



At a Glance

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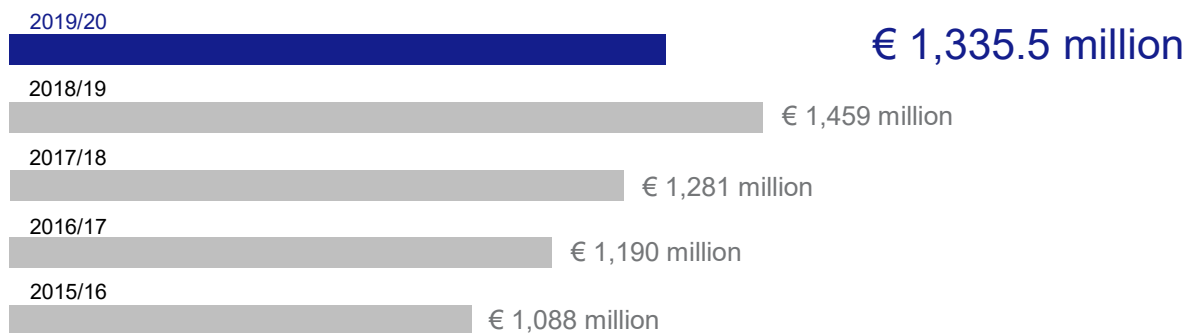


Leading Market Position in Ophthalmology and Microsurgery

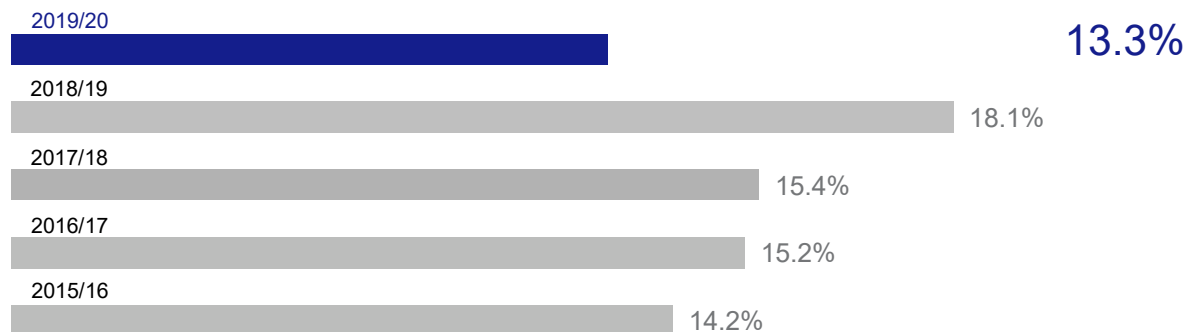
Solid revenue development over last 5 years



Total revenue



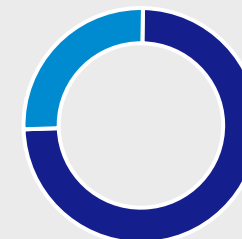
EBIT margin



MCS

26%

of total revenue



OPT

74%

of total revenue

- Headquarters in Jena, Germany
- Around 3,290 employees worldwide
- Listed on the MDAX and TecDAX
- 59% of shares held by Carl Zeiss AG
- Leading market positions:
#2 in Ophthalmology - #1 in Microsurgery

Our Markets Benefit from Structural Tailwinds

Attractive Outlook for Medical Technology



1



- Aging of the population and growing affluence

2



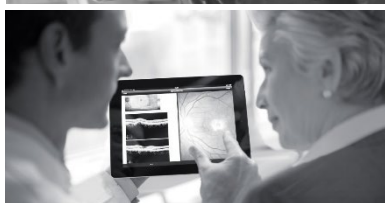
- Growing patient load requires more efficient workflows

3



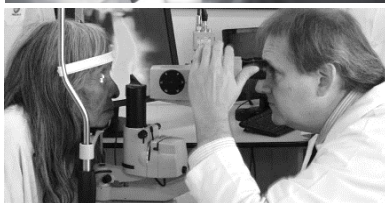
- Need to improve surgical treatment outcomes

4



- Increasing information access and awareness

5



- Rising access to health care in RDEs

Ophthalmic Devices

Advancing Eye Care - Every Step of the Way



<h3>Ophthalmic Diagnostics</h3> <div><div>Market size¹: € 1.5 to 2bn</div></div> <p>Diagnosis and chronic disease management</p>	<h3>Refractive Laser Surgery</h3> <div><div>Market size¹: € 0.8 to 1bn</div></div> <p>Corneal surgery for visual correction</p>	<h3>Surgical Ophthalmology</h3> <div><div>Market size¹: € 7.0 to 7.5bn</div></div> <p>Cataract and retinal treatment</p>
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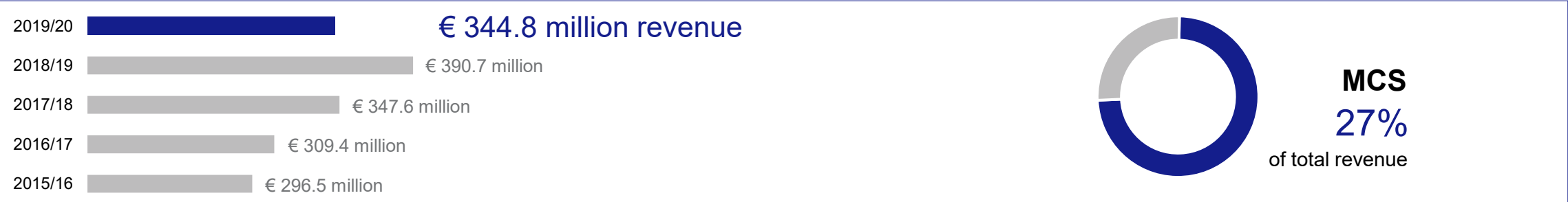
Customers: ophthalmologists, optometrists, ambulatory surgery centers, hospitals/eye clinics




¹ Market Scope®, CZM internal estimates

Microsurgery

Redefining Surgical Visualization






Visualization

Tumor, aneurysm, reconstructive,
dental surgery

Market size¹:
€ 0.6 to 0.7bn



Surgical