Summary management report

for fiscal year 2024/25

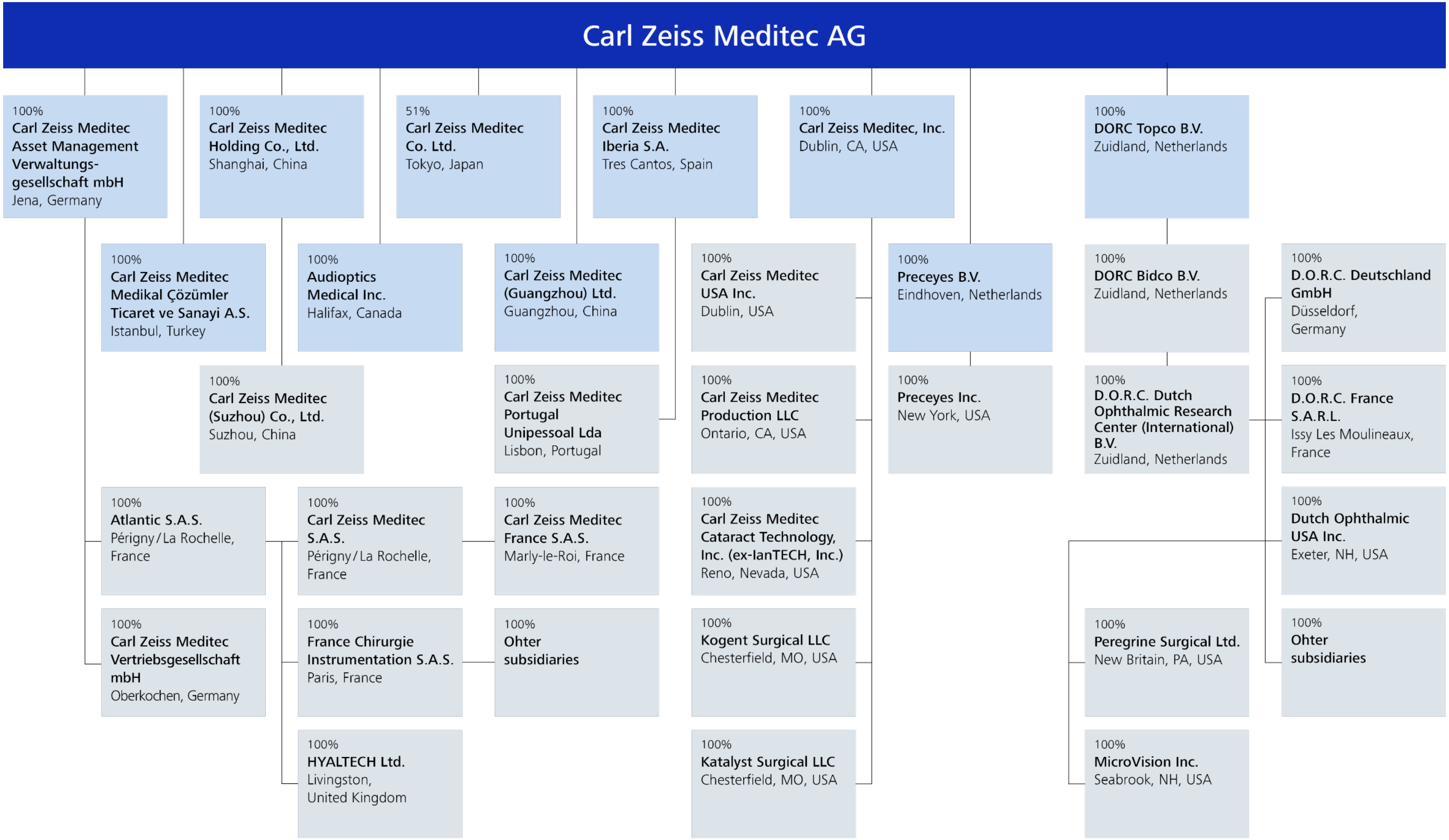
CARL ZEISS MEDITEC GROUP

Group structure

The Carl Zeiss Meditec Group (hereinafter the Company, the Group) is an international company headquartered in Jena, Germany, with additional subsidiaries in and outside of Germany. Carl Zeiss Meditec AG is the parent company of the Carl Zeiss Meditec Group and is listed in the MDAX and TecDAX on the German Stock Exchange.

The results of Carl Zeiss Meditec AG are influenced to a large extent by its subsidiaries, and the development of its business is generally subject to the same opportunities and risks as the Carl Zeiss Meditec Group. The outlook for the Group also largely mirrors the expectations for Carl Zeiss Meditec AG, due to the links between Carl Zeiss Meditec AG and its subsidiaries and due to the importance of Carl Zeiss Meditec AG within the Group. Therefore, for the purposes of a more compact presentation, the business development of Carl Zeiss Meditec AG and the Carl Zeiss Meditec Group have been presented in the form of a summary management report. Major investments of the Carl Zeiss Meditec Group as of 30 September 2025 are presented in the chart below.

Ownership structure of the Carl Zeiss Meditec Group as of 30 September 2025



Markets

With its headquarters in Jena (Germany) and additional plants and subsidiaries in, among others, Germany, France, the Netherlands, Spain, the US, Japan and China, the Carl Zeiss Meditec Group has a direct presence in key medical technology markets. The Carl Zeiss Meditec Group also utilizes the distribution network of the ZEISS Group[1], with its more than 60 sales and service locations and more than 30 production sites, thus ensuring itself customer proximity in international competition. Aside from its own research and development locations, the Carl Zeiss Meditec Group also has access to the expertise of the ZEISS Group. Of the more than 30 research and development locations of the ZEISS Group worldwide, China and India, in particular, are important development centers. They offer the possibility of working with the customers on site, in order to gain a better regional understanding of the market and develop specific products that are tailored to market requirements.

Organization and business activity

The field of activity of the Carl Zeiss Meditec Group is essentially divided into two main areas or Strategic Business Units (SBUs). The business fields are divided based on the areas of application and customer groups within Ophthalmology and Microsurgery. Therefore, a distinction is made between the Ophthalmology (OPT) SBU and the Microsurgery (MCS) SBU.

Ophthalmology

Within the Ophthalmology strategic business unit, the Carl Zeiss Meditec Group offers all essential types of medical products, from devices and consumables to implants, that are relevant for ophthalmic surgery and diagnostics.

For the diagnosis, treatment and monitoring of chronic eye diseases, the Carl Zeiss Meditec Group offers devices for general ophthalmological examination and care. In addition to slit lamps, refractometers and tonometers, the product portfolio also includes devices for optical coherence tomography (OCT) and fundus cameras, which are used in clinics and practices for examination of the retina. The Company also offers devices for functional glaucoma diagnostics (perimeters), The range of surgical ophthalmology products includes surgical microscopes, biometers and phacoemulsification and vitrectomy equipment. For cataract surgery, the Carl Zeiss Meditec Group also offers a range of intraocular lenses (IOLs). The product portfolio in the area of refractive surgery primarily includes systems and consumables for laser eye surgery. These include the VISUMAX® femtosecond laser, which enables minimally invasive correction of vision defects using lenticular extraction (SMILE®). In addition, digital products are offered that enable the storage, analysis, and sharing of clinical data.

[1] Carl Zeiss AG and all subsidiaries

Microsurgery

The Carl Zeiss Meditec Group’s strategic business unit Microsurgery offers products and solutions for minimally invasive surgical treatments. Customers include clinics and practices for neuro- and spinal surgery, ENT and reconstructive surgery, and dentistry. During surgical procedures, ZEISS solutions support intraoperative diagnostics and provide information that would otherwise not be visible to the human eye, such as that obtained using fluorescence modules.

The product portfolio includes surgical visualization, interoperative radiotherapy, interoperative pathology, special surgical instruments and digital solutions. Cross-product workflow solutions such as the ZEISS Tumor Workflow combine various products and technologies into a comprehensive solution which offers additional customer value beyond that of the individual products.

Group strategy

As an internationally positioned medical technology group, Carl Zeiss Meditec AG pursues a long-term growth strategy based on technological excellence, global presence, and consistent customer focus. The focus is on the two strategic business units Ophthalmology and Microsurgery, whose solutions set standards worldwide. A central element of the strategy is the consistent digitalization of clinical workflows. Intelligent, networked systems make diagnostic and therapeutic processes more efficient and improve interoperability between devices, software and data platforms. These digital solutions not only enable a higher quality of care, but also form the basis for implementing the workflow strategy, which takes a holistic view of the clinical process.

Research and development (R&D) are key to the Company's innovative strength. Continuous investment in new technologies, platforms and applications will further strengthen the Company's position as an innovation leader in ophthalmic surgery and microsurgery. In addition, the Carl Zeiss Meditec Group makes targeted use of M&A initiatives as a strategic tool to expand its portfolio, tap into new markets, and realize synergies. The inclusion of consumables is also becoming increasingly important as a means of strengthening customer loyalty and further intensifying the integration into clinical workflows. The combination of internal innovation, digital transformation, and external growth momentum creates sustainable value for patients, customers, and shareholders.

Corporate governance

The central governing body within the Carl Zeiss Meditec Group is the Management Board, consisting of the President and CEO and the CFO. The Management Board is supported by an extended management committee. In addition to the two members of the Management Board, this committee also includes the heads of the Ophthalmology and Microsurgery strategic business units, as well as the heads of the Operations, Human Resources and Digital functions. The management levels below the management committee perform their management responsibilities in accordance with the organizational structure across regions and Company locations. Cross-organizational functions, such as Finance or Communications, for example, are managed centrally. The strategies and projects are implemented locally by the country organizations, taking the prevailing laws, rules of procedure and bylaws, and the applicable corporate values and principles into account. The Management Board is responsible for reporting current issues and planned operational changes to the Supervisory Board on a regular basis, but at least quarterly. Collectively, the members of the Management Board, Supervisory Board and Extended Management Committee hold relevant experience for the sectors, products and geographical locations of the Carl Zeiss Meditec Group.

As a company of the ZEISS Group, the Carl Zeiss Meditec Group is also subject to the global Code of Conduct of the ZEISS Group. This stipulates the general rules of good and fair conduct in competition and when dealing with all employees and customers. The Code of Conduct sets out the fundamental ethical principles of good conduct and values which govern the actions of both management and employees in their day-to-day work at the Company.

Corporate management

The consistent implementation of the Group strategy aims to ensure a long-term increase in value. A comprehensive system of key performance indicators serves as a tool for the financial management of the Carl Zeiss Meditec Group. The greatest importance is attached to Economic Value Added® (EVA®)[2], Free Cash Flow (FCF)[3], EBITA[4] and EBITA margin, and revenue growth. These control variables define the balance between growth, profitability and financial power upon which sustainable growth of the Company is built. These key financial performance indicators are therefore defined as the most significant control variables. These are supplemented by strategic measures and projects in the areas of customer excellence, people/performance culture and operational excellence.

The EBITA control parameter is only used for management purposes at the Group level, not at the level of the individual company Carl Zeiss Meditec AG; EVA® and FCF are only determined at the Group level, not at the segment level.

[2] Calculation: EVA® = operating result (EBIT) after taxes (Group tax rate 29.87%) plus write-downs on intangible assets arising from purchase price allocations in the amount of €34.4m less cost of capital in the amount of €246.4m for fiscal year 2024/25. (calculation of cost of capital: average capital employed, adjusted for write-downs on intangible assets arising from purchase price allocations (“gross” asset basis) (2024/25: €2,433.2m, multiplied by the cost of capital rate (2024/25: 10.4%)).
[3] Calculation: Free cash flow (FCF) = EBIT ± changes in trade receivables ± changes in inventories including advance payments ± changes in provisions (excluding provisions for pensions and provisions for taxes) ± changes in current accrued liabilities ± changes in trade payables ± changes in advance payments received ± changes in leasing liabilities ± changes in other assets and liabilities - increase in investment in property, plant and equipment (incl. additions to rights of use) and intangible assets + write-downs on intangible assets and property, plant and equipment - acquisition of investments.
[4] Calculation: EBITA = EBIT + amortization of purchase price allocations on intangible assets

Underlying conditions for business development

Macroeconomic conditions

According to the International Monetary Fund (IMF) forecast from the World Economic Outlook Report of October 2025, global economic growth will slow slightly from 3.3% in calendar year 2024 to approximately 3.2% in calendar year 2025, thus to below the average growth of 3.8% in the first two decades of this century. The IMF is also assuming that industrialized countries will grow by 1.6% year-on-year in the 2025 calendar year, while economic growth in emerging and developing countries is estimated at around 4.2% in this period. The Chinese economy grew by 5.0% in the 2024 calendar year, the US economy by 2.8%, and the eurozone economy by 0.9%. For the 2025 calendar year, the IMF forecasts growth of 4.8% for the Chinese economy, 2.0% for the US economy, and 1.2% for the eurozone.

The median inflation rate in industrialized countries was 2.4% in the 2024 calendar year. A moderate reduction to approximately 2.3% is forecast for the 2025 calendar year. Against the backdrop of declining inflation, the US Federal Reserve and the European Central Bank lowered their key interest rates over the course of the fiscal year.

Situation in the medical technology industry

The development of the market for medical devices and accessories is based on fundamentally stable growth drivers. These are medical progress and megatrends, such as the demographic trends resulting from increasing life expectancy and population growth. Rising per capita income is increasing the demand for basic medical care in rapidly developing economies. Increasing healthcare expenditure and patient numbers are raising the importance of solutions designed to increase the efficiency of diagnostics and therapy, to improve the effectiveness of therapies for patients and to reduce costs for the healthcare system. In order to optimize such treatments, various workflows have been designed for clinical processes in hospitals and surgical centers. The approach behind such workflow solutions goes beyond the standalone use of devices. It achieves this by creating a connection between devices, consumables and patient data. By contrast, tighter regulations and different regional regulatory requirements pose a growing challenge with regard to product development and approval.

a) Market for ophthalmic products

The market for ophthalmic products in the broader sense includes devices and systems for the diagnosis, treatment and post-treatment of eye diseases, implants for ophthalmic surgery and ophthalmic pharmaceuticals, contact lenses, contact lens care products, consumables – with the exception of glasses and glasses frames. According to Company estimates, the market had a global volume of approx. USD51.4b or €47.4b[5] in revenue in 2024. The Group's product range includes devices and systems, implants, consumables and instruments for ophthalmology and ophthalmic surgery. According to the Company's estimates, these sub-markets had a volume of around USD15.3b (around €14.1b[5]) in 2024. On this basis, the Company estimates its market share by revenue in 2024 at around 11%, as in the prior year, and considers itself the second-largest supplier worldwide in this market behind ophthalmic surgery business Alcon.

The market for devices and systems, implants, consumables and instruments for ophthalmology recorded growth of around +3% in 2024 compared with the prior year, on a euro basis, and +4% in US dollars. In future, aside from annual fluctuations and subject to any global geopolitical and economic distortions, the Carl Zeiss Meditec Group expects the market for ophthalmic products to grow annually in the low to mid-single-digit percentage range, due to the intact demographic and other growth drivers.

b) Market for microsurgery products

Aside from ophthalmology, the Company also operates in the microsurgery market. Surgical microscopes are a major subsection of this market.

The applications are mainly in neuro- and spinal surgery, as well as in other areas, such as ENT, plastic and reconstructive surgery, and dental surgery.

According to the Company's estimates, the relevant product segment of surgical microscopes had a total volume of approx. USD0.8b (or more than €0.7b)[6].

With an estimated market share of over 50%, the Carl Zeiss Meditec Group is the largest supplier in this field in terms of revenue. The Carl Zeiss Meditec Group expects the market for microsurgical products to continue to grow in the low-to-mid-single digit percentage range in the medium term, as it did in fiscal year 2024/25, irrespective of year-to-year fluctuations.

