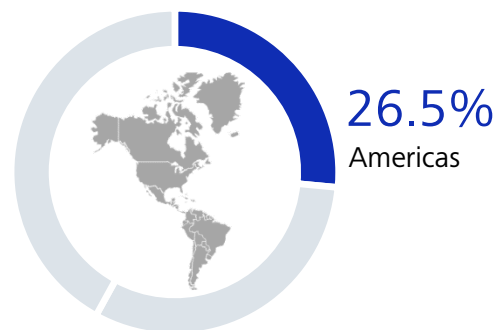


Equipment



Regional development

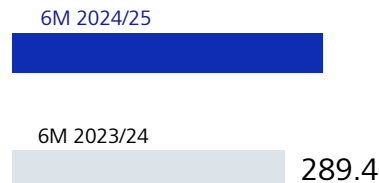
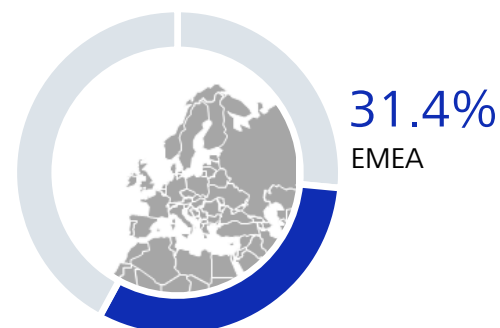
Top line growth across all regions, Americas recovering most strongly



€ 278.1m
+28.4%

Americas

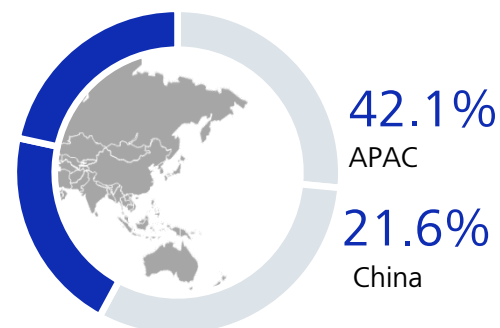
- FX-adj. revenue growth of +26.4%
- Growth driven by both consolidation of DORC and stronger organic growth
- Continuous recovery in order entry



€ 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

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

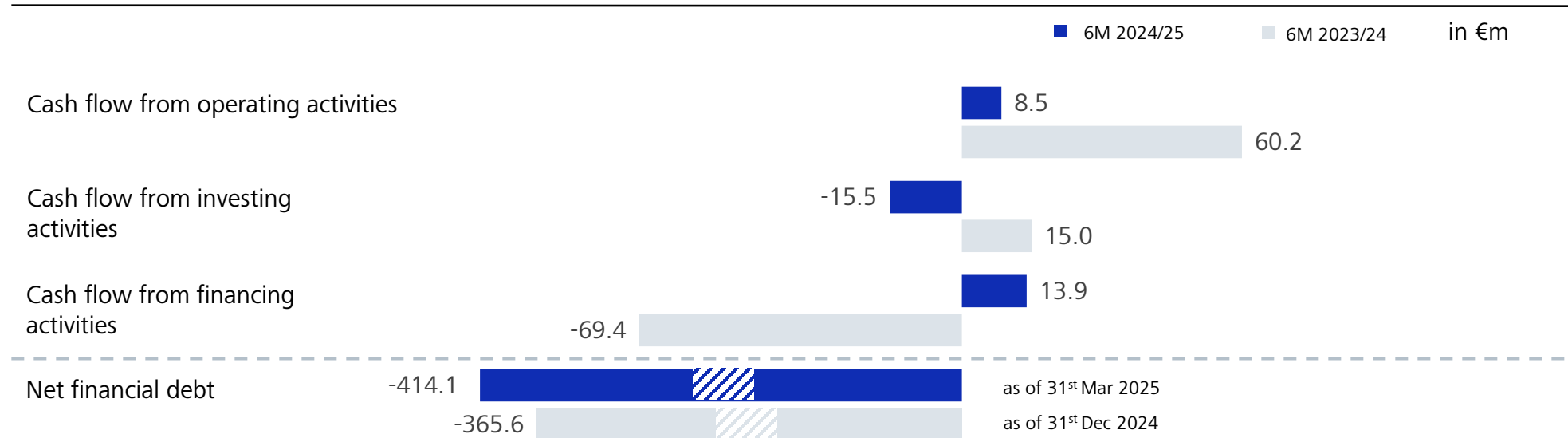
	6M 2024/25 €m	6M 2023/24 €m	yoy %
EBIT	99.1	108.2	-8.4
./. Amortization of PPA*	-14.5	-5.0	+189.3
EBITA	113.6	113.2	+0.4
EBITA margin	10.8%	12.0%	-1.1 pp
./. Other special items**	+1.0	+18.2	-
Adjusted EBITA	112.6	95.0	+18.5
Adjusted EBITA margin	10.7%	10.0%	+0.7 pp

