

Carl Zeiss Meditec AG

Annual General Meeting

on March 30, 2022 [virtual]

Speech

Dr. Markus Weber, President and CEO

-check against delivery-

**Ladies and Gentlemen,
Shareholders,
Members of the Supervisory Board,
Guests and Friends of the Company,**

My name is Markus Weber. I have been President and CEO of Carl Zeiss Meditec AG since the first of January this year. I am delighted to welcome you to the Company's Annual General Meeting today. Due to the pandemic, we are once again compelled to hold our Annual General Meeting virtually in 2022. This year, in particular, we really would have liked to have met with you in person at an attended event, to celebrate the 20th anniversary of Carl Zeiss Meditec AG with you. The Company was established in 2002 as a result of the takeover of Asclepion Meditec AG, a manufacturer of innovative refractive lasers, by the Ophthalmology division of Carl Zeiss AG. Shortly thereafter, on July 22, 2002, our share was traded on Frankfurt Stock Exchange for the first time.

I would now like to give my speech and talk about the successes of the Company over the last 20 years. This is difficult, however, in light of the current situation in Europe. Who would have thought just a few months ago that we would have to talk of a new era. Who would have thought that the safety of European countries would suddenly be on the line? As an international and multicultural team, we are deeply concerned and sad about the escalating military aggression against Ukraine. Our stance on this war is clear: we as a company condemn the military action of the Russian government as a breach of international law and an undemocratic act.

It is a depressing time for Europe, however we are counting on diplomatic efforts to bring about a positive turnaround and end the conflict.

Ladies and gentlemen, the history of Carl Zeiss Meditec AG is a true success story, that I personally have been able to observe from the very beginning, as I joined ZEISS exactly 20 years ago as a young physicist. At that time I started as a research assistant at ZEISS

Semiconductor Manufacturing Technology (SMT). It was in particular the high-end product development that excited me about ZEISS back then.

I then held various leading positions in a wide range of development projects. I came to ZEISS Medical Technology for the first time in 2009 and led Advanced Development in Microsurgery. Even then I was fascinated by how we help to improve quality of life of patients with our products. This was and still is a huge motivation for me.

In 2015 I assumed leadership of ZEISS Microscopy in a dual role with the current Chief Financial Officer of Carl Zeiss Meditec AG, Justus Felix Wehmer. The aim was to restructure this division, which we achieved together with the team. ZEISS Microscopy is now back in the black. At the same time I was able to build up a strong customer understanding and customer network in the area of Life Sciences.

In 2019 I was appointed as a member of the Executive Board of Carl Zeiss AG and was responsible, among other things, for ZEISS Semiconductor Manufacturing Technology, for the central production units and the sales region of Korea.

And now I am delighted to be part of the Medical Technology team again since January 1, 2022. Supported by megatrends such as the digital transformation, health and demographic developments, the importance of innovative medical technology will only increase further. Carl Zeiss Meditec has positioned itself very well here. We shall use this excellent foundation as a springboard and further exploit growth opportunities.

Dear Shareholders, I stand for innovation and customer focus. I am known for my modern management style. Clear roles and responsibilities are just as important to me as an open error and feedback culture. My priority is to foster the potential and the diversity of the team. And I can tell you that the ZEISS Medical Technology team is a magnificent team.

At this juncture I would like to extend special thanks to Dr. Ludwin Monz, who has closely supervised my initial time at Carl Zeiss Meditec since October 2021. Ludwin shared all of his experience and knowledge with me, which was a tremendous help to me when I started at ZEISS Medical Technology. The success of fiscal year 2020/21 which we can report on today, is essentially also his success.

Dear Shareholders, let's take a look back on the 20-year success story of Carl Zeiss Meditec AG. On July 22, 2002, the Company's share was listed on Deutsche Börse for the first time. In its 20 years of being listed, Carl Zeiss Meditec AG has grown from a market capitalization of initially below €300 million to over €12 billion.

In the final month of fiscal year 2020/21 the share reached a new all-time high of around €200, despite subsequently falling again somewhat due to weak stock markets for technology and growth stock, among other things. Overall, however, the share has maintained a slight price increase over the past twelve months, while the DAX, MDAX and TecDax indices are all below the prior year in a twelve-month view.

Fiscal year 2020/21 was another record year for the Company. And you, **our shareholders**: you should also share in Carl Zeiss Meditec AG's success. Later on we shall put the payment of a record dividend of 90 cents per share to the vote, a considerable increase compared with previous years.

Ladies and Gentlemen, for two years now the pandemic has influenced both our professional and personal lives. Today we find ourselves in a world of work where – not least due to digital possibilities – working together is being completely redefined. For us as a company, the crucial factor remains that we want to be the partner of choice for our customers and support them with innovative and customer-focused solutions.