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[5] At the average rate for fiscal year 2023/24 (€1 = USD1.0841)
[6] At the average rate for fiscal year 2023/24 (€1 = USD1.0841)

Overall assertion on the financial position of Carl Zeiss Meditec Group at the end of the fiscal year

The Carl Zeiss Meditec Group generated revenue of €2,227.6m in fiscal year 2024/25 (prior year: €2,066.1m), which corresponds to an increase of +7.8% (adjusted for currency effects: 8.6%). Revenue was thus within the forecast of moderate revenue growth given in the 2023/24 annual report.

With revenue of €1,723.7m (prior year: €1,589.2m), the **Ophthalmology** SBU recorded growth of +8.5% (adjusted for currency effects: +9.3 %, adjusted for currency and acquisition effects: +2.3%). The full-year consolidation of DORC, which was acquired in the prior year, contributed to this increase. Other growth drivers were the ongoing recovery in the equipment business, the global increase in intraocular lens volumes and stable growth in consumables for refractive surgery in China.

The **Microsurgery** SBU generated revenue of €503.9m (prior year: €477.0m), thus recording an increase of +5.7% (adjusted for currency effects: +6.6%) compared with the prior year. Strong deliveries of neurosurgical microscopes, in particular the new KINEVO® 900 S surgical microscope, was one of the main contributors to this increase.

Earnings before interest, taxes and amortization from purchase price allocations on intangible assets (**EBITA**) increased to €257.7m in the reporting period (prior year: €248.9m). Relative to revenue, the Carl Zeiss Meditec Group achieved an EBITA margin of 11.6% (prior year: 12.0%). The target of stable or slightly increased EBITA was therefore achieved, although the EBITA margin fell slightly compared to the prior year.

Revenue and earnings were also impacted by negative currency effects, particularly as a result of exchange rate fluctuations between the euro and the US dollar and Asian currencies. The impact of negative currency effects on EBITA in fiscal year 2024/25 is in the low double-digit million range.

The EBITA margin in the **Ophthalmology** strategic business unit rose year-on-year. This growth is largely due to the DORC consolidation. Furthermore, a sustained recovery in the device business as well as a global increase in the volume of multifocal intraocular lenses and stable growth in consumables for refractive surgery in China led to a positive revenue trend. Research and development costs were considerably below the previous year's level due to strict cost management. In fiscal year 2025/26 we aim to achieve further growth. However, the restrictive investment climate in the equipment business and in elective procedures, which is dependent on the general consumer climate, is likely to have a slowing effect.

The EBITA margin of the **Microsurgery** strategic business unit decreased significantly year-on-year. Currency effects, increased depreciation and amortization, and trade tariffs had a significant negative impact, despite increasing deliveries of neurosurgical microscopes, in particular the new KINEVO® 900 S surgical microscope, and the resulting revenue growth. The gross profit margin was below the previous year's level, while operating costs only increased slightly. For the future, the Company expects further revenue growth and an improved product mix in the Microsurgery strategic business unit, particularly from this product cycle.

At €209.9m (prior year: €247.3m), cash flows from operating activities in fiscal year 2024/25 were down on those in the prior year. Besides the lower consolidated net income, the slightly lower cash inflow was mainly due to an increase in working capital, in particular higher trade receivables, and higher interest payments.

In the 2024/25 fiscal year, free cash flow amounted to €203.7m (prior year: €121.5m), due primarily to lower investments in property, plant and equipment and intangible assets within the scope of the Resilience program set up in the 2023/24 fiscal year. EVA® decreased from €8.4m in the prior year to €-55.4m. The sharp decline in EVA® is due mainly to higher capital costs in connection with the DORC consolidation.

In order to maintain its innovative strength and ensure future growth, the Company continuously invests in research and development. In fiscal year 2024/25 R&D spending amounted to 14.6% of revenue (prior year: 16.6%).

Comparison of actual business development with forecast development in fiscal year 2024/25

	Results 2024/25	Forecast 2024/25
Revenue of Carl Zeiss Meditec Group	€2,227.6m	Moderate growth in revenue (prior year: €2,066.1m)
Revenue growth of Ophthalmology SBU	+8.5%	At least in line with market growth (in mid-single-digit percentage range; prior year: €1,589.2m)
Revenue growth of Microsurgery SBU	+5.7%	Stronger than underlying market (prior year: €477.0m)
EBIT margin	10.0%	At least slightly higher than the prior year's figure of 9.4%
EBITA margin	11.6%	Stable to slightly higher level (prior year: 12.0%)
Cash flow from operating activities	€209.9m	At least stable to slightly increasing (Prior year: €247.3m)
Research and development expenses year over year	-4.9%	Comparable amount to prior year (Prior year: €343.1m)
Free cash flow (FCF)	€203.7m	Stable to slightly higher level (prior year: €121.5m)
Economic Value Added® (EVA®)	-€55.4m	Moderate decline compared to the prior year (€8.4m)

Results of operations

Presentation of results of operations

Summary of key ratios in the consolidated income statement figures in €m, unless otherwise stated

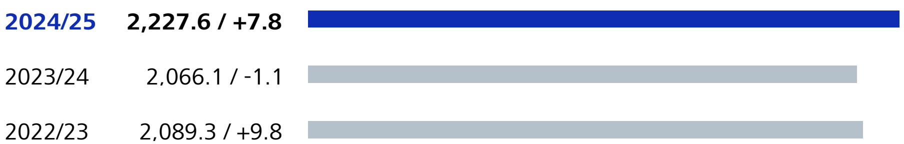
	2024/25	2023/24	Change
Revenue	2,227.6	2,066.1	+7.8%
Gross margin	52.8%	52.7%	+0.1% pts
EBIT	223.3	194.5	+14.8%
EBIT margin	10.0%	9.4%	+0.6% pts
EBITA	257.7	248.9	+3.5%
EBITA margin	11.6%	12.0%	-0.4% pts
Earnings before income taxes	193.9	240.9	-19.5%
Tax rate	26.6%	25.2%	+1.4% pts
Consolidated profit after non-controlling interests	141.2	178.7	-21.0%
Earnings per share after non-controlling interests	€1.61	€2.01	-19.8%

Revenue

In fiscal year 2024/25, the Carl Zeiss Meditec Group generated revenue of €2,227.6m (prior year: €2,066.1m), which corresponds to an increase of +7.8% compared to the prior year. Adjusted for currency and acquisition effects, revenue in the 2024/25 fiscal year increased by +3.3%. Both strategic business units recorded an increase in revenue. Growth was driven by strong deliveries of the VISUMAX® 800 in China, as well as increasing deliveries of neurosurgical microscopes, in particular the KINEVO® 900 S. Solid global volume growth for multifocal IOLs as well as strong demand for consumables for retinal surgery and largely stable volumes of refractive procedures in China also contributed to growth.

The orders on hand rose significantly and amounted to €379.6m at the end of the 2024/25 fiscal year (30 September 2024: €327.0m).

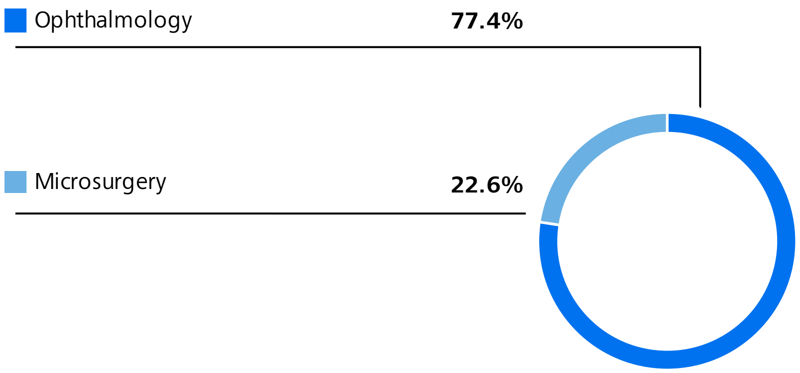
Revenue of the Carl Zeiss Meditec Group in €m/growth in %



a) Revenue by strategic business unit

The **Ophthalmology** strategic business unit accounted for just over three quarters (77.4%) of the Carl Zeiss Meditec Group's total revenue in the fiscal year under review (prior year: 76.9%). The **Microsurgery** strategic business unit generated 22.6% (prior year: 23.1%) of total revenue.

Share of strategic business units in revenue of the Carl Zeiss Meditec Group in fiscal year 2024/25



Revenue of the **Ophthalmology** SBU was up by +8.5% (adjusted for currency effects: +9.3%) compared with the prior year to €1,723.7m (prior year: €1,589.2m). The increase was mainly due to the consolidation of DORC. Adjusted for acquisitions and currency effects, revenue, at +2.3%, was slightly above the previous year's level. A sustained recovery in the equipment business as well as a global increase in the volume of intraocular lenses and stable growth in consumables for refractive surgery in China led to a positive revenue trend.

Orders received increased significantly by +18.3% from €1,499.6m to €1,774.3m (adjusted for currency effects: +19.2%).

Revenue in the **Microsurgery** SBU amounted to €503.9m for fiscal year 2024/25, an increase of +5.7% compared with the prior year (prior year: €477.0m). Adjusted for currency effects, the revenue increase amounted to +6.6%. Increasing deliveries of neurosurgical microscopes, particularly the new KINEVO® 900 S surgical microscope, contributed significantly to this increase.

Microsurgery orders also increased significantly by +18.0% from €435.2m to €513.5m (adjusted for currency effects: +19.0%).

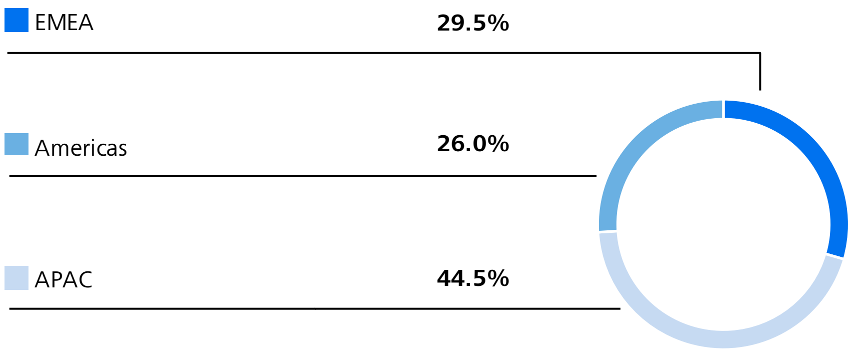
Revenue by strategic business unit

	2024/25	2023/24	change in %	
	€m	€m		Adjusted for currency effects
Ophthalmology	1,723.7	1,589.2	+8.5	+9.3
Microsurgery	503.9	477.0	+5.7	+6.6
Carl Zeiss Meditec Group	**2,227.6**	**2,066.1**	**+7.8**	**+8.6**

b) Revenue by region

In fiscal year 2024/25, 44.5% (prior year: 45.9%) of total revenue was generated in the **APAC** region. The **EMEA** region accounted for 29.5% (prior year: 28.3%) of total revenue, while the **Americas** region accounted for 26.0% (prior year: 25.8%) of total revenue. In total, more than half of revenue was generated with the ZEISS Group's global sales network.

Share of the regions in revenue of the Carl Zeiss Meditec Group in fiscal year 2024/25



Revenue in the **EMEA** region increased by +12.5%, from €584.3m to €657.5m. After adjustment for currency effects, this increase amounted to +13.6%. In particular, the core markets of Germany and the UK as well as the Scandinavian markets contributed to revenue growth.

Revenue in the **Americas** region increased by +8.7% from €532.9m to €579.2m, in particular due to substantial growth in North America and a recovery in the US compared to the weak prior-year period.

The **APAC** region also recorded a year-on-year increase in revenue of +4.4% (adjusted for currency effects: +4.6%) to €991.0m (prior year: €949.0m). Posting strong growth rates, the markets of India, South East Asia and South Korea made a positive contribution to revenue development. The Chinese market, however, remained stable as expected. Japan showed a downward trend.

Revenue of the Carl Zeiss Meditec Group by region

	2024/25	2023/24	Change in %	
	€m	€m		Adjusted for currency effects
EMEA	657.5	584.3	+12.5	+13.6
Americas	579.2	532.9	+8.7	+10.4
APAC	991.0	949.0	+4.4	+4.6
Carl Zeiss Meditec Group	**2,227.6**	**2,066.1**	**+7.8**	**+8.6**

Gross profit

Gross profit in fiscal year 2024/25 amounted to €1,175.2m (prior year: €1,088.6m). The gross margin reached 52.8% in the reporting period (prior year: 52.7%).

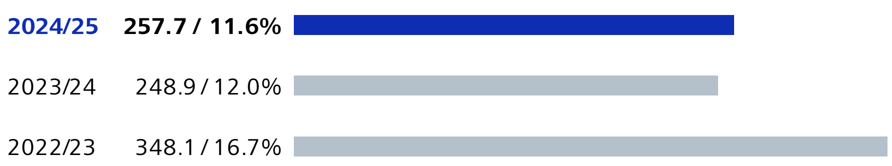
Operating expenses

Operating expenses amounted to €952.8m in the reporting year (prior year: €912.3m), corresponding to an increase of 4.4%. The increase was primarily due to higher sales and marketing costs and general administrative expenses, mainly in connection with the DORC acquisition in the previous year. Strict cost controls resulted in a slight decrease of operating costs in Research & Development. The proportion of operating expenses to revenue decreased overall from 44.2% in the prior-year period to 42.8% in fiscal year 2024/25.

- **Selling and marketing expenses:** Selling and marketing expenses increased from €458.2m in the prior year to €495.1m. The share of expenses in relation to the Carl Zeiss Meditec Group's total revenue was 22.2% as in the prior year (prior year: 22.2%).
- **General and administrative expenses:** Expenses in this area amounted to €131.4m (prior year: €111.0m). Relative to revenue, the share of general administrative expenses increased slightly to 5.9% (prior year: 5.4%). The increase was mainly due to software projects and the integration of DORC.
- **Research and development expenses:** The Carl Zeiss Meditec Group continuously invests in Research & Development (R&D) to further develop its product portfolio and ensure further growth. R&D expenses fell slightly to €326.3m in the reporting period (prior year: €343.1m) as a result of measures for reprioritization of research and development projects. At 14.6% (prior year: 16.6%), the R&D ratio fell significantly compared with the prior year, but remained at a high level compared with the industry average.

Development of earnings

EBITA in €m/EBITA margin in %[7]



The Carl Zeiss Meditec Group generated earnings before interest, taxes and amortization from purchase price allocations to intangible assets (EBITA) in the amount of €257.7m (prior year: €248.9m), thus recording an increase of +3.6% year-on-year. This corresponds to an EBITA margin of 11.6% (prior year: 12.0%). The previous year's figure had benefited from a one-off payment in the amount of €18m as settlement of a legal dispute with Topcon Ltd. in the US. Adjusted for special effects, the EBITA margin was 11.6% (prior year: 11.2%).Reconciliation of EBIT to EBITA[8]

	2024/25	2023/24	Change
	€m	€m	in %
EBIT	223.3	194.5	+14.8
Amortization from purchase price allocations	-34.4	-54.4	-36.8
EBITA	257.7	248.9	+3.5
Other operating result	-1.6	18.1	-
EBITA-Marge	11.6%	12.0%	-0.4% pts

[7] Fiscal year 2022/23 shows EBIT and the EBIT margin.

[8] After 12 months, there were regular amortizations on intangible assets arising from the purchase price allocations (PPA) of around €29.4m (prior year: €22.9m), mainly in connection with the acquisitions of DORC in fiscal year 2023/24, Katalyst Surgical LLC and Kogent Surgical LLC in fiscal year 2021/22, CZM Cataract Technology, Inc. (formerly: IanTECH, Inc.) in fiscal year 2018/19 as well as CZM Production LLC (formerly: Aaren Scientific, Inc.) in fiscal year 2013/14.Addditionally there has been an extraordinatry devaluation of intangible asset from CZM Cataract Technology Inc. in relation to a revaluation amounting to €5.0m (prior year: €31.5m).