- * 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



Cash flow statement



- 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

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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%

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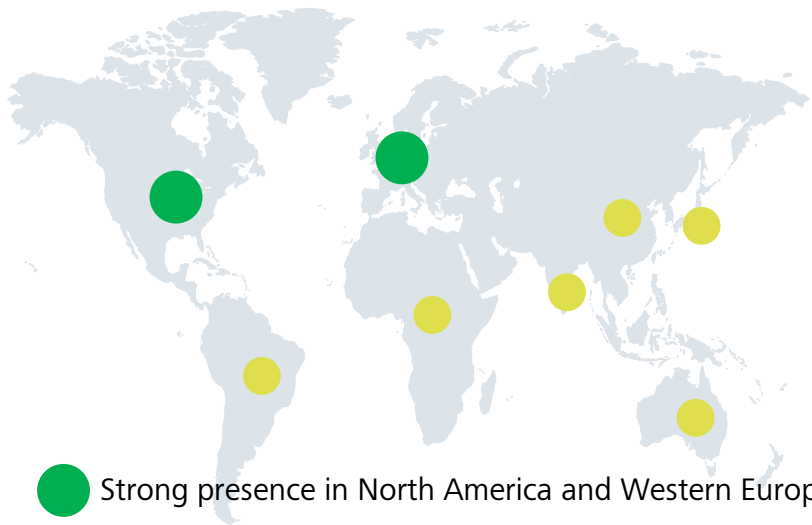