In spite of the ongoing restrictions, our global teams once again succeeded in bringing new innovations to the market in the past fiscal year. The product range in the area of cataract surgery was rounded off with the ZEISS QUATERA 700 for surgical lens extraction and a new intraocular lens. These will strengthen our market share in this segment and offer potential for growth – such as in the North American market, for example. In addition, a new generation of the femtosecond laser – the ZEISS VISUMAX 800 – was launched for refractive laser surgery, which corrects ametropia in the eye.

The fact that our colleagues were able to launch these and other innovations in numerous markets, in spite of the pandemic, proves the amazing team spirit which I personally could feel from day one at the Company. It is remarkable to see the enthusiasm and dedication that the team works with to achieve the goals that have been set.

I am inspired by the diversity of our global team and in particular by the openness and intensity with which the team works with customers. This impressed me greatly in the first weeks and months. For us in management, it is important that our team members are able to develop within our Company, which is why we offer a wide range of training and further development opportunities. We also support networks and promote knowledge transfer via specific mentoring initiatives. It is important for us to continue to strengthen and encourage our global teams, because it is their high level of personal commitment that enables Carl Zeiss Meditec to be successful. I would like to take this opportunity to sincerely thank the teams for this commitment, also on behalf of the Management Board.

Dear Shareholders, the medical technology market is a growth industry. A market that Carl Zeiss Meditec shaped in the past with innovations for ophthalmology and microsurgery. Over the past number of years, the Company has evolved from a supplier of technologically superior specialty products into an innovative and customer-focused solutions provider. Success is guaranteed by the continuous and long-term business strategy, which addresses future trends and is geared to sustainable growth.

The core of this strategy is to shape the health care system with the help of new technologies in such a way as to promote medical progress and support the digital transformation. In the past fiscal year the Company introduced the ZEISS Medical Ecosystem – a concept that gives customers the opportunity to network ZEISS products

and solutions and use digital technologies with a wide range of new applications. This ecosystem is based on a platform supported by cloud technology which manages health data securely and efficiently and further automates workflows.

Building on the concept of the ZEISS Medical Ecosystem, the latest software solutions from ZEISS are already connecting the different steps of cataract treatment – with an estimated 25 to 30 million surgeries in 2022, cataract surgery is one of the most frequently performed surgical procedures worldwide.¹ The ZEISS Cataract Workflow presented in the past fiscal year supports the workflows in practices and clinics, from the treatment room to the operating theater. Part of the ZEISS Cataract Workflow is the new QUATERA® 700. As I just mentioned, it is the latest phaco technology from ZEISS for lens extraction, which ZEISS uses to further improve the quality and safety of the procedure by means of an innovative system for automated control of the fluid pressure in the eye. The system is also fully digital and networked: the ZEISS QUATERA 700 can be considered as a type of surgical cockpit, which brings together all elements of the ZEISS Cataract Workflow. An integrated digital surgical workflow enables clinics and practices to perform more effective and more efficient treatments.

Carl Zeiss Meditec addresses the individual challenges in ophthalmology from the customers' perspective and focuses on their clinical workflows, offering solutions relating to specific workflows, such as cataracts, cornea, glaucoma and refraction. The aim is to not only provide better diagnoses and therapies, but also to support patient-focused health care. This also includes addressing new customer groups. In the past fiscal year, the Company launched ZEISS VELARA – a telemedicine solution, which brings a certain amount of ophthalmic care into family practices.

As many as 537 million adults worldwide are living with diabetes.² The risk of vision loss due to diabetic eye disease can be reduced by 95 percent if detected early.³ Preventive check-ups and regular screenings are therefore important. The ZEISS VELARA Teleretinal Screening System enables yearly retinal examinations to be carried out during routine visits to the general practitioner. A cloud-based platform and a centralized management system allow the images to be examined by an ophthalmic practice or clinic. This is just another example of the potential of digitization. IT provides solutions for the health care market that can close gaps in care.

Dear Shareholders, when we talk about digital surgical workflows and cloud-based solutions, we are also talking about the potential of the use of intelligent algorithms. Buzzwords here are machine learning or artificial intelligence – areas that ZEISS is also intensively researching and developing. To good effect: Carl Zeiss Meditec was recently granted FDA approval for a cloud product with artificial intelligence, for workflow

¹ Market Scope: 2021 Single-Use Ophthalmic Surgical Products Market Report, Global Analysis for 2020 to 2026.

² <https://diabetesatlas.org/>

³ National Institute of Diabetes and Digestive and Kidney Diseases

solutions in the field of microsurgery. The algorithm shall be used for the ZEISS CONVIVO In Vivo Pathology Suite.

ZEISS CONVIVO is part of the ZEISS Tumor Workflow and supports physicians, in combination with the robotic visualization system ZEISS KINEVO 900 and the intraoperative irradiation device ZEISS INTRABEAM 600, in the multidisciplinary treatment of brain tumors. The cloud-based workstation of the ZEISS CONVIVO enables pathologists to view images live and in real time as they are recorded during the surgery with cellular resolution. Currently, tissue samples are sent from the OR to the Pathology department for analysis there. That takes time. The ZEISS CONVIVO enables a digital biopsy and thus a more direct and more efficient interaction between the Neurosurgery and Neuropathology departments.