The EBITA margin in the **Ophthalmology** strategic business unit developed positively and stood at 10.9% (prior year: 9.6%), slightly above the prior year figure. The full consolidation of DORC and the positive organic growth were contributory factors here. During the reporting period, revenue from equipment continued to recover and there was further volume growth in intraocular lenses, particularly premium lenses, while consumption of refractive procedures increased slightly and procedures in China remained stable.

The EBITA margin of the **Microsurgery** strategic business unit declined from 20.0% in the prior year to 14.0% in fiscal year 2024/25. Nevertheless, this was once again above the EBITA margin for the Group as a whole. Despite an increase in revenue as a result of increasing deliveries of neurosurgical microscopes, in particular the new KINEVO® 900 S surgical microscope, negative currency effects due to exchange rate fluctuations, particularly of the euro against the US dollar and Asian currencies, as well as increased amortization and US trade tariffs, had a dampening effect.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to €349.7m for the fiscal year under review (prior year: €327.2m). The EBITDA margin amounted to 15.7% (prior year: 15.8%).

The financial result decreased to -€29.4m in fiscal year 2024/25 (prior year: €46.4m). This is mainly due to losses from currency hedging contracts and lower interest income.

The net result of interest income and interest expenses amounted to -€20.1m in the reporting period (prior year: -€6.2m). The decline is mainly due to interest expenses for the shareholder loan from Carl Zeiss AG to refinance the DORC acquisition, which was offset in the prior year by higher interest income from the Group Treasury.

The tax rate for the reporting period was 26.6% (prior year: 25.2%). As a general rule, an average annual tax rate of slightly below 30% is assumed.

Consolidated profit attributable to the shareholders of the parent company amounted to €141.2m for fiscal year 2024/25 (prior year: €178.7m). Non-controlling interests accounted for €1.1m (prior year: €1.4m). In fiscal year 2024/25, basic earnings per share of the parent company amounted to €1.61 (prior year: €2.01).

Financial position

Objectives and principles of financial management

A key objective of the financial management of the Carl Zeiss Meditec Group is to safeguard liquidity and increase this efficiently throughout the Group.

For the Carl Zeiss Meditec Group, operative business is the main source of liquidity for the individual business units, which is also reflected in its strategic orientation and financial activities. In fiscal year 2023/24, a one-off loan of €400m was also taken out from the ZEISS Group in connection with the DORC acquisition for partial financing of the transaction. Carl Zeiss Meditec AG operates a global financial management system that covers all of its subsidiaries and is centrally organized at Group level. For this purpose, services are obtained from the Group Treasury of Carl Zeiss AG. The Carl Zeiss Meditec Group also strives to continuously improve its financial power and reduce financial risks by keeping a constant check on the solvency of its debtors, which also involves the use of financial instruments.

The Company deposits any liquidity it does not require with the treasury of Carl Zeiss AG at normal market conditions. When investing surplus liquidity, short-term availability generally takes priority over the goal of maximizing earnings, so that funds can be accessed quickly if, for example, acquisition opportunities arise. The Carl Zeiss Meditec Group has production plants in the US, Europe and China. This allows the Group to mitigate the effect of exchange rate fluctuations. The remaining currency risk is hedged by futures trading. Details on this can be found in the notes to the consolidated financial statements under "2 Accounting and valuation principles" and "26 Financial instruments and risk management", and in the annual financial statements of Carl Zeiss Meditec AG under "Information and explanatory notes on accounting and valuation principles and notes to individual items in the balance sheet", Section "12 Provision" and "7 Receivables and other assets".

Financial management

The ratio of borrowed capital to equity amounts to 60.0% as of 30 September 2025 (prior year: 65.0%).

Furthermore, the Company has the option to take out loans, either from the treasury of Carl Zeiss AG or from banks.

For further information on the financial liabilities of the Carl Zeiss Meditec Group please refer to note "23 Financial liabilities","24 Current accrued liabilities" and "25 Other non-financial liabilities" in the accompanying notes to the consolidated financial statements and in the annual financial statements of Carl Zeiss Meditec AG under “7 Receivables and other assets” and “13 Liabilities”.

As the Company possesses sufficient cash funds to finance its operating and strategic objectives, changes in credit conditions do not currently have any material effect on its financial position. The fixed interest rate of the loan from the ZEISS Group means that there are no changes to the conditions.

Separate reporting on financial instruments

The Carl Zeiss Meditec Group is exposed to currency fluctuation risks due to its international business activities in numerous different currencies. Significant currency risks are hedged against with hedging transactions, based on a rolling business plan.

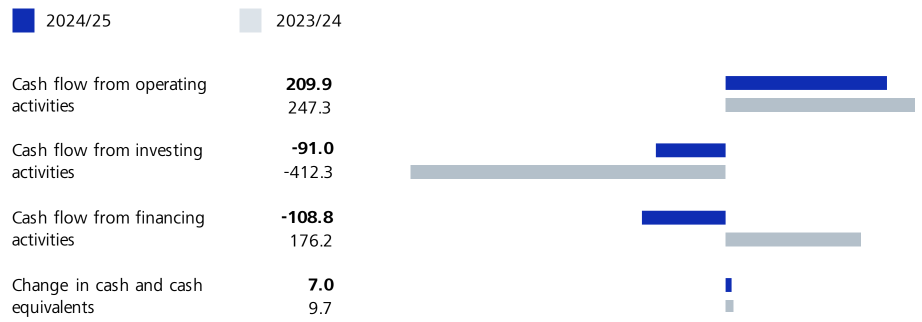
Hedges are transacted centrally by Carl Zeiss Financial Services GmbH. The services provided by Carl Zeiss Financial Services GmbH to Carl Zeiss Meditec AG and its subsidiaries are regulated by corresponding general agreements. The hedges are processed by Carl Zeiss Financial Services GmbH with external business banks. Hedges are entered into solely via banks with high credit ratings given by leading agencies. The business transactions are executed with strict separation of functions between the front office (trade), middle office (financial risk management, controlling) and back office (processing, documentation).

Value-at-risk analyses, together with scenario, sensitivity and stress test analyses, are implemented in risk control and monitoring, to quantify the currency risks. Hedging rates are specified for operative control of all relevant currencies. Risk limitations were set in the form of limits with respect to counterparties and types of business. Derivative financial instruments are exclusively used for hedging purposes.

Statement of cash flows

The Carl Zeiss Meditec Group's statement of cash flows shows the origins and utilization of the cash flows during a fiscal year. A distinction is made between cash flows from operating activities and cash flows from investing and financing activities.

Summary of key ratios in the statement of cash flows in €m



Cash flows from operating activities amounted to €209.9m in the fiscal year under review (prior year: €247.3m). The decline is due to the increase in working capital, particularly as a result of the change in trade receivables, as well as higher interest payments.

Cash flows from investing activities amounted to -€91.0m in fiscal year 2024/25 (prior year: -€412.3m). Investments in property, plant and equipment and intangible assets, including the expansion of production capacity for intraocular lenses and refractive consumables, as well as the increase in receivables from the Group treasury were significantly lower than in the prior year. Further cash inflows came from the sale of a plant as part of the conversion of production capacities in RTP production. In the prior year, in addition to the payment of the purchase price for the DORC acquisition, there was a high cash drawdown from the Group treasury and a corresponding reduction in treasury receivables.

Cash flows from financing activities amounted to -€108.8m in the fiscal year under review (prior year: €176.2m). The lower cash inflow in fiscal year 2024/25 resulted in particular from the reduction in liabilities to Group Treasury as well as dividend and lease payments. The basis for comparison in the prior year includes the loan taken out by the ZEISS Group and thus a cash inflow.

Free cash flow increased to €203.7m in fiscal year 2024/25 (prior year: €121.5m). The increase is mainly due to lower investments in property, plant and equipment and intangible assets as part of the resilience program launched in the 2023/24 fiscal year. **Net cash**[9] also increased to €123.5m (prior year: €72.9m). Due to the loan taken out in connection with the DORC acquisition from the ZEISS Group in the previous year, **net financial debt**[9] amounted to €276.9m (prior year: €327.4m)

Investment and depreciation policy

Continuous investments in both strategic business units are required to further consolidate the Company's market position in the medical technology sector. A distinction is made between two types of investment: capacity expansions and replacement investments. These investments are primarily financed from cash flows from operating activities.

The production of devices and systems by the Company is generally restricted to the integration of individual components to create system solutions. Investments in property, plant and equipment at Carl Zeiss Meditec Group level are thus comparatively low. One exception is the production of intraocular lenses and surgical consumables, which generally demands higher investments due to a larger vertical range of manufacture.

Nevertheless, the required investment of capital in property, plant and equipment is limited within the Company, which is evident from the development of the capex ratio – the ratio of total investments[10] in intangible assets and property, plant and equipment (cash) to consolidated revenue. In fiscal year 2024/25, it amounted to 3.4% (prior year: 7.4%), partly due to significantly lower investments at higher revenue.

At Carl Zeiss Meditec AG and its subsidiaries, intangible assets and property, plant and equipment are subject to scheduled, straight-line amortization and depreciation, respectively, over their estimated useful lives. Further details on this can be found in note "2 Accounting and valuation principles" in the "Other intangible assets" section, and under "Property, plant and equipment" in the accompanying notes to the consolidated financial statements and in note "4 Fixed assets" in the annual financial statements of Carl Zeiss Meditec AG.

Key ratios relating to financial position

Key ratio	Definition	30 Sep 2025 €m	30 Sep 2024 €m	Change in %
Cash and cash equivalents	Cash-in-hand and bank balances	27.3	20.3	+34.4
Net cash and cash equivalents	Cash-in-hand and bank balances + treasury receivables from the treasury of Carl Zeiss AG ./. treasury payables to Group treasury of Carl Zeiss AG	123.5	72.9	+69.3
Net financial debt	Cash-in-hand and bank balances + treasury receivables from the treasury of Carl Zeiss AG ./. treasury payables to Group treasury of Carl Zeiss AG ./. Bank liabilities including loans	-276.9	-327.4	-15.4
Net Working Capital	Current assets including financial investments ./. cash and cash equivalents ./. treasury receivables from treasury of Carl Zeiss AG ./. current liabilities excl. treasury payables to Group treasury of Carl Zeiss AG	613.0	570.7	+7.4
Working Capital	Current assets ./. current liabilities	736.5	643.6	+14.4

Key ratio	Definition	2024/25	2023/24	Change
Cash flow per share	$\frac{\text{Cash flows from operating activities}}{\text{Weighted average number of shares outstanding}}$	€2.40	€2.78	-13.9%
Capex ratio	$\frac{\text{Investment (cash) in tangible- and intangible assets}}{\text{Revenue of Carl Zeiss Meditec Group}}$	3.4%	7.4%	-4.0% pts

[9] As defined in the "Key ratios relating to financial position" table.
[10] In fiscal year 2024/25, total investments amounted to €76.6m, compared with €152.2m in the prior year.

Net assets

Presentation of net assets

Total assets increased to €3403.4m as of 30 September 2025 (30 September 2024: €3,393.2m).

Non-current assets decreased from €2,180.7m as of 30 September 2024 to €2,123.1m as of 30 September 2025. The main reasons for the reduction were amortization of intangible assets and depreciation of property, plant and equipment as well as negative currency effects. Investments in property, plant, and equipment for the expansion of production capacities, capitalization of development costs, and changes in investments accounted for using the equity method had an offsetting effect.

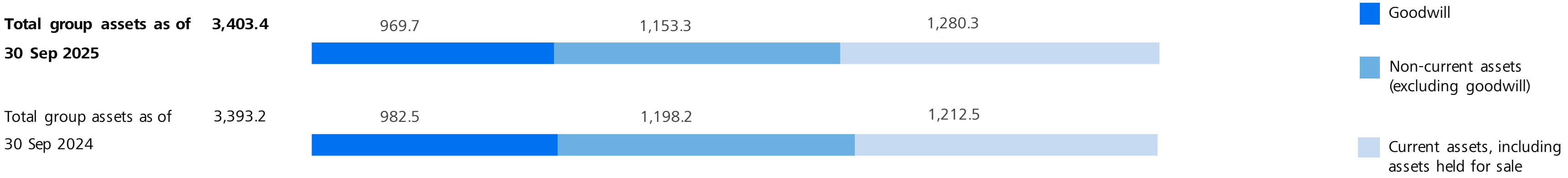
Current assets amounted to €1,280.3m (30 September 2024: €1,212.5m). Despite a reduction in inventories on the reporting date, an increase in trade receivables from related parties and treasury receivables on the reporting date due to an increase in the operating result led to an increase in assets.

The **equity** recognized in the Carl Zeiss Meditec Group’s statement of financial position amounted to €2,127.7m as of 30 September 2025 (30 September 2024: €2,056.5m). The equity ratio was 62.5% (30 September 2024: 60.6%), and thus rose slightly, due to the operating result and lower borrowed capital.

Non-current liabilities decreased to €731.9m as of 30 September 2025 (30 September 2024: €767.9m), due in particular to the repayment of leasing liabilities.

As of 30 September 2025, **current liabilities** decreased to €543.8m (30 September 2024: €568.8m). This was mainly due to the significant decrease in treasury payables. This was offset by the increase in trade payables to related parties.

Structure of statement of financial position - Assetsin €m



Structure of statement of financial position - Equity and liabilities in €m

Key ratios relating to net assets

Key ratio	Definition	30 Sep 2025 in %	30 Sep 2024 in %	Change % pts
Equity ratio	Equity (including non-controlling interests) / Total assets	62.5	60.6	+1.9
Inventories in % of rolling 12-month revenue	Inventories (net) / Rolling revenue	22.3	26.0	-3.6
Receivables in % of rolling 12-month revenue	Trade receivables at the end of the reporting period (including non-current receivables) / Rolling revenue	23.8	21.6	+2.2

Orders on hand

The Carl Zeiss Meditec Group's orders on hand increased by +16.1% as of 30 September 2025 to €379.6m (30 September 2024: €327.0m).

Events of particular significance

There were no other events of particular significance during fiscal year 2024/25.

NON-FINANCIAL PERFORMANCE INDICATORS

Sustainability

Traditionally, the Company attaches great importance to its commitment to the common good and the environment. Responsible corporate behavior for the Group includes reconciling economic objectives with ecological and social aspects. Sustainability goals are firmly anchored in the corporate strategy and are based on social responsibility, social commitment and technological innovation.

A key aspect here is improving the quality of life of patients worldwide through the widespread application of products and solutions. In fiscal year 2024/25, over 2 million intraocular lenses (IOLs) were sold, more than 3 million refractive procedures were performed, and around 250,000 vitrectomy procedures were carried out (based on the number of vitrectomy kits and instruments sold). These figures illustrate the relevance of technologies in modern eye surgery – from vision restoration and refractive corrections through to complex vitreoretinal procedures. In addition, a cumulative total of over 68,000 software licenses were issued, reflecting the increasing use of digital solutions and the ongoing networking of medical systems. These digital applications support clinical decision-making processes, improve efficiency and help raise the quality of patient care.

The volume of over 1 million drapes (sterile surgical covers to protect the surgical field) sold in fiscal year 2024/25 underscores the broad application of the products in the field of microsurgery. They enable precise and safe procedures to be conducted, particularly in neurosurgery, ENT, dental and plastic-reconstructive surgery. Since not all users of ZEISS surgical microscopes also use ZEISS drapes, the actual number of microsurgical procedures is significantly higher. The introduction of supply contracts for drapes in tandem with the sale of microscopes is expected to lead to a further increase in sales.

The consequences of climate change, in particular the increase in the number of extreme weather events, are not currently having any significant impact on the key growth factors in the medical technology sector. The Group's production sites are not located in regions with a heightened risk of natural hazards, nor is it necessary to purchase carbon certificates.

At the same time, the Company believes it has a responsibility to use its technologies and innovations to actively help overcome climate challenges. The Carl Zeiss Meditec Group is continuously working to increase resource efficiency in production and logistics and to expand the use of renewable energies. Sustainability aspects such as energy consumption, material efficiency and product service life are taken into account right from the development phase. The Company also ensures that its supply chain functions on a responsible basis and that its partners comply with environmental and social standards.