With DORC Acquisition, ZEISS will create a unique Retina Workflow

Highly complementary portfolio and regional setup

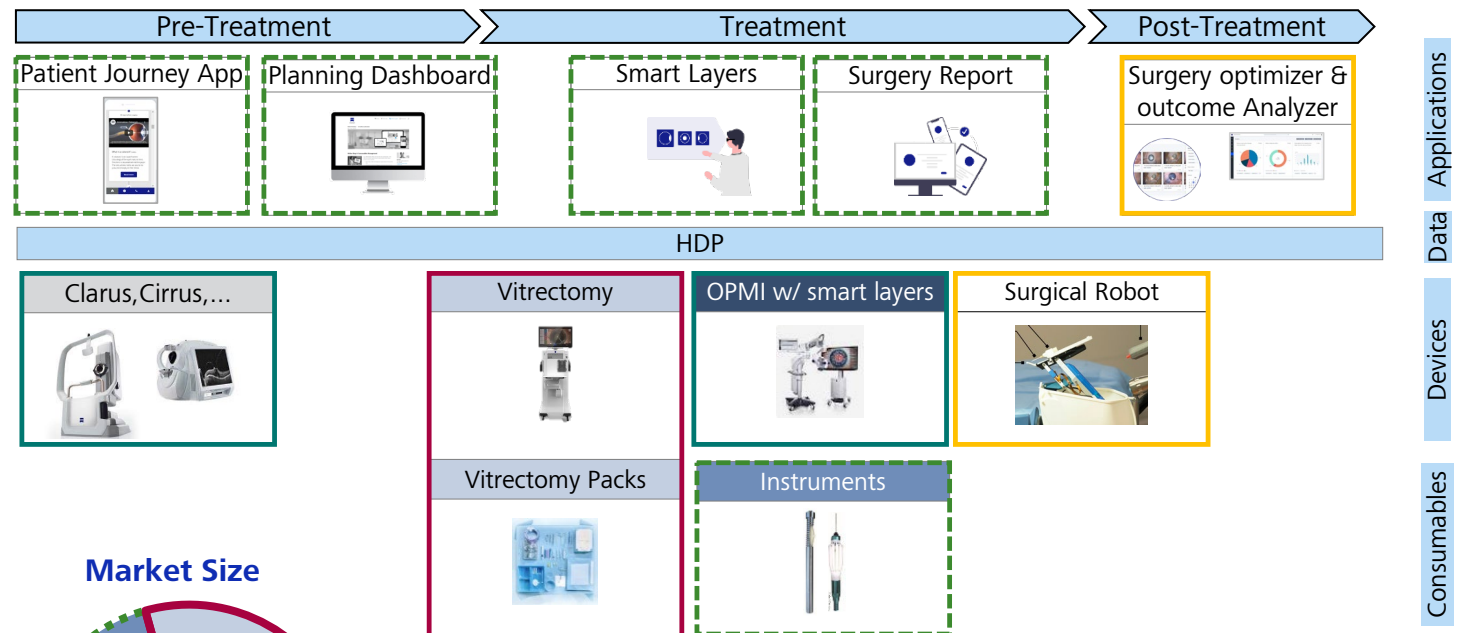


DORC global presence

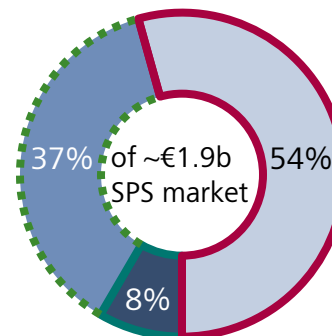


- Highly complementary portfolio and regional setup between ZEISS and DORC
- Cross-selling of IOLs, consumables and instruments
- Creation of full ZEISS Retina Workflow, connecting diagnostic devices, operating microscopes, vitrectomy, consumables and ZEISS Medical Ecosystem

