

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treasury shares granted by the Annual General Meeting on 6 August 2020, insofar as it had not already been exercised, was revoked and replaced by a new authorization.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.<sup>12</sup>

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

---

<sup>12</sup> 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.<sup>13</sup> 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.<sup>14</sup>

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.

---

<sup>13</sup> Boston Consulting Group (2025): GenAI Is a Productivity Game-Changer in Health Care Operations.

<sup>14</sup> 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.