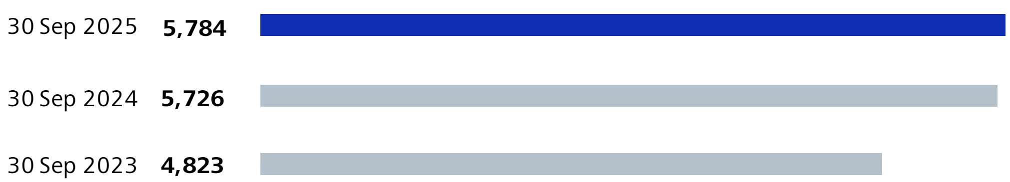
The aim is to reconcile economic growth with sustainable action and thus create long-term added value for society in general, the environment and the Company.

In accordance with Sections 315b and c in conjunction with sections 289b et seq. of the German Commercial Code (HGB) and the EU Taxonomy Regulation, Carl Zeiss Meditec AG is publishing a separate, condensed non-financial report for the 2024/25 fiscal year. This report contains relevant information for understanding the Company's business performance, position and impact on the environment and society. It is available in German and English at https://www.zeiss.com/meditec-ag/en/investor-relations/financial-publications.html.

Employees

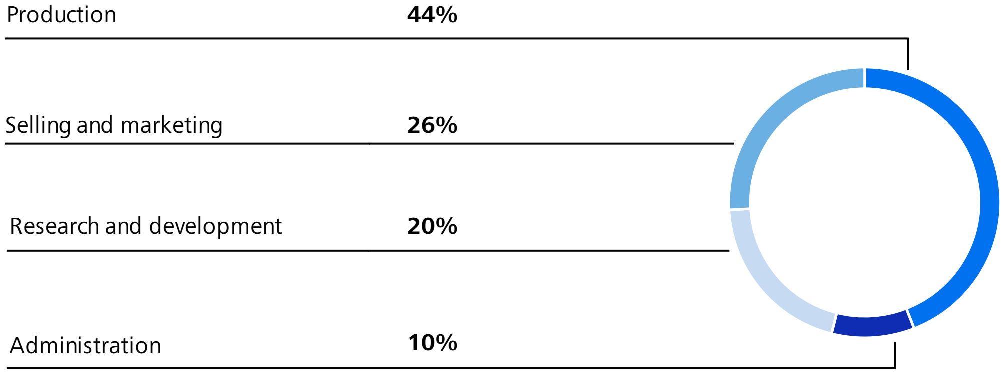
The Company's long-term success is founded upon its highly qualified and motivated employees. Responsible personnel development and attractive career and further training opportunities play a central role here. As of 30 September 2025, the Carl Zeiss Meditec Group had 5,784 employees worldwide (prior year: 5,730).

Employees



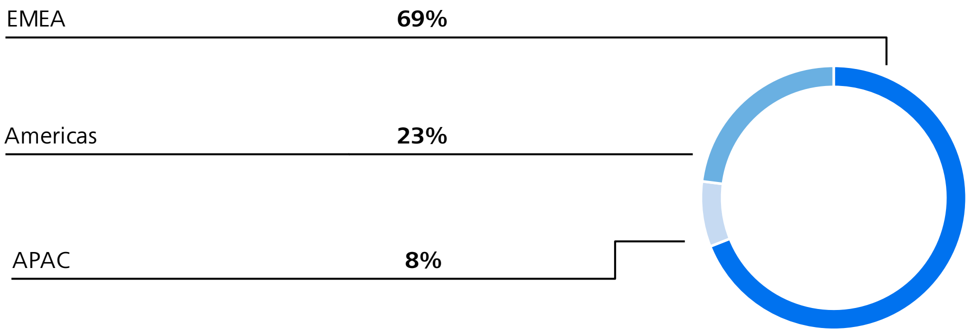
As of 30 September 2025, the majority of employees were working in Production (44%) or Sales and Marketing (26%). This includes a total of 690 Service employees, who are spread across various areas. 20% of employees were working in research and development, with a further 10% in administration.

Employees by function 30 September 2025



A total of 69% and thus the majority of the Carl Zeiss Meditec Group's employees were working in the EMEA region as of 30 September 2025. In the Americas region, the share was 23%, and in APAC it was 8%, as the ZEISS AG distribution network is primarily used there.

Employees by region 30 September 2025



The success of the Carl Zeiss Meditec Group is based on the expertise and achievements of the Company’s employees. The core task of human resources management is therefore fostering their long-term development and potential by offering targeted support. The main focus is on employee training and development and the development of managers. In addition, there is the opportunity to attend various courses as part of the internal ZEISS qualification program, supplemented by part-time training and qualification offerings.

Compliance

As a company of the ZEISS Group, the Company’s management considers integrity and compliance to be of paramount importance for the global reputation of the Carl Zeiss Meditec Group. A fundamental prerequisite for growth and success is that external stakeholders trust that the Company operates in a responsible, law-abiding and ethical manner.

As a company of the ZEISS Group, Carl Zeiss Meditec AG is included in the compliance management system of Carl Zeiss AG. By means of clear processes and guidelines, this system combines centralized and decentralized approaches to ensure compliance with the law and internal requirements. Carl Zeiss AG prepares guidelines and training documents, which are then applied in the individual subsidiaries (including Carl Zeiss Meditec AG).

Employees are obliged to report violations (actual or suspected) of the compliance requirement. The reporting management system guarantees the anonymity of whistleblowers and regulates the investigation, documentation and necessary measures in the event of confirmed incidents. In addition, the ZEISS Code of Conduct has been in effect worldwide since 2007 and was updated in April 2025. It defines the basic rules for fair and correct conduct with regard to competition and dealings with employees and customers. The Code of Conduct includes regulations on data protection, product safety, environmental protection and anti-corruption and sets out the ethical principles and values that guide the actions of management and employees in day-to-day business. Compliance is defined as an indispensable component of the ZEISS Policy, to which all business activities must adhere.

Production

Production sites

The Carl Zeiss Meditec Group manufactures its largest volumes in Jena, Oberkochen and Berlin (Germany), Dublin, Ontario and Chesterfield(USA), Suzhou and Guangzhou (China), La Rochelle (France) and Zuidland (Netherlands). Other smaller locations include Besançon (France), Livingston (Scotland), Goodlands (Mauritius), and Reno, Seabrook, and Peregrine (US). None of these locations is at particular risk from natural hazards.

Ophthalmological systems and devices are manufactured in Jena, Dublin and Zuidland. Suzhou and Oberkochen produce microsurgical visualization solutions and phacoemulsification systems, while intraocular lenses (IOLs) are manufactured in La Rochelle, Berlin, Ontario, and Guangzhou.

The Company's strategic goal is to further increase the proportion of locally manufactured products, particularly in the APAC region. In addition, certain product groups are manufactured by partner companies that offer efficiency advantages as a result of their own special technologies or cost structures.

Production concept

In the production of devices, the Carl Zeiss Meditec Group focuses on the integration of modules and system components which are largely procured from external partners. In the case of intraocular lenses, however, there is a higher vertical range of manufacture. Production of these largely takes place in-house at the Company. Only a few specific production steps are undertaken by external companies. In order to reduce dependency on individual suppliers, the Company strives to extend the pool of qualified suppliers for its key components or product groups.

The production processes of the Carl Zeiss Meditec Group are geared towards implementing customer requirements in a timely manner. The Company reinforces its adaptability by means of short decision-making processes and the efficient transfer of innovative ideas to production. The emphasis is on shortening throughput times, streamlining inventory management and optimizing manufacturing costs while simultaneously increasing product quality and delivery performance.

Production planning

Production planning in Jena, Oberkochen, and Dublin is based on the Sales and Operations Planning (S&OP) process. Sales forecasts are translated into demand forecasts, taking inventory changes into account. In order to keep stocks to a minimum, system integration is generally conducted on a make-to-order basis. In the area of refractive lasers, security of supply is guaranteed by ensuring that consumables stocks correspond to planned sales for at least three months.

The S&OP process is also used in IOL production. Due to the short delivery time expectations, only limited stocks of finished products are held. These are then delivered via a central distribution center. Replenishment orders are forwarded directly from there to the production sites to ensure fast delivery. In addition, the Carl Zeiss Meditec Group also operates consignment warehouses in clinics and hospitals, which – depending on consumption – are continuously restocked.

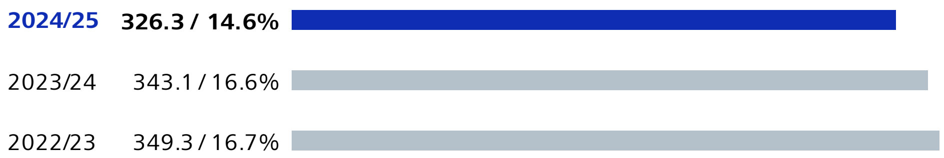
Research and development

Objectives and focus of research and development

Innovations are a key driver of future growth. Research and development has therefore traditionally played a crucial role within the Carl Zeiss Meditec Group. The goal of the Company is to continuously expand its product portfolio and further improve existing products. In doing so, the Company is striving to establish its products as new gold standards in medical diagnostics and therapy. The main focus is on making the customer’s workflows more efficient by integrating solutions, and on improving the clinical results. Close cooperation with customers in the early stages of development is a key component of the R&D work.

In fiscal year 2024/25, research and development expenses amounted to €326.3m (prior year: €343.1m; -4.9%). At 14.6%, the R&D ratio was lower than in the previous year (16.6%). In addition, primary development costs of €34.9m were capitalized. Amortization of capitalized development costs amounted to €47.3m. Further information can be found in the Notes.

R&D expenses in €m/share of R&D in revenue of Carl Zeiss Meditec Group, in %



In the reporting period, 20% (prior year: 22%) of the entire workforce of the Carl Zeiss Meditec Group were working in research and development. In addition, a limited amount of services were purchased from Carl Zeiss AG, Oberkochen, and its subsidiaries. In fiscal year 2024/25, the expenses incurred for this amounted to 17.2% (prior year: 20.9% of total research and development expenses.

Focus of research and development activities in the reporting period

Research and development at the Company mainly focused on:

» assessing new technological concepts in terms of their clinical relevance and effectiveness;

- the continuous development of the existing product portfolio, including consumables and instruments;
- the development of new products and product platforms based on the existing basic technologies and
- the digital networking of systems and devices with the aim of achieving greater efficiency in diagnoses and therapies and improving clinical results through optimized workflows.

Brands and patents

The Carl Zeiss Meditec Group continuously invests in innovations and solutions and protects them with patents. Currently, the Company holds more than 1,000 patent families world-wide. During the 2024/25 fiscal year, an average of more than three patents per week were granted to the Group. Although patent protection varies from country to country, the Company aims to protect its products as comprehensively as possible in all relevant markets. In the case of longer-established products, protection does not always relate to the basic function, but often to specific features and improvements that offer additional benefits.

In addition, the Company holds 239 (prior year: 197) registered brand families (as of: 30 September 2025). These include product names, slogans, images, logos and other characteristic features of the Company.

FINANCIAL STATEMENTS OF CARL ZEISS MEDITEC AG

Carl Zeiss Meditec AG is the parent company of the Carl Zeiss Meditec Group. Its results are influenced to a large extent by its subsidiaries. The development of business is generally subject to the same opportunities and risks as the Carl Zeiss Meditec Group. The outlook for the Carl Zeiss Meditec Group also largely mirrors the expectations for Carl Zeiss Meditec AG, due to the links between Carl Zeiss Meditec AG and its subsidiaries and due to the importance of Carl Zeiss Meditec AG within the Carl Zeiss Meditec Group. Therefore, the foregoing statements and the following forecasts regarding revenue and EBIT of the Carl Zeiss Meditec Group also apply for Carl Zeiss Meditec AG.

Carl Zeiss Meditec AG’s utmost priority is to secure the Company’s long-term and successful development and to ensure it has the necessary liquidity. A key benchmark for this is the management of profitable growth at Group level.

Preparation of the financial statements

The following annual financial statements of Carl Zeiss Meditec AG have been prepared in accordance with the German Commercial Code (Handelsgesetzbuch, HGB).

The income statement was prepared using the total cost format.

Summary of business development

Carl Zeiss Meditec AG ended fiscal year 2024/25 with a slight increase in revenue. This means that the past fiscal year was once again on a growth trajectory. The revenue forecast for Carl Zeiss Meditec AG was achieved, while the EBIT forecast was not met.

Revenue increased by 4.1% year-on-year and was therefore slightly below the development of the Carl Zeiss Meditec Group as a whole. Exchange rate fluctuations had no material effect overall on the development of revenue. EBIT (revenue plus changes in inventories, other own work capitalized, other operating income less cost of materials and personnel expenses, depreciation, amortization and write-downs and other operating expenses) decreased by -€20.4m compared to the prior year (€202.8m) to €182.4m. The EBIT margin thus decreased by 1.9 percentage points, from 14.3% in the prior year to 12.4%.

Income statement according to HGB

	Note	2024/25 1 Oct 24 to 30 Sep 25		2023/24 1 Oct 23 to 30 Sep 24	
			€k		€k
Revenue	16		**1,475,996**		**1,418,434**
Decrease in finished goods and work in progress			-19,932		-21,765
Other own work capitalized			6,795		24,160
Other operating income	17		59,503		70,230
Cost of materials			-614,159		-602,405
a) Cost of raw materials, consumables and supplies, and of purchased merchandise			-608,465		-597,250
b) Cost of purchased services			-5,694		-5,155
Personnel expenses			307,966		295,282
a) Wages and salaries			-246,496		-233,264
b) Social security, post-employment and other employee benefit costs			-61,470		-62,018
» thereof for pensions		-23,295		-26,690	
Write-downs on intangible assets and property, plant and equipment			-29,504		-30,194
Other operating expenses	18		-388,348		360,352
Income from long-term equity investments	19		3,835		0
» thereof from affiliated companies		3,835		0	
Income from profit and loss transfer agreements	20		79		0
Expenses from loss transfers	20		0		-2,661
Income from long-term loans			4,910		4,130
» thereof from affiliated companies		4,910		4,130	
Other interest and similar income	21		3,122		30,251
» thereof from affiliated companies		183		14,375	
Write-downs of long-term financial assets and securities classified as current assets			-50		-7,910
Interest and similar expenses	22		-16,471		-9,184
» thereof to affiliated companies		-16,304		-8,941	
Result before tax			**177,810**		**217,452**
Taxes on income	23		-56,129		-62,112
Result after tax			**121,681**		**155,340**
Other taxes	24		-381		341
Net income for the fiscal year			**121,300**		**155,681**

Results of operations

Compared with the prior year (€1,418.4m), revenue increased by 4.1% to €1,476.0m. Overall, currency translations had no material effect on the change. This increase is mainly attributable to the APAC region.

The decline in other operating income is mainly attributable to a significant decrease in foreign currency gains. Other operating expenses increased mainly as a result of foreign currency losses.

The cost of materials rose by 2.0%, while personnel expenses increased by 4.3%. The main reason for the increase in the cost of materials was the higher revenue and changes in the product mix. In terms of personnel expenses, the wage adjustments and the increase in the number of employees in the previous year continued to have a cost-increasing effect.

Income from profit and loss transfer agreements originated from the subsidiary Carl Zeiss Meditec Asset Management Verwaltungsgesellschaft mbH, Jena, Germany. Further information on this can be found in the notes to the annual financial statements of Carl Zeiss Meditec AG in the note on "Income from profit and loss transfer agreements".

Other operating expenses of €217.1m (prior: €216.9m) are attributable to services purchased within the Group and externally, including in connection with the DORC acquisition and management contracts, for example for IT services and in preparation for the S/4HANA transition. In addition, €31.1m (prior year: €29.0m) was incurred for license and patent costs and €17.0m (prior year: €21.9m) for consulting costs. A further €53.4m (prior year: €21.1m) is attributable to realized or valuation-related exchange rate effects.