Ladies and Gentlemen, Carl Zeiss Meditec is founded upon a customer-focused organization and we aim to continue to enable our customers to achieve better results for their patients in future, with highly effective and highly efficient solutions.

This includes investing in our own research and development, in which we invested around 14% of our revenue in the past fiscal year. We also invest in inorganic growth. Technology acquisitions are made to expand our portfolio and strengthen our market position in ophthalmology and microsurgery. We shall continue to use the funds at our disposal wisely and strategically in future.

Demographic change and the digital transformation are long-term drivers of the medical technology market. In addition, there are opportunities in our core markets, as well as short-term trends with matters of urgency, to which we must respond strategically. We have set ourselves the objective to make our products and solutions available more quickly in key markets. To achieve this, we shall work intensively to continuously improve our operational excellence. This includes the continuous streamlining of production processes as well as the strategic positioning of our teams in the countries, to enable us, for example, to adequately meet the specific regulatory requirements for the approval of medical devices.

However, there are also current challenges: due to the COVID-19 pandemic, we, like many other companies worldwide, have suffered bottlenecks in our supply chains. We responded in the short term by setting up a task force to report to the Management Board. In this context, we are also concerned with improving our supply chains sustainably and for the long term. Activities are coordinated by a task force which reports to the Management Board.

Dear Shareholders, the past fiscal year was a record year for the Company. We generated over €1.6 billion in revenue – this equates to growth of around 23 percent. The economic effects of the COVID-19 pandemic are therefore largely behind us. Earnings before interest and tax increased to around €374 million, corresponding to an EBIT

margin of 22.7 percent – this is also a new record. Both strategic business units made a strong contribution to this result.

Ophthalmic Devices increased its revenue to over €1.25 billion, which corresponds to growth of 27 percent compared with the prior year. Microsurgery increased its revenue to around €390 million, thus growing by 13 percent. In particular recurring revenue from consumables, implants and services increased significantly: its share of total revenue increased by two percentage points to a record high of 41 percent. The Ophthalmic Devices SBU, in particular, contributed to this, which benefited from the high demand for intraocular lenses and consumables for laser vision correction.

Growth rates were in the double-digit percentage range in all reporting regions in fiscal year 2020/21. Once again, the Asia/Pacific region made the strongest contribution to growth, with revenue increasing by 30 percent to €765 million. China and South Korea had the highest growth rates. In the Europe, Middle East and Africa region, revenue increased by 19 percent to €433 million. Once again, there was a positive trend in the markets of Germany, France and Southern Europe, and the UK. Revenue in the Americas region increased by 17 percent to €449 million.

Dear Shareholders, this brings me to an important part of this year's Annual General Meeting – the dividend.

As in previous years, we would like you, our valued shareholders, to share appropriately in the Company's success. As you know, we operate a profit-driven and continuous dividend policy. On this basis, the Management Board and Supervisory Board strive for a distribution ratio of approximately one third of consolidated profit after non-controlling interests. The proposed distribution ratio to be resolved today for fiscal year 2020/21 is 34 percent.

Specifically, the Management Board and Supervisory Board propose to you the distribution of a dividend of €0.90 per share.

By having a sustainable dividend policy, we ensure that the Company also has sound financing in the future and that we can continue to invest in growth to sustainably increase the Company's value. This is something we intend to maintain in future, too.

Ladies and Gentlemen, Carl Zeiss Meditec AG has made an exceptionally strong start to fiscal year 2021/22. In the first quarter we generated revenue of over €410 million, which is an increase of approximately 11 percent compared with the same period of last year. EBIT rose slightly to over €74 million; the EBIT margin was around 18 percent. Once again, all strategic business units and regions contributed to this growth in the first quarter of 2021/22.

The Company's forecast for fiscal year 2021/22 remains unchanged: we are striving to achieve revenue that is at least on a part with market growth. One uncertainty is posed by the continued strain in the global supply chains. The EBIT margin is expected to be

between 19-21 percent in fiscal year 2021/22. In the medium term, the EBIT margin is expected to increase to a level sustainably above 20 percent.

Dear Shareholders, Guests, the success of the past fiscal year that I have reported on is a success of the management under the leadership of Dr. Ludwin Monz. I would like to take this opportunity to thank Dr. Monz again. Thanks also goes to the members of our Supervisory Board and my colleagues on the Management Board – Justus Felix Wehmer and Jan Willem de Cler. Thank you for the strong commitment you have shown to the Company.

I am delighted to be able to contribute my expertise to such a successful company. Carl Zeiss Meditec has been a good investment for the past 20 years and will continue to be a good investment in future – we shall work together to ensure this with our dedicated employees. And together with you, our valued investors, we would like to continue to write the Company's success story and shape the future of medical technology.

Thank you for putting your trust in us!