Retina (Surgical Posterior Segment) Workflow



Market Size

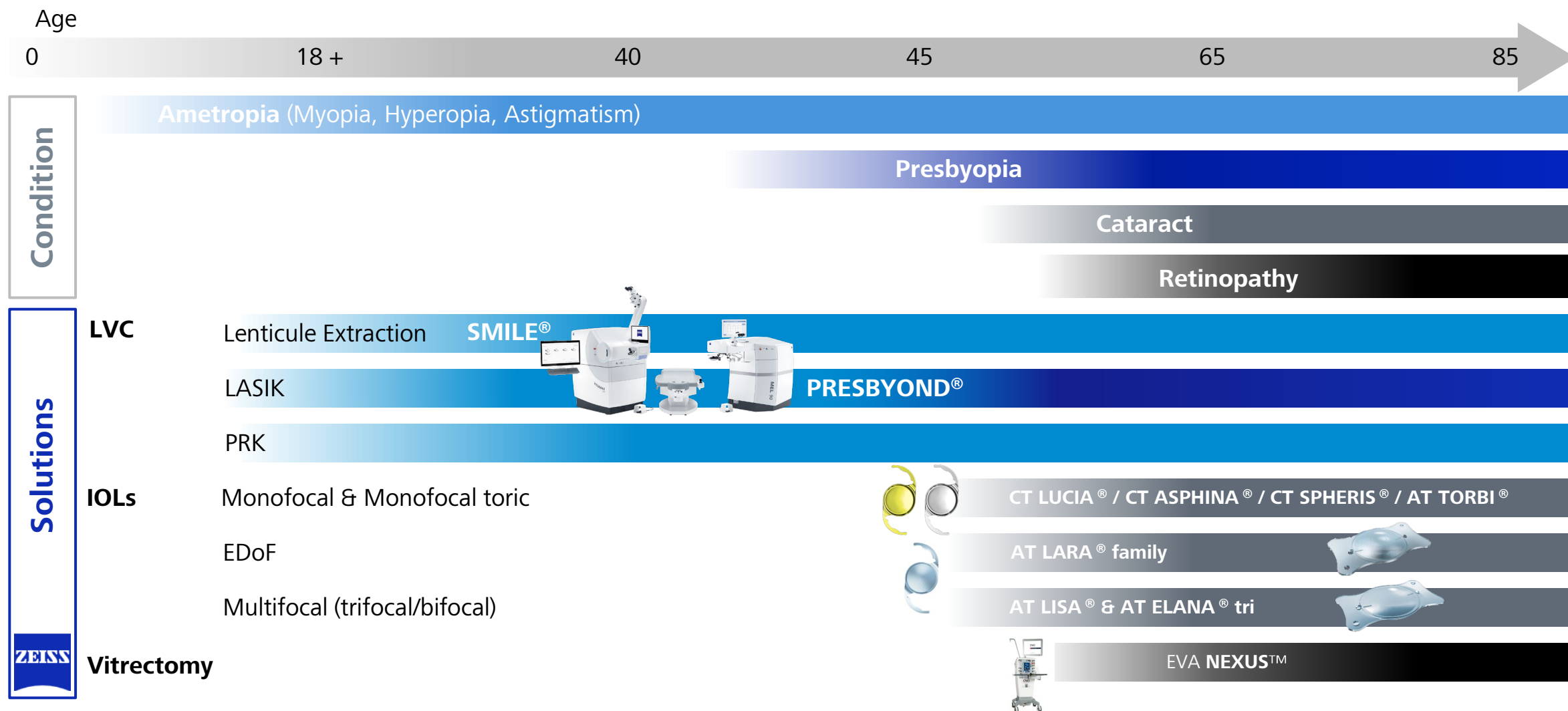


- Surgical Scopes
- Disp. Instruments
- Vitrectomy

ZEISS Position

- Established
- Partially established
- Key Gap
- Future potential

ZEISS ophthalmic surgical solutions cover a patient's entire ocular lifecycle



Medical Technology is a deeply integrated core business for the ZEISS Group



All transactions registered and audited in the Dependency Report and subject to Related Party Regulation & Disclosure (§312 and §111a-c AktG)

Minority shareholder interest protected through appropriate share of independent directors on the board

Shared Services across the Zeiss Group

Corporate Services
(e.g. Treasury, Legal)

Basic R&D

Manufacturing

Sales & Service Companies

Carl Zeiss Foundation

Heidenheim/Jena, Germany

100%

Carl Zeiss AG

Oberkochen, Germany
2023/24: € 11.0bn revenue

Medical Technology

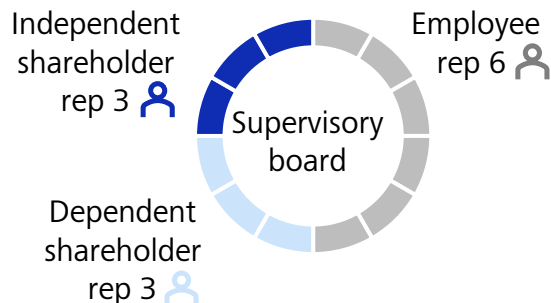
Industrial Quality & Research

Semiconductor Manufacturing Technology

Consumer Markets

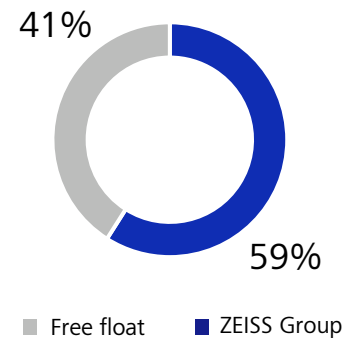
Composition of Supervisory board

of Carl Zeiss Meditec AG



Shareholder structure

of Carl Zeiss Meditec AG



- Carl Zeiss Foundation created in 1889 as sole stakeholder of Carl Zeiss AG. Statutory goal to promote natural science, engineering. Envisioned close partnership of industry and science.
- Areas of business for foundation company Carl Zeiss AG defined as optics, fine mechanics and optoelectronics.
- Commitment to sustainability: safeguarding the future by responsible management, fulfilling special responsibility toward employees and society.
- Carl Zeiss Meditec AG formally created in 2002 through merger of ZEISS Ophthalmic business with listed laser technology maker Asclepion Meditec AG (AFX) and strengthened by acquisition of Carl Zeiss' Surgical business in 2006.

ZEISS has a strong DNA in social and environmental policies

Our mission is to improve the quality of lives of patients through innovation



Improving quality of life



Yearly 10m surgeries performed by neurosurgeons using ZEISS surgical microscope

Yearly over 15m cataract surgeries performed with ZEISS surgical systems



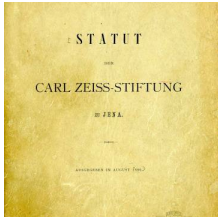
Yearly over 1.5m treatments with ZEISS refractive lasers