In addition to the effect of pension obligations, the decrease in interest and similar income in the financial result was mainly due to the monies invested with the treasury of Carl Zeiss AG. Interest and similar expenses result mainly from taking out a loan of €400m from an affiliated company of the ZEISS Group which was used to partially finance the acquisition of DORC.

Balance sheet

Assets	Note	30 Sep 2025	30 Sep 2024
		€k	€k
A. Fixed assets	4	**1,844,707**	**1,846,050**
I. Intangible fixed assets		8,171	22,268
II. Tangible fixed assets		78,422	81,370
III. Long-termn financial asstes		1,758,114	1,742,412
B. Current assets		**703,498**	**638,576**
I. Inventories	5	271,168	316,744
II. Receivables and other asstes	7	432,283	321,784
III. Cash-in-hand and bank balances	8	47	48
C. Prepaid expenses	9	**2,857**	**2,913**
Total assets		**2,551,062**	**2,487,539**

Equity and liabilities			
A. Equity	10	**1,746,218**	**1,677,440**
1. Share capital		89,441	89,441
1. Nominal amount of treasury shares		-1,905	-1,905
I. Subscribed capital		87,536	87,536
II. Capital reserve		954,942	954,942
III. Net retained profits		703,740	634,962
B. Special reserve for investment subsidies	11	**315**	**455**
C. Provisions	12	**217,573**	**200,488**
D. Liabilities	13	**585,936**	**607,784**
E. Deferred income	14	**1,020**	**1,372**
Total liabilities		**2,551,062**	**2,487,539**

Net assets and financial position

Pursuant to German commercial law (HGB), the total assets of Carl Zeiss Meditec AG amounted to €2,551.1m as of 30 September 2025. This corresponds to an increase of 2.6% compared with the prior year (€2,487.5m).

At €271.2m, inventories are slightly down compared to the prior year (€316.7m), which is mainly due to the slight increase in revenue and the resulting increase in receivables.

Cash and cash equivalents consist exclusively of bank balances. Monies are deposited or taken out with the treasury of Carl Zeiss AG and are recognized under "Receivables from affiliated companies".

Net retained profits increased by the net income for the fiscal year of €121.3m, less the dividend paid of €52.5m.

Provisions increased mainly due to a rise in pension provisions and similar obligations to €97.7m (prior year: €79.0m).

The debt ratio (ratio of borrowed capital to equity) decreased slightly to 46.1% as of 30 September 2025 (prior year: 48.3%).

Cash inflows generated from operating activities provide important sources of financing for Carl Zeiss Meditec AG. The Company can also create additional liquidity by issuing new shares on the capital market. Furthermore, the Company has the option to assume loans, either from the treasury of Carl Zeiss AG or from banks. Carl Zeiss Meditec AG addresses the general interest rate risk as part of its overall financial risk management . It currently considers this risk to be negligible.

The Company’s management considers Carl Zeiss Meditec AG’s net assets and financial position to be solid. This is also contributing toward the achievement of the Company's objectives, which are focused on sustainable growth.

Employees

As of 30 September 2025, Carl Zeiss Meditec AG had 2,386 employees. This number does not include Management Board members.

Appropriation of profits

Fiscal year 2024/25 closes with net income of €121,299,799.07. The Management Board proposes utilizing the net retained profits of €703,739,699.03 for fiscal year 2024/25 as follows:

» Payment of a dividend of €0.55 per no-par value share for 87,536,079 no-par-value shares: €48,144,843.45.
» Carryforward of residual profit to new account €655,594,855.58.

Declaration on corporate governance (pursuant to Section 289f HGB, 315d HGB) and corporate governance report

The declaration on corporate governance (pursuant to Sections 289f HGB and 315d HGB) includes the declaration of conformity pursuant to Section 161 AktG, relevant information on corporate governance practices applied which go beyond the statutory requirements, in addition to information of where these are publicly accessible and a description of how the Management and Supervisory Boards work, as well as the composition and mode of working of their committees. In addition, disclosures are made concerning the stipulation of targets for the proportion of women on the Management Board and within the next two levels of management below the Management Board, including the deadlines for attaining these targets, and concerning compliance with the minimum proportions of women and men on the Supervisory Board. The Declaration on Corporate Governance is available at https://www.zeiss.com/meditec-ag/en/investor-relations/corporate-governance.html.

The sustainability management system of the Carl Zeiss Meditec Group is integrated in the sustainability strategy of the ZEISS Group.

In a separate condensed non-financial report, the Carl Zeiss Meditec Group provides information in accordance with section 315b and section 289b et seq. HGB and Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation") on significant non-financial aspects for fiscal year 2024/25 of the Carl Zeiss Meditec Group. This report covers the necessary aspects for understanding the business development, results of operations and position of the Group as well as the impact of its business on the environment and society. This separate condensed non-financial report is available in German and English at https://www.zeiss.com/meditec-ag/en/investor-relations/financial-publications.html.

OPPORTUNITY AND RISK REPORT

A group with global operations faces a large number of entrepreneurial risks and opportunities that can have a sustained impact on business success. The assessment of opportunities and risks and conscientious handling of entrepreneurial uncertainty are an important part of corporate governance within the Carl Zeiss Meditec Group.

Risk management

The central risk management system of the Carl Zeiss Meditec Group stipulates uniform regulations and processes for the early detection, assessment and management of risks. In the subsidiaries and at Group level, risk management coordinators are responsible for applying the policies and procedures. The management of the subsidiaries identifies and manages operating and strategic risks. Risks from non-controlling interests are also taken into account. Risks and opportunities arising from general social requirements for companies and megatrends such as digitalization, sustainability and demographic change are also regularly examined. Overall responsibility lies with the Management Board, which regularly assesses risks and their management at Group level together with the Group Risk Manager. The Management Board and Supervisory Board review the appropriateness of and monitor the risk management system.

Risk management is an integral part of corporate governance within the Carl Zeiss Meditec Group, and is based on the following key components: a **risk reporting system** (including an early detection system), an **internal control system** and a **compliance management system**.

Risk reporting system

This is a clearly structured, traceable feedback loop which encompasses all of the Company's activities, is integrated in its organizational structure and its control and reporting processes, and comprises a systematic and ongoing process for the identification, assessment, management/control, as well as the documentation and communication of any risks. Any relevant information can therefore be immediately passed on to the responsible decision makers. The main features of this system are as follows:

» The risk reporting system exclusively records risks. It integrates all fully consolidated subsidiaries. Risks arising from investee companies, including at-equity investments, are recognized by the subsidiary that holds the investment.

- The business risks are assessed and categorized according to their potential implications over the period of their existence, and according to their probability of occurrence and damage potential. The period of assessment is a maximum of three years. The risks are evaluated in respect of their effect on earnings before interest and tax.
- Regular risk reports are provided to the Management Board, the management of the subsidiaries and other decision-makers within the Company on the basis of specified thresholds. Significant risks arising at very short notice are reported to this responsible group immediately.
- On this basis, the Group takes and evaluates appropriate measures to avoid identified risks, reduce their probability of occurrence or reduce the potential economic damage they could cause. The measures to reduce risks and the residual risks derived from these are regularly updated and documented.

Internal control system

The internal control system of the Carl Zeiss Meditec Group is based on the COSO Enterprise Risk Management Model (COSO ERM model). The Group's integrated enterprise risk management system covers strategic and operational risks. There are key risks and defined control mechanisms for central processes, the effectiveness of which is assessed annually by the relevant specialist departments and adjusted where necessary. The results of the regular evaluation of the controls are reported to the Management Board of the Carl Zeiss Meditec Group, monitored and incorporated into the execution of strategic and operational activities.

Risk assessment within the internal control system goes beyond pure financial risks. Key business processes other than accounting are identified and critical controls are defined for the relevant business processes by the specialist departments. Key business processes in the Carl Zeiss Meditec Group include the areas of organizational structure, human resources, research and development, purchasing, production planning, logistics, export control, complaints management, compliance, IT security, information processing, data protection, risk management and sustainability. The Management Board is confident that the internal control system is appropriate and effective.[11]

[11] The Management Board's assessment of the appropriateness and effectiveness of the internal control and risk management system is based on the German Corporate Governance Code (GCGC) and goes beyond the statutory requirements for the management report. In this respect, the information is excluded from the audit of the management report by the auditor.

Internal control system relating to the Group accounting process

The accounting-related part of the internal control system ensures that key accounting processes are carried out properly and economically, that business transactions are recorded completely and punctually in accordance with the German Commercial Code (HGB) and the International Financial Reporting Standards (IFRS), thereby establishing a basis for reliable external reporting. The part of the internal control system specifically related to accounting falls under the responsibility and supervision of the Chief Financial Officer of the Carl Zeiss Meditec Group.

The internal control system and, as a consequence, the accounting-related part of the internal control system of the Carl Zeiss Meditec Group is supplemented by the risk reporting system. The risk reporting system includes systematic early identification of relevant operational and strategic risks. In terms of Company and Group accounting, the risk reporting system helps ensure the completeness and accuracy of the consolidated financial statements and reporting as issued to external recipients.

The accounting-related part of the internal control system is reviewed by Internal Auditing as part of regular audit procedures. In addition, the Group auditor audits accounting-related processes and financial statements of significant subsidiaries included in the consolidated financial statements and specified in the scope.

Compliance management system

The internal control system and the risk reporting and early warning system are supplemented by a compliance management system which focuses on the Company's risk situation.

The compliance management system of the Carl Zeiss Meditec Group and the requirements for appropriate action are integrated into all major business processes. The core element of the Group's compliance management system is a comprehensive internal Code of Conduct. This is based on various aspects including prevention, recognition and reaction and is a compilation of principles and guidelines for responsible conduct. The Code of Conduct applies to all employees and is available for inspection on the Company's website. In addition to conventional anti-corruption regulations to ensure fair competition, prevent the granting and acceptance of advantages and avoid conflicts of interest, a variety of other principles of action are regulated, for example to ensure fair treatment of employees and business partners, the handling of business secrets and private data, insider regulations, handling of Company property, occupational health and safety and protection of the environment, and others.

Compliance managers at the subsidiaries and at Group level are responsible for applying the guidelines and directives and for communicating violations or suspected violations to the management.

Management and further development measures as well as training programs help to ensure that the compliance principles are known and observed throughout the Group and that the compliance management system is aligned with the Company's current risk situation. We also encourage our employees to take part in discussions with colleagues and managers on the subject of compliance and to raise concerns about specific business processes. These concerns can also be addressed in consultations with internal compliance officers. In addition, there are telephone and web-based whistleblower communication channels that are available not only to all employees worldwide, but also to third parties, and which fulfill the requirements of the German Corporate Governance Code and the German Supply Chain Due Diligence Act.

Further to providing comprehensive advice on the compliance components mentioned above, the work of the compliance function in the past fiscal year focused primarily on the following topics:

- Implementation of non-routine investigations in response to appropriate indications
- Regular liaison between the Segment Compliance Officer and the Local Compliance Officers

The Compliance Officer for the Group reports regularly and also, if necessary, on an ad hoc basis to the Management Board. The Management Board is informed about key issues relating to the compliance function in regular meetings with the Group Compliance Officer. The Management Board receives a detailed compliance report once a year. This Annual Report provides the Management Board with an overview of the company-wide compliance risk situation and the development of the compliance modules in relation to the three basic functions of compliance (prevention, detection and response). In the final meeting of the year, the Compliance function also reports to the Audit Committee of the Supervisory Board of the Carl Zeiss Meditec Group on behalf of the Management Board.

The entire compliance management system is constantly updated to bring it in line with company-specific risks and various local legal requirements. The findings from internal consultations and investigations and the dialogue with the global compliance organization, for example, are used to derive measures for the further development of the system.

The effectiveness of the system is ensured by regular evaluations and inspections. It is also subject to monitoring by Internal Auditing.

Certified quality management

A vital part of early risk detection is the Group's certified quality management system. Clearly structured and documented quality management processes ensure not only transparency, but are now a prerequisite in most markets for obtaining regulatory approval for medical devices. The quality management system employed by the Carl Zeiss Meditec Group was certified by DQS GmbH Deutsche Gesellschaft zur Zertifizierung von Managementsystemen and complies with the US standard for Good Manufacturing Practice (“GMP”), 21 C.F.R. part 820, Quality System Regulation.

Monitoring system

The Management Board is responsible for ensuring an appropriate and effective internal control system and for continuously improving it. The Audit Committee of the Supervisory Board monitors the effectiveness of risk management, the internal control system, including the accounting process and the compliance management system. It also uses the Internal Auditing system for this purpose, whose tasks it also monitors and controls at the same time.

Risks will be managed as effectively as possible through a combination of internal control system, risk reporting and early warning system and compliance management system. Internal Audit prepares an annual risk-oriented audit plan. It conducts spot checks to determine whether the internal guidelines for the Group's entire control and risk management system are being adhered to. This monitoring function also includes checking the functionality and effectiveness of the defined controls. Standardized risk control matrices, which are subject to continuous further development, are used for this purpose. In terms of key Group-wide controls, we also use structured assessments as described in the internal control system chapter. These are also verified by Internal Audit as part of its site audits. The Management Board, the Supervisory Board and above all the Audit Committee are kept informed about the regular audits carried out by Internal Audit. They receive regular reports on the current status and results of the audit as well as on the progress towards mitigation of the findings. Internal Audit conducted audits at selected subsidiaries and on Group functions in the 2024/25 fiscal year based on the risk-oriented audit plan. Specific measures for the further development of the control system were agreed with the audited areas. Implementation of these measures is also continuously monitored by Internal Audit.

Assessment of risk-bearing capacity

The risk-bearing capacity of the Carl Zeiss Meditec Group is the difference between the aggregate total risks and the risk coverage potential. The risks are assessed using distribution functions and the risks are aggregated using a Monte Carlo simulation. The risk coverage potential is calculated as the sum of the planned earnings before interest and income taxes for the current fiscal year and the lower of equity and current assets. Risk-bearing capacity is at risk if the risk coverage potential in the aggregation of all risks is exceeded with a probability of 5%.

Major opportunities

The Carl Zeiss Meditec Group is a leading medical technology company specializing in innovative products and solutions for ophthalmology and surgical microscopy. The Company benefits from a continuously growing health care sector, particularly in the fields of ophthalmology and surgical procedures, which increases the demand for high-quality medical devices. By investing substantially in research and development, the Carl Zeiss Meditec Group is able to drive technological innovation, such as the integration of artificial intelligence (AI) into diagnostic and treatment devices, in order to gain a competitive edge. The Carl Zeiss Meditec Group has a high ratio of research and development expenditure to revenue by industry standards (2024/25: 14.6%) which could enable the Company to gain additional market share by means of the resulting innovations.

Demographic change, in particular the ageing population, leads to an increase in eye diseases, which is boosting demand for surgical interventions and thus for the products of Carl Zeiss Meditec Group. Growth markets also offer great potential, whereby access to new markets can be facilitated through partnerships or local production facilities. Digitalization in the healthcare sector also opens up new business opportunities.

Strategic acquisitions can expand the product portfolio and integrate new technologies that promote growth. Overall, the Carl Zeiss Meditec Group has a wide range of opportunities to further consolidate its position as market leader through strategic measures and investments.

The Chinese market offers the Group additional opportunities that the Company can exploit. China has been one of the fastest growing markets for medical technology in recent years and has specific characteristics that can be advantageous for the Carl Zeiss Meditec Group. With the increasing urbanization and rising income of the population, the demand for high-quality healthcare services is growing.

In China, the prevalence of eye diseases is also increasing, particularly due to lifestyle changes and environmental and demographic factors. In particular, there is a high prevalence of myopia (short-sightedness) in the young population, while the older population is increasingly affected by conditions such as cataracts and retinal diseases. This creates an increased demand for the diagnostic and surgical solutions offered by the Group. The Chinese government is actively promoting the development of the health care sector through various initiatives and programs. New business opportunities arise for the Group from investments in health care infrastructure and improved access to medical care.

The introduction of innovative products based on state-of-the-art technology could be well received on the Chinese market. Through strategic partnerships or joint ventures with local companies, the Carl Zeiss Meditec Group can strengthen its market presence in China and benefit from local knowledge and networks.

In contrast to risk management, opportunities are not systematically quantified in the Carl Zeiss Meditec Group. Unless otherwise stated, the opportunities mentioned always refer to both strategic business areas of the Group.

Significant risks

The Carl Zeiss Meditec Group analyzes and assesses risks systematically. Special emphasis is placed on potential economic effects and on probability of occurrence. In this way, the risks are quantified and classified. Due to the broad portfolio and the Group’s global presence, the strategic and operational risks are highly diversified.

Unless otherwise stated, the risks mentioned always refer to both strategic business areas of the Group.

Quantitative data is based on a net perspective after application and full implementation of measures, and relates to the risk assessment period. The measures implemented are outlined in the sections on the individual risks. The qualitative information on the probabilities of occurrence corresponds to the following quantitative likelihood limits:

- Very low likelihood: 0% to 5%
- Low likelihood: more than 5% to 25%
- Medium likelihood: more than 25% to 50%
- High likelihood: more than 50% to 75%
- Very high likelihood: more than 75% to 100%

Economic and political environment

As a company with global operations, the Carl Zeiss Meditec Group is exposed to developments that pose a risk to the global economy. Therefore, the general global political situation, especially in our key markets (US, China and Germany), major natural disasters, macroeconomic development and market trends in individual regions of the world may have diverse effects on the Carl Zeiss Meditec Group's chances of success in all business segments.

The global economic environment, which had already become more volatile over the last few years, resulting in greater overall economic risks, has once again deteriorated due to the COVID-19 pandemic and most recently the war in Ukraine and the conflict in Israel. The Carl Zeiss Meditec Group's business was only affected to a very moderate extent by the wars and conflicts in Ukraine and the Middle East in the fiscal year under review. These factors and an additional decline in demand in many sectors led to continuation of the recession in Germany, some EU countries and the US in the past fiscal year. In Germany, the sharp rise in energy prices is also contributing to this. China, too, is experiencing an economic slowdown.

Apart from the aforementioned influences, economic development may also be curbed by reduced stability of the EU, as well as a general economic downturn. Furthermore, an increasingly protectionist economic policy is being observed in key markets in which the Carl Zeiss Meditec Group operates, such as the US and China, the future direction of which is difficult to predict. We would also point to the tariff risks in the US market. Escalating trade tensions and conflicts between China, the US and the EU may impact global growth in general and the growth of the Carl Zeiss Meditec Group, especially in these countries. There are also local risks and instabilities in growth markets, such as Turkey or South America, which may cause global chain reactions.

The increased inflation in the previous years caused the costs of production factors, and the production and distribution of the Carl Zeiss Meditec Group's products to rise. In some cases, it was possible to pass these increased costs on to customers. In other cases, however, these cost increases also had to be cushioned by efficiency measures, and there is a risk that this will not succeed in full. Conversely, the fact that inflation remained at a normal level in the fiscal year under review had a risk-reducing effect.

In addition, interest rates remained at a high level in the past fiscal year. The central banks' interest rate cuts in the past fiscal year were unable to fully compensate for the interest rate increases caused by market expectations, driven in particular by high levels of new government debt – especially as it is not clear what the interest rate policy will be in the future. Interest rates remain high, keeping the interest burden on customers who use external financing to purchase the Group's products at an elevated level. In markets where such borrowing is more common, such as the US, this rise in interest rates may lead to a reluctance to buy and thus to lower revenue for the Group in those markets.

In China, the Volume-Based Procurement Directive is increasingly being applied to tenders from public hospitals. Under this, high purchasing volumes are put out to tender, but with lower prices per unit. This may lead to a reduction in the Group’s revenue per product after winning a tender. On the other hand, due to higher volumes there is an opportunity to achieve a more positive result overall through greater fixed cost degression.

This trend in the overall economic situation may have an adverse effect on the economic situation of our customers and their demand for the Carl Zeiss Meditec Group’s products, which may in turn have an adverse effect on revenue and earnings. The early warning system for risks established by the Company and the monitoring of overall economic developments enables these risks to be identified in good time to allow countermeasures to be initiated. In addition, the international presence of the Carl Zeiss Meditec Group, which is to be further expanded, means it is less affected by regional crises, and the highly differentiated product and customer structure of the Company, which is also to be strengthened, limits its sales risks. Furthermore, the Group is working on making its cost base more efficient. In the 2023/24 fiscal year in particular, it started to implement stringent cost reduction measures and is now attempting to pass price increases on to the market. According to current estimates, as in the previous year there are currently risks with medium likelihood of occurrence in the mid double-digit million euro range in the overall economic environment.

Tariff risks in US market

On 2 April 2025, the US government announced tariffs on imports from a number of countries, and in July 2025, the EU and the US agreed on a tariff level of 15% for imports from the EU into the US market. For sales in the US market, the Carl Zeiss Meditec Group is particularly affected by tariffs of 15% on imports from the EU, 10% on imports from Singapore, and, to a lesser extent, 30% on imports from China. From the Company's perspective, it is not yet possible to assess whether the tariffs between the US and China in particular will be permanent, or whether further renegotiations will take place with an uncertain outcome.

The Carl Zeiss Meditec Group regularly monitors and analyzes developments in detail and will attempt to minimize the impact on earnings and pass on the burden. In the past fiscal year, price adjustments were already made for a large number of products on the US market as a result of the tariff increases. Most of the Carl Zeiss Meditec Group's competitors are also affected by these tariffs, or in some cases by higher tariffs, meaning that the Group is not expected to suffer any significant competitive disadvantages in relation to tariffs. In addition, price increases are more readily accepted when the price level across the entire market also rises as a result of tariff policy.

The majority of the tariffs have already been incorporated into the Carl Zeiss Meditec Group's medium-term planning. The impact of any additional tariffs on the Carl Zeiss Meditec Group's earnings is estimated to be in the mid-single-digit million euro range, with a high probability of occurrence.

Market and competition

The Carl Zeiss Meditec Group is exposed to intense and growing competitive pressure in both strategic business units. Besides the market entry of new competitors, there is also a risk, in the event of significant exchange rate fluctuations, of competitors from the beneficiary countries being able to offer their products at considerably lower prices in the market, and therefore improving their competitive position. Some competitors are better at dealing with competitive pressure, due to their higher total turnover and the financial resources they have at their disposal.

In addition, existing competitors may be bought up by large, financially strong companies, or form alliances with each other, which may lead to even greater competitive pressure, lower selling prices, margin pressure and/or the loss of market shares. The Company prepares itself for such risks by continuously observing and analyzing the market, in order to be able to react with the necessary foresight.

Health insurance funds, insurance companies or government health schemes reimburse the costs of certain medical treatments carried out with products of the Carl Zeiss Meditec Group. Changes in health care and reimbursement policy in Germany or abroad and, in particular, austerity measures as a result of the weakening economy, may lead to the denial or reduction of reimbursements, which could reduce the demand for the Carl Zeiss Meditec Group’s products. In the case of new products for which reimbursement cannot yet be predicted with certainty, demand may be considerably dampened by the financial situation of consumers. Refractive surgery is generally an elective procedure, which patients pay for themselves. Demand therefore depends on general economic development. In addition, on the customer side, and particularly in the private health care sector, there is a noticeable increase in the formation of regional and national purchasing alliances, as well as clinic chains. Such a trend may lead to a fall in selling prices in this customer segment.

Collectively, these market and competition-related risks with a medium likelihood of occurrence may impact the Group's earnings by an amount in the low double-digit million euro range. On the other hand, the demographic trend in industrialized countries and economic development in the rapidly developing economies, as well as the increasing requirements placed on medical devices for diagnosing and treating age-related eye diseases, present growth opportunities for the Company. In addition to continuously optimizing manufacturing costs and process efficiency, the Carl Zeiss Meditec Group has also been investing heavily in research and development for many years. In recent years, this has increasingly extended to digital applications aimed at exploiting organic growth opportunities and increasing market shares. In addition, the Group is seeking to expand its product portfolio through internal research and development activities as well as external acquisitions in order to stay ahead of other competitors and to be an efficient partner for its customers by strengthening its key account approach. The acquisition of DORC in the previous fiscal year further expanded the product portfolio and customer base.

Sales market Russia

The war in Ukraine is also having an impact on sales, especially on sales and services in Russia itself. However, the distribution of the Carl Zeiss Meditec Group’s products in Russia is currently only partially affected by existing sanctions. This could change, however, if sanctions are tightened in future. In order to continue to provide patients and the population in Russia with high-quality ophthalmological treatment, the Carl Zeiss Meditec Group has decided not to break off its business relations with Russia.

The risks with a low likelihood of occurrence for this sales market are in the lower single-digit million euro range and thus unchanged compared with the prior year. The Group is attempting to compensate for possible losses in the Russian and Ukrainian markets by strengthening other markets.

Sales market China

The continued positive business development of the Carl Zeiss Meditec Group is heavily influenced by the dynamic development of the sales market in China and China’s strong contribution to earnings, particularly in the area of refractive surgery. Due to its size, demographics and the rising level of prosperity among the population, this market may continue to have a significantly positive effect on the Carl Zeiss Meditec Group's results in future. However, there are risks with regard to net assets and results of operations to the extent that an increasing number of regional competitors are entering the market and China is increasingly pursuing a protectionist policy in the field of medical technology, which could lead to a reduction in revenue and market shares of the Carl Zeiss Meditec Group. A similar effect could result from significant weakening of the Chinese economy. In addition, the formation of regional and supraregional procurement associations and hospital chains is also increasing in China.

The Carl Zeiss Meditec Group is trying to mitigate these risks by increasingly expanding production capacities in China itself, which are not affected in the event of any protectionist measures. The development of other markets is also being intensified to increase geographic diversification.

The risks for this sales market are currently unchanged in the lower double-digit million euro range and have a medium likelihood of occurrence. Further risks regarding this sales market are also listed under "Economic and political environment".

Risks in procurement and production

The Group ensures compliance with national and international standards, guidelines and legal requirements with regard to its supply chain through an integrated management system that addresses the issues of quality, the environment, and occupational health and safety.

In some cases, the Carl Zeiss Meditec Group uses components from external suppliers to manufacture its products in all business segments. The increase in the prices of commodities, energy and materials, the growing complexity of purchased parts and the limited number of suppliers (single source) for certain technologies could have negative implications for the production, sale and quality of the Company's products.

The Group continues to work on stabilizing supply chains and reducing the dependence on individual suppliers in order to minimize the associated economic impact, among other things. Opportunities arising from the bundling of procurement activities are also being exploited. Furthermore, the Carl Zeiss Meditec Group selects its suppliers according to specific processes and criteria. By implementing consistent supply chain measures, such as qualifying its suppliers, identifying secondary suppliers and preparing a strategic stockpiling plan, the Carl Zeiss Meditec Group protects itself against supplier dependencies and changes on the commodities market.

The Carl Zeiss Meditec Group and the ZEISS Group have close contractual relationships in some areas. This relates in particular to the procurement of IT services, the licensed use of the "ZEISS" brand and agreements with distribution companies of the ZEISS Group. This distribution network provides major opportunities, which are rooted particularly in the close-meshed coverage worldwide and efficient market development.

As in the previous year, the impact of supplier risks on earnings is in the high single-digit million euro range with a medium likelihood of occurrence.

Sustainability risks

For the Carl Zeiss Meditec Group, sustainability and business success are inextricably linked. Sustainable value creation is an integral part of business activities, which aim to provide innovative solutions, contribute to the positive development of society and enable long-term profitable growth.

The Group regularly reviews the various sustainability and human rights' guidelines and directives adopted for the European Union and specific countries to check for potential violations and risks in the Group's subsidiaries.

The ban on the use of per- and polyfluorinated substances (PFAS) planned by the European Union has been identified as a significant risk. These substances are contained in many of the Group's products and in manufacturing processes and alternative substitutes are currently only available or technically feasible for a small number of these substances. Although the regulations provide for long transition periods, these still represent a challenge if substitute substances have to be developed in this time and then be implemented in the Group's products and processes and renewed long-term approval of these products has to be obtained in various markets.

If this ban is adopted, this could have material adverse effects on the net assets, financial position and results of operations of the Carl Zeiss Meditec Group, and likewise for the Group's competitors, due to the fact that the products concerned would no longer be able to be sold or their conversion may be significantly delayed. The impact of these effects remains unchanged in the low-double-digit million euro range. In the fiscal year under review, the probability of this risk occurring could be maintained at a low level. This is due to the ongoing low level of acceptance for such a regulation in the planned form at EU level and in the member states. However, if the ban is actually implemented, the Group will work on measures such as building up safety stocks and further reinforce the evaluation, analysis and implementation of alternative substances.

Innovation and process risks

The business success and reputation of the Carl Zeiss Meditec Group rely heavily on the rapid development of innovative products and solutions, and the effective organization of internal processes. New trends and current scientific and research findings can trigger technology shifts and new customer requirements, and make new business models necessary. Should the Carl Zeiss Meditec Group lose touch with technological developments on the market, or react too late to trends and technological advancements, this could weaken its competitive position. There is also a risk of products of the Group being completely superseded by alternative technologies, procedures or treatment methods, thus reducing demand, which could result in losses in revenue and earnings. Possible unused optimization potential in the Company's own production and sales processes can further increase these risks. The negative impact which these risks with a continuing low likelihood of occurrence could have on earnings equates to an amount in the low (prior year: mid) -single-digit million euro range.

In order to exploit opportunities in this area in good time and keep the probability of occurrence and the economic impact of this risk low in all segments, the Carl Zeiss Meditec Group invests in research and development and upstream areas of products with a technological edge and unique selling points and in the expansion of its strategy as a solutions provider. Furthermore, developments in digital solutions are increasingly being driven forward and production and distribution processes continuously optimized.

Personnel risks

Demographic change and the shortage of skilled staff for technical jobs as well as the differing training and qualifications standards around the globe are creating new challenges when it comes to filling job vacancies. Unfilled positions could limit the technological advancement and sale of the products and services it offers in all segments. The Carl Zeiss Meditec Group is countering this with its recruitment strategy and employee development and successor planning, thus keeping the probability of such risks occurring low. In order to retain skilled employees in the long term, the Carl Zeiss Meditec Group offers various social benefits depending on the location – these include health promotion and child care services. The management currently expects these risks with a medium likelihood of occurrence to have very minor effects on the net assets, financial position and results of operations of the Carl Zeiss Meditec Group in the low single-digit million euro range.

Risks of information technology

The Carl Zeiss Meditec Group continuously reviews and exploits the opportunities of digitalization. This creates many new possibilities to offer customers additional services. At the same time, the Group constantly updates its existing information technology (IT) systems, and its IT protection and security systems. Functioning and adequately documented IT systems are also a prerequisite for obtaining product approvals in certain countries. Risks that, in the event of occurrence, could result in an interruption of business processes due to IT system failures or the loss or falsification of data, are therefore identified and evaluated across the entire life cycle of the applications and IT systems. Contingency plans for business interruptions have been drawn up and are constantly being optimized. Analyses were carried out and measures were taken in this area in particular during the last few fiscal years. The aim of these was to prevent cyber and virus attacks from causing damage to the IT infrastructure of Carl Zeiss Meditec AG and to medical devices on customer premises. The management is working continuously to improve its IT security in response to a considerable increase in the threat from cybercrime. Depending on the nature and scope of potential successful cyber attacks, these could have material adverse effects on the Carl Zeiss Meditec Group’s net assets, financial position and results of operations. Some of the Group’s IT systems are operated by external partners. The Group has defined standards for these service providers with regard to the hardware and software used, as well as data security. The Carl Zeiss Meditec Group monitors the implementation of, and compliance with, these standards.

Risks in this area with a low likelihood of occurrence are in the low single-digit million euro range, as in the prior year.