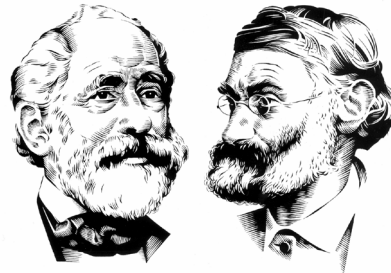
Yearly over 2m ZEISS IOLs implanted

Workflow solutions-connecting devices, data and applications, improving efficiency and accuracy

Long-term orientation & commitment to science



Owned by ZEISS foundation, committing for scientific breakthroughs and charitable research sponsorships



Sustainably high investment in R&D: R&D ratio at >16% of revenue, aiming for long-term technological leadership

Building company health insurance funds in 1875 and introduction of minimum wage in 1896, way ahead of law requirements

Extremely low employee turnover rate in Germany at 2.6%

Climate action

Climate target: to reduce Scope 1 and 2 emissions as far as possible by FY 2024/25, Net-Zero currently under investigation

Further targets: per €m value added 20% less energy, 10% less waste and 15% less water in FY 2024/25 compared to FY 2018/19

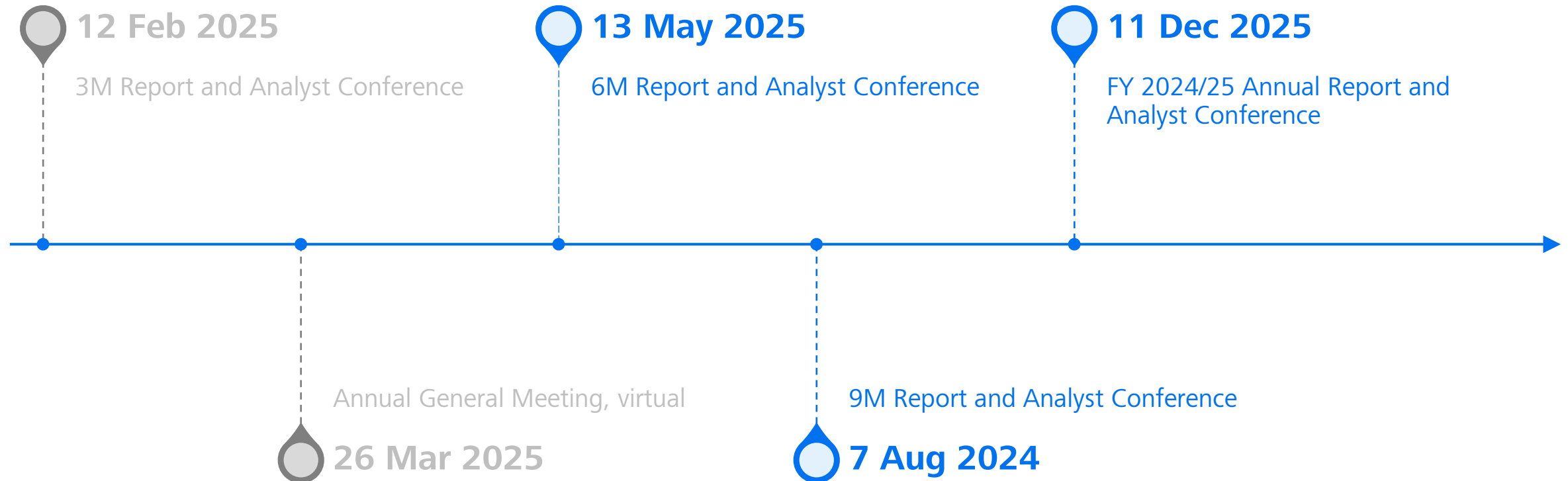
The use of MICOR 700 and its disposable fluidics system reduces the waste of a cataract surgery compared to traditional single-use Phaco cassette system

To complete life cycle impact assessments by 2028 incl. carbon footprint analysis for an open loop recycling system and a more sustainable mobility in transportation of employees



Switch to green power supply – e.g. ZEISS innovation center in the USA is powered by solar energy, and the new ZEISS building in Jena meets the requirements for the gold certificate by DGNB

Upcoming Events 2024/25





Sebastian Frericks

Head of Group Finance & Investor Relations

Phone: +49 (0) 36 41 / 2 20 - 1 16

Fax: +49 (0) 36 41 / 2 20 - 1 17

Email: investors.meditec@zeiss.com

Web: www.zeiss.com/meditec-ag/investor-relations



Seeing beyond