Product approval

As the Carl Zeiss Meditec Group sells its products worldwide, statutory regulations have to be taken into consideration when manufacturing and launching products in the market, especially where explicit regulatory approvals and certifications are required. Although these requirements are incorporated into all stages of development, production and distribution, there is no guarantee that such approvals will be granted at all or in time for the planned launch in the market or that the Group's numerous registrations will still exist or be renewed in the future. This may lead to revenue losses and, in the case of delayed product launches, to competitive disadvantages. In addition, registration requirements could become more stringent in future, also due in particular to increasing protectionist tendencies in various countries.

In order to be able to identify such developments in good time and respond appropriately, the Company monitors developments and approval procedures in this area very closely as part of its quality management system. This is especially the case right now with regard to the new EU medical devices directive, which entered into force in 2017. The validity of the transitional provisions has once again been extended. When problems arise in approval procedures, the Group relies on close communication with the regulatory authorities and works on the outstanding issues in a focused manner. Any residual risks that remain lie within the low-double-digit million euro range (prior year: single-digit). They are assigned a high likelihood of occurrence (prior year: medium likelihood).

Quality and product liability risk

There is a fundamental risk with some of the medical devices and system solutions and implants manufactured by the Company that, in spite of all reasonable measures being taken by the certified quality management system and compliance with all legal requirements, malfunctions may result in injury to or adverse effects for the patient. This may be due, among other things, to components and raw materials purchased from external suppliers not meeting the specified quality requirements. Although no significant product liability claims have been made against the Company to date, no assurance can be given that the Company will not be faced with such claims in the future. This may damage the Group’s reputation in the long term and lead to considerable legal costs, irrespective of whether a claim for damages ultimately materializes. Risk liability claims can be particularly high, especially in the USA, not to mention the costly recall campaigns that may be required.

The Company covers itself against potential product liability claims by taking out product liability insurance. The possibility cannot be completely excluded that the Carl Zeiss Meditec Group's existing insurance coverage may not be sufficient to cover potential claims. In addition, the Company is focused on resolving any quality problems that arise in a customer-friendly manner and as quickly as possible. Any residual risks with a high likelihood of occurrence (prior year: medium) that remain are in the high-single-digit million euro range (prior year: mid).

Infrastructure risks

Uncontrollable environmental influences, such as natural disasters or terrorist attacks, may result in an interruption to business operations at the affected locations, and may prevent the Company from providing regular production, distribution and other services in these regions and generating the expected earnings. All business segments could be affected by this. It could also have adverse effects on customers domiciled in the affected region and on their willingness to invest, as well as the local suppliers there and their willingness to supply.

The Company's headquarters, with major research and development departments and other key Group functions, are located in Germany, a region with a comparatively low risk of natural disasters. A second major site is located in the Greater San Francisco area in the USA, a region with an increased risk of earthquakes. In order to minimize potential damage, the Carl Zeiss Meditec Group has set up a crisis management system, and has also developed local and central plans for maintaining the functionality of critical business processes (business continuity plans).

Risks from interruption of production may, in addition to the reasons already mentioned, also result from the failure of production facilities due to technical defects. The Carl Zeiss Meditec Group is trying to minimize the risk of such outages through regular maintenance, replacement of technically obsolete equipment and appropriate emergency management.

In the context of the war in Ukraine and the resulting conflicts between Germany and the European Union with Russia, Germany is switching its energy supply to energy sources which are independent of Russia. During this transition phase there may be shortages or outages in the supply of electricity, gas and oil which could lead to disruptions in the energy supply to the European locations of the Carl Zeiss Meditec Group or its suppliers in this region. The Group is working on counteracting potential outages of this kind through alternative energy and heat generation measures and by building up safety stocks of important consumables for customers.

Risks in this area remain at a low single-digit million euro amount. They are estimated to have a medium likelihood of occurrence.

Legal risks, patents and intellectual property

The Company’s competitiveness depends on the protection of its technological innovations against exploitation by third parties. Violations of intellectual property and patent protection may compromise any technological lead and thus competitive advantages in all business segments. The expiry of property rights, particularly patents, as well as the geographical limitation of property rights could result in new or existing competitors exploiting the inventions of the Carl Zeiss Meditec Group to enter the market or strengthen their market position. Furthermore, in spite of the measures taken, third parties may still attempt to copy or partly copy products of the Company, since the unauthorized use of intellectual property is generally difficult to monitor and copyright laws only provide for limited protection.

The Company employs a property rights strategy to protect its technologies and products. If ZEISS patent and brand rights are infringed by third parties, the Group takes legal steps to counter the associated high financial risk. Considering the importance of innovation for the Company, such cases can be expected in future, even though they have rarely arisen in the past. When developing products and technologies, the Carl Zeiss Meditec Group checks whether the rights of a third party could be affected, develops non-protected solutions if necessary, and acquires the requisite licenses and rights, or seeks other solutions by legal contract. Overall, the management does not expect risks in the area of patents and intellectual property to have any material effects on the Carl Zeiss Meditec Group's net assets, financial position or results of operations.

Legal risks may arise due, among other things, to changes in general legal conditions in the relevant markets and to legal disputes with competitors, business associates or customers. Furthermore, legal disputes may arise as a result of divergent views concerning the fulfillment of subsequent conditional purchase price components of earlier Company acquisitions. Pending litigation with a medium likelihood of occurrence continues to be assessed in the high single-digit million range and is not considered to be a substantial threat for the Carl Zeiss Meditec Group. Should it be necessary, the Carl Zeiss Meditec Group would set up adequate provisions as a precaution. Further details on litigation and arbitration proceedings involving the Carl Zeiss Meditec Group can be found in note "(22) Other provisions" in the accompanying notes to the consolidated financial statements.

As a listed medical technology company with global operations, the Carl Zeiss Meditec Group is subject, in the countries in which it operates, to a large number of laws, regulations and guidelines. In order to ensure compliance with these regulations, these are regularly analyzed for any changes, and internal processes and guidelines are adapted, if necessary. The Company has set out the basic principles of correct conduct in business activities in a Code of Conduct, which applies to all employees. In order to avoid breaches of compliance and minimize risks to the Group’s reputation, the Group has established a corporate-wide compliance organization. Regular training measures are also in place to familiarize the employees with internal guidelines and make them aware of the negative effects breaches could have.

As in the prior year, the management anticipates effects in the higher single-digit-million euro range on the net assets, financial position and results of operations of the Carl Zeiss Meditec Group, with a medium likelihood of occurrence.

Risks from acquisitions

Acquisitions or investments are made to give the Carl Zeiss Meditec Group the opportunity to expand its portfolio of expertise and technology, or to increase its access to regional markets. The acquisition of Preceyes B.V. in March 2022 will enable the Carl Zeiss Meditec Group to strengthen its technological position and product portfolio, particularly in the area of retinal surgery, by means of robotic technologies and implants. The acquisition of Katalyst Surgical LLC and Kogent Surgical LLC, both producers of surgical instruments, followed in April 2022. It is hoped that this acquisition will further expand the Group's position as a solution provider and generate additional recurring revenue in the medium term. The investment in Vibrosonic GmbH in January 2023 and the acquisition of Audioptics Medical Inc. in July 2023 expanded the Group’s portfolio in the new area of diagnosis and treatment of ear diseases. In April 2024, the Group acquired DORC, thus broadening its portfolio in the treatment of diseases of the posterior segment of the eye.

Acquisitions bear the entrepreneurial risk of the acquired company not performing as well economically as expected in the market, or of the revenue and earnings targets being pursued with its acquisition not being reached, or of intended synergy effects with the Carl Zeiss Meditec Group not being achievable. Risks in this area with a medium likelihood (prior year: low) of occurrence are estimated in the low single-digit million euro range. The Carl Zeiss Meditec Group tracks the associated risks and opportunities over time. A key element prior to execution of a transaction is a standardized process for mergers & acquisitions, including a due diligence review to assess the business development that can be expected.

The consolidated statement of financial position shows goodwill from acquisitions totaling €969.7m, which is tested annually for impairment in accordance with IAS 36. A total of €940.7m of this goodwill is attributable to the Ophthalmology SBU, and €29.0m to the Microsurgery SBU. The impairment tests carried out during the fiscal year under review did not give any indication of impairment of the goodwill-bearing cash-generating units (CGUs). Due to changes in general economic conditions and changes in business models, impairment losses on goodwill recognized cannot be ruled out.

Financial risks

Due to the tense economic situation, there is a latent credit risk concerning business banks at which the Carl Zeiss Meditec Group holds deposits. However, the Company has taken various measures to mitigate risks. For example, it has introduced a procedure to monitor the current situation in the capital markets. The Company has categorized its financial risks as moderate. The basis for this categorization is the sound financing structure with an equity ratio of 62.5%, the reserve of cash and cash equivalents, and strong cash flows from operating activities. Cash and cash equivalents at the Carl Zeiss Meditec Group are kept in reserve based on a rolling monthly cash forecast within a fixed planning period, and are managed as part of a Group-wide ZEISS cash pool, which carries an insignificant credit risk

The financial risks also include liquidity risks, price fluctuation risks for financial instruments and risks associated with fluctuations in cash flows. These risks and their management are described in note "26 Financial instruments and risk management" in the accompanying notes to the consolidated financial statements. There are no further significant risks beyond the risks already taken into account in the statement of financial position.

Risks relating to the Group accounting process

The main risks associated with the accounting process are that the financial statements may not provide a true and fair view of the net assets, financial position and results of operations as a result of unintentional errors or willful actions, or that there is a delay in publishing these. The accounting would not present a true and fair view of the Company in this case. Deviations are classified as significant if they could individually or collectively influence the economic decisions taken by the recipients of the financial statements based on the financial statements.

In the area of accounting and Group accounting, processes ensure the completeness and accuracy of the financial statements with regularly reviewed, integrated, preventive and detective controls. All of the Group's internal accounting and valuation guidelines are collated in an accounting manual, which is available via the Group's intranet to all of the relevant organizational units and all of the Company's employees, along with the Group-wide financial reporting calendar. In addition, supplementary procedures, standardized reporting formats, IT systems and IT-assisted reporting and consolidation processes support the process for uniform and proper consolidated accounting.

The operative, timely implementation of the systemic requirements is effected by the affected areas of Carl Zeiss Meditec AG and its subsidiaries. These are supported and monitored by the Carl Zeiss Meditec Group Finance department. The Group Finance department is responsible for consolidated reporting, including Group-wide financial and management information, forecasts, budgets and risk reporting. Acts of law, accounting standards and other pronouncements are continuously analyzed with regard to their relevance for and impact on the consolidated and annual financial statements.

Additional disclosures pursuant to Section 289 (2) No. 1 HGB, Section 315 (2) No. 1 HGB

In principle, price fluctuation risks cannot be ruled out. However, the Carl Zeiss Meditec Group counters these risks by focusing on product innovations and optimizing its production costs through cost-cutting and efficiency-enhancing measures. Potential risks of default on trade receivables – particularly given the worsening global debt situation and a potential risk of bad debt losses as a result – are minimized by means of an active credit control system. The Carl Zeiss Meditec Group also regularly sets aside adequate provisions to cover such risks. On the whole, however, we consider this to be a limited risk. The ratio of valuation allowances on trade receivables to consolidated revenue was 0.3% in the fiscal year under review (prior year: 0.3%).

For further information on own shares in equity please refer to note "(20) Equity" in the notes to the consolidated financial statements.

The Carl Zeiss Meditec Group's financial situation can be considered sound. Cash and cash equivalents amounted to €27.3m as of the end of the reporting period 30 September 2025. Added to this are credit balances recognized as receivables from the treasury of Carl Zeiss AG, in the amount of €129.0m. The Group also generated cash flows from operating activities of €209.9m in the fiscal year under review. From a current perspective there are therefore no significant liquidity risks.

All cash and cash equivalents, including the balances with the Group treasury of Carl Zeiss AG, are deposited at banks. Should it come to a loss of individual banks – due in particular to an increasingly unstable macroeconomic situation – the balances held there may be endangered. The Carl Zeiss Meditec Group counters this risk by continuously monitoring the solvency of the banks with which it has a business relationship, and by spreading its assets among several banks via the treasury of Carl Zeiss AG.

As a company with global operations, the Carl Zeiss Meditec Group is exposed to the effects of exchange rate fluctuations. In order to hedge against this currency risk, the Carl Zeiss Meditec Group concludes currency forward contracts based on planned transactions in foreign currency. These contracts generally span a period of up to one year. Based on current exchange rate fluctuations, currency effects may continue to impact the financial result depending on the extent of the fluctuations. The notes to the financial statements contain further details on currency forward contracts.

Overall assertion of the Company's risk and opportunity situation

At the time of preparation of this report, there were no discernible risks that could jeopardize the continued existence of the Carl Zeiss Meditec Group. Risk-bearing capacity is not at risk. Compared to the prior year, the overall risk situation is only deemed slightly higher, due in particular to the US tariffs. The Management Board continues to see a solid foundation for further development of the Group and uses a systematic strategy and planning process to provide the necessary resources to exploit any opportunities that arise. The risk management system, with its risk reporting and early detection components, internal control system and compliance management system, was assessed as appropriate and effective in the past fiscal year.

DISCLOSURES PURSUANT TO SECTION 289 A AND 315 A HGB

Carl Zeiss Meditec AG's subscribed capital amounts to €89,440,570.00 and is composed of 89,440,570 no-par value ordinary bearer shares (no-par value shares), each with a theoretical interest in the share capital of €1 per no-par value share. Each share entitles the bearer to one voting right and an equal share in Company profits.

Other shares or shares with special rights that grant supervisory powers do not exist. Nor are there restrictions on the part of Carl Zeiss Meditec AG concerning the voting rights or transfer of shares. Furthermore, the Management Board is not aware of any other agreements concluded, for example, between individual shareholders.

Carl Zeiss Meditec AG is aware of the following direct and indirect holdings in the capital of Carl Zeiss Meditec AG that exceed ten percent of the voting rights. Carl Zeiss AG, Oberkochen, Germany, holds, both directly and indirectly, a total of 59.1% of the voting rights in Carl Zeiss Meditec AG. This corresponds to 52,893,270 no-par value shares. These include 6.8% of the voting rights or 6,074,256 no-par value shares in Carl Zeiss Meditec AG, which Carl Zeiss AG holds indirectly via its wholly owned subsidiary Carl Zeiss Inc., White Plains, USA.

Employees of Carl Zeiss Meditec AG or its affiliated companies pursuant to Section 15 et seqq. AktG, who participated in the Company via employee share plans concerning the share capital of Carl Zeiss Meditec AG in prior years, exercise their control rights directly like all other shareholders of the Company.

Pursuant to Section 179 and Section 133 AktG, an amendment to the Articles of Association requires a resolution by the Annual General Meeting which, in turn, requires a simple majority of the votes cast and a majority comprising at least three quarters of the share capital represented at the time the resolution is passed. The Articles of Association may specify a different capital majority; in the case of an amendment to the purpose of the Company, however, only a larger capital majority may be specified. Art. 25 of Carl Zeiss Meditec AG's Articles of Association states that in cases for which the law requires a majority of the share capital represented at the time of resolution, a simple majority of the share capital represented is sufficient, provided that a greater majority is not mandatory by law. Pursuant to Art. 28 of the Articles of Association of Carl Zeiss Meditec AG, the Supervisory Board is authorized to resolve amendments to the Articles of Association that only affect the version. This complies with Section 179 (1) Sentence 2 AktG.

The legal provisions concerning the appointment and dismissal of members of the Management Board are set forth in Section 84 and Section 85 AktG. In compliance with this, Art. 6 (2) of the Articles of Association of Carl Zeiss Meditec AG stipulates that the Supervisory Board shall be responsible for appointing and dismissing the members of the Management Board. Pursuant to statutory provisions, a member of the Management Board may only be dismissed for compelling reasons.

Pursuant to Art. 4 (5) of the Articles of Association of Carl Zeiss Meditec AG, the Company has an Authorized Capital. Accordingly, the Management Board is authorized, subject to the approval of the Supervisory Board, to increase the share capital on one or several occasions in the period until 29 March 2027 by up to a total of €26,500,000.00 (Authorized Capital 2022). New no-par value bearer shares may be issued against cash and/or contributions in kind for this. The Management Board is authorized, subject to the approval of the Supervisory Board, to exclude the statutory subscription rights of shareholders in the following cases:

- to balance out fractional amounts,
- if the capital increase is effected against cash contributions and the new shares, for which the subscription rights are excluded, are equivalent to no more than 10% of the share capital, neither on the date the increase becomes effective, nor on the date this authorization is exercised, and the issuing price of the new shares is not significantly lower than the market price of shares of the same type and structure already publicly quoted. Sales of own shares on the basis of other authorizations pursuant to Section 186 (3) sentence 4 AktG must be taken into account in the restriction to 10% of the share capital.
- for capital increases against contributions in kind to grant shares for the purpose of acquiring companies, parts thereof or interests in a company.

The Management Board is authorized, subject to the approval of the Supervisory Board, to specify the further details of capital increases from Authorized Capital.

By resolution of the Annual General Meeting of Carl Zeiss Meditec AG on 21 March 2024, the authorization to acquire treasury shares granted by the Annual General Meeting on 6 August 2020, insofar as it had not already been exercised, was revoked and replaced by a new authorization. This authorization is valid until 20 March 2029. The shares may be purchased, subject to the approval of the Supervisory Board:

» to offer them for purchase to employees of the Company and the companies affiliated with the Company within the meaning of Section 15 et seqq. German Stock Corporation Act (AktG) – noting that the right of shareholders to subscribe to own shares is excluded – or
» as a (part-)consideration within the scope of business combinations or to acquire companies, investments in companies or parts of companies and other assets, for example, land or buildings or receivables from the Company or companies affiliated with it within the meaning of Section 15 et seqq AktG – whereby the right of shareholders to subscribe to own shares is also excluded – or
» to recall them.

This authorization is limited to the purchase of shares of up to 10% of the share capital existing at the time of the resolution or - if this value is lower - at the time the authorization is exercised. The shares shall be purchased at the stock exchange. The consideration paid by the Company per share (excluding incidental purchase costs) may not be more than 10% above or below the closing rate of the shares in Xetra trading (or an equivalent successor system to the Xetra trading system) at the Frankfurt Stock Exchange on the previous day of trading. At no time may the purchased shares, together with other own shares held by the Company and ascribable to it pursuant to Section 71a et seqq. AktG, exceed 10% of the share capital.

The Company has not entered into any significant agreements contingent upon a change of control following a takeover bid.

Nor has the Company concluded any compensation agreements with the members of the Management Board or employees for the event of a takeover bid.

OUTLOOK

Future conditions for business development

Macroeconomic conditions

According to the International Monetary Fund (IMF) forecast from the World Economic Outlook Report of October 2025, global economic growth will be moderate at about 3.1% in the coming calendar year 2026. The IMF is forecasting steady growth of 1.6% for industrialized countries and 4.0% for emerging and developing countries. According to the forecast, the Chinese economy will grow by 4.2%, the US economy by 2.1% and the eurozone by 1.1%. The global median inflation rate in industrialized countries will continue to decline slightly in the 2026 calendar year and is expected to be around 2.1%. Compared to the World Economic Outlook Report from October 2024, some inflation forecasts have been revised upwards, for example for the US and the UK. This is due in particular to the expected passing on of tariff effects to consumers.

The return to an industrial policy which includes sanctions, tariffs and subsidies, as well as the associated restrictions on the free movement of goods against the backdrop of numerous geopolitical conflicts are identified by the IMF as some of the main risk factors for the future development of the global economy.

Future situation in the medical technology industry

The global medical technology market will remain a key driver of growth in the healthcare sector in 2025. Despite geopolitical uncertainties, inflation-related cost increases and strained supply chains, the industry remains robust. According to the EY Pulse of the MedTech Industry Report 2025, global industry revenue reached approximately USD584bn, representing growth of around 6 to 7% over the previous year. The industry is thus continuing its multi-year growth trend, demonstrating that demand for innovative, efficient, and patient-centered solutions remains high. [12]

The main drivers of this development are medical-technological progress, demographic change and the increasing digitalization of the healthcare system. The ageing population in industrialized countries and the rising prevalence of chronic diseases are continuously raising the demand for diagnostic and therapeutic solutions. At the same time, the cost pressure on healthcare systems

[12] EY (2025): EY Pulse of the MedTech Industry Report 2025 - MedTech vital signs are robust.

is leading to an increased focus on innovation in automation, data analysis and process optimization.

The ongoing integration of artificial intelligence (AI), robotics, and data-driven platforms is particularly influential. Modern medical devices increasingly include software components that record and analyze real-time data and support clinical decisions. Generative AI (GenAI) is increasingly being used for this purpose – systems that not only evaluate data but also independently generate new content or decision-making models. According to BCG, companies in the medtech sector could achieve OPEX reductions of 8–10% by 2027 through GenAI, while generating up to 6–11% revenue growth.[13] These developments form the basis for an intelligent, digital healthcare ecosystem that links diagnostics, therapy and aftercare more closely together and expands the focus from hardware to include software and data solutions.

At the same time, structural market shifts are shaping the industry. While high-quality, technologically sophisticated systems are in demand in mature markets, the focus in emerging markets is increasingly on cost-efficient, scalable solutions. BCG analyses show that digital health solutions, cloud-based platforms, and AI-supported diagnostics represent the largest growth segments. Regional differences – particularly in North America, Europe, and Asia-Pacific – require flexible business models and adapted value chains.

Despite the positive growth prospects, the market environment remains challenging. Stricter regulatory requirements, volatile supply chains and geopolitical risks continue to weigh on the industry. In the US, Europe and China, complex approval procedures are extending the time-to-market and leading to rising costs. In addition, bottlenecks in critical components such as semiconductors and special materials are making production planning more difficult.[14]

Overall, the medical technology sector is expected to continue on its growth trajectory, albeit in an increasingly competitive environment. Companies with a clear digital strategy, high levels of innovativity and resilient supply chains are likely to have the best chance of benefiting in the long term. The ongoing transformation towards integrated, intelligent supply models will continue to accelerate and have a lasting impact on the industry.

[13] Boston Consulting Group (2025): GenAI Is a Productivity Game-Changer in Health Care Operations.
[14] FDA / MDDI (2025): Factors Influencing Clearance Time for Medical Devices.

Future development in the strategic business units of the Carl Zeiss Meditec Group

Ophthalmology strategic business unit

In fiscal year 2024/25, the Ophthalmology strategic business unit recorded further revenue growth compared to the previous year, to which the first-time full-year consolidation of DORC made a significant contribution. Overall, management is expecting that the market share of Carl Zeiss Meditec AG's Ophthalmology SBU remained at least stable in the 2024/25 fiscal year, despite a weakening market environment.

Moderate growth is expected in fiscal year 2025/26. However, the ongoing restrictive investment climate in the equipment business and in elective procedures, which is dependent on the general consumer climate, is likely to have a slowing effect.

EBIT and EBITA are expected to remain at least stable in fiscal year 2025/26. The EBIT and EBITA margins are expected to decrease slightly or remain stable.

Microsurgery strategic business unit

In the past fiscal year 2024/25, the Microsurgery strategic business unit recorded a strong second half-year with improved deliveries of the new KINEVO® 900 S neurosurgical visualization system after a slow start to the year.

Overall, further revenue growth and an improved product mix are expected for the 2025/26 fiscal year, particularly from this product cycle. EBIT and EBITA are expected to increase significantly in fiscal year 2025/26 compared to the prior year. The EBIT and EBITA margins will increase in equal measure.

Future selling markets

The Company sees particularly promising business prospects for the long term in the APAC region, due to the rapid economic growth there. In the medium term, Carl Zeiss Meditec AG also sees opportunities for further growth in the North American market, due to the targeted expansion of market shares in the surgical consumables business.

Future research and development

The Carl Zeiss Meditec Group invests continuously in research and development projects, in which efficient and targeted development processes play a key role. The Company searches for new technologies and market trends, in order to subsequently become established on the market with new solutions. To achieve this, regional market conditions and the needs of the customers are factored into the development process from the outset. At the same time, work has been underway since fiscal year 2023/24 to reprioritize important R&D projects with the aim of curbing the rise in R&D expenses and strengthening the focus on value-creating development. R&D expenditure is expected to be unchanged or increase slightly in fiscal year 2025/26 (2024/25: €326.3m).

Future investments

The investment ratio of the Carl Zeiss Meditec Group has been largely consistent over the past few years. Even the investments required to realize growth targets shall not significantly change the current investment ratio in the coming fiscal year. The Company plans to invest around 4% to 5% of its revenue in property, plant and equipment and in intangible assets in fiscal year 2025/26 (2024/25: 3.4%).

Future dividend policy

Carl Zeiss Meditec AG pursues a long-term and earnings-oriented dividend policy. The Company's management plans to propose to the Annual General Meeting the distribution of a reduced dividend of €0.55 per share for the past fiscal year. The payout ratio would therefore be 34.6% (prior year: 29.4%). As a general principle, the dividend proposal continues to be based on approximately one-third of earnings per share.

Future employee development

Qualified and highly motivated employees are essential for the Company's success: we need them to be able to continue to work innovatively and profitably in future. It is crucial to keep investing in the further development of existing employees in future, and to recruit well qualified specialists and managers. The Company therefore expects employee growth in the coming periods to correlate with the Company’s business development.

Future financial position

Since the 2023/24 fiscal year, the DORC acquisition has resulted in net financial debt for the first time in the history of Carl Zeiss Meditec AG. Previously, the Company had significant cash and cash equivalents at its disposal, which were invested in the Group treasury at interest-bearing rates. In fiscal year 2024/25, net interest income therefore deteriorated significantly compared with the previous year (-€20.1m in fiscal year 2024/25 compared with -€6.2m in fiscal year 2023/24). Against this backdrop, For 2025/26, an interest result roughly comparable to the 2024/25 fiscal year is expected. (mainly for the ZEISS Group loan of €400m at an interest rate of 3.66% p.a.).

For 2025/26, Carl Zeiss Meditec AG expects at least stable or slightly increasing operating cash flow due to active working capital management. Based on this and the possibility of using other financing instruments and sources if required, the management views the Carl Zeiss Meditec Group's financing capacity to be sufficient.

Future opportunities

The global medical technology market is characterized by fundamentally sustainable growth. This applies to both ophthalmology and microsurgery and assures us of good selling conditions for the Company. Additional opportunities are provided by our product range, which is to be expanded further in the fiscal year ahead. Our strong financial profile, which shields the Company's development against external influences, should also have a positive effect. Future development shall also include external growth opportunities in some areas. In a systematic process Carl Zeiss Meditec AG continuously looks for strategically meaningful acquisitions. It is not possible at this point to gauge with certainty how feasible such opportunities might be.

Overall assertion on future development

At the time of publication of this Management Report, the management of the Carl Zeiss Meditec Group continues to expect a difficult global macroeconomic environment for the coming fiscal year and does not anticipate a rapid recovery in the investment climate for devices or significant pressure on consumer spending for elective procedures – although the underlying long-term development trends for the market already described remain fundamentally positive. However, according to the Company's assessment, the currently still pronounced uncertainty factors are, in particular, the trade conflicts between the US, China and the European Union, further geopolitical conflicts, increasing regulatory uncertainties and the associated currency fluctuations.

A crucial advantage for even greater stability of our overall business is a higher proportion of revenue with case-number-dependent products and services, since there is generally less fluctuation in these areas than for example in the capital goods business. A share of around 50%

was achieved in fiscal year 2024/25. The significant increase in the 2024/25 fiscal year was due, among other things, to the first-time full-year consolidation of DORC, whose revenue mainly stems from consumables. Further growth was also achieved, particularly in multifocal intraocular lenses. In the medium term, a further increase in the proportion of recurring revenue is expected.

The above-mentioned uncertainties will necessitate additional organizational measures in connection with our global presence and value chain, which may lead to negative, non-recurring effects. These could relate to the Company's organizational structure and production sites. In addition, negative, non-recurring effects cannot be ruled out as a result of the ongoing reprioritization of development projects. From today's perspective, the Company considers non-recurring effects in the low to mid double-digit million euro range to be conceivable in fiscal year 2025/26. These effects have not yet been taken into account in the EBIT and EBITA forecast. The nature and scope of the organizational measures and the exact amount of any potential non-recurring charges will be disclosed during the course of the fiscal year, at least as part of the quarterly reporting.

Before taking into account the above-mentioned possible non-recurring effects and based on the exchange rates at the beginning of fiscal year 2025/26, the Carl Zeiss Meditec Group expects revenue to grow to around €2.3b in fiscal year 2025/26. EBIT and EBITA are likely to see further increases. The EBIT and EBITA margins are expected to benefit in the 2025/26 fiscal year from an improvement in the product mix resulting in rising recurring revenues, particularly from the refractive laser business and the DORC portfolio within ophthalmology, as well as from growth in microsurgery. The EBIT margin is expected to reach approximately 11.0–11.5%, and the EBITA margin approximately 12.5% (fiscal year 2024/25: EBIT €223.3m, EBIT margin 10.0%, and EBITA €257.7m, EBITA margin 11.6%).

Over the coming years, a gradual improvement in the EBITA margin is aimed for. In the medium term, the Company expects to return to an EBITA margin in the range of around 16-20% (2024/25: 11.6%). This will be supported in part by the increasing share of recurring revenue, as well as by cost discipline as growth momentum picks up again.

In terms of free cash flow for fiscal year 2025/26, the Carl Zeiss Meditec Group is targeting an unchanged figure or a slight increase. The Company expects Economic Value Added® (EVA®) in the coming fiscal year to be stable or slightly above the level of fiscal year 2024/25.

Should there be any significant changes in the economic environment currently forecast over the course of the fiscal year, and should it thus become necessary to amend the statements on the development of business from today's perspective, these amendments shall be published promptly and shall specify our expectations in more detail.

The outlook for the Carl Zeiss Meditec Group also largely mirrors the expectations for Carl Zeiss Meditec AG, due to the links between Carl Zeiss Meditec AG and its subsidiaries and due to the significance of Carl Zeiss Meditec AG within the Carl Zeiss Meditec Group. The foregoing explanations therefore also apply for Carl Zeiss Meditec AG.

FINAL DECLARATION OF THE MANAGEMENT BOARD ON THE DEPENDENT COMPANY REPORT PURSUANT TO SECTION 312 (3) AKTG

As a group company within Carl Zeiss AG, Carl Zeiss Meditec AG has prepared a dependent company report pursuant to Section 312 German Stock Corporation Act (AktG). Based on the circumstances in which the legal transactions listed in the dependent company report pursuant to Section 312 AktG on relationships with associated companies were carried out or measures were taken or omitted, the Company received appropriate consideration for the legal transactions and was not disadvantaged by the fact that measures were taken or omitted.

Jena, 27 November 2025
Carl Zeiss Meditec AG

Maximilian Foerst President and CEO	Justus Felix Wehmer Member of the Management Board

DECLARATION ON CORPORATE GOVERNANCE (PURSUANT TO SECTION 289F, 315D HGB) AND CORPORATE GOVERNANCE REPORT

The declaration on corporate governance (pursuant to Sections 289f HGB and 315d HGB) includes the declaration of conformity pursuant to Section 161 AktG, relevant information on corporate governance practices applied which go beyond the statutory requirements, in addition to information of where these are publicly accessible and a description of how the Management and Supervisory Boards work, as well as the composition and mode of working of their committees. In addition, disclosures are made concerning the stipulation of targets for the proportion of women on the Management Board and within the next two levels of management below the Management Board, including the deadlines for attaining these targets, and concerning compliance with the minimum proportions of women and men on the Supervisory Board.

The Declaration on Corporate Governance is available at https://www.zeiss.com/meditec-ag/en/investor-relations/corporate-governance.html.

Jena, 27 November 2025
Carl Zeiss Meditec AG

Maximilian Foerst President and CEO	Justus Felix Wehmer Member of the Management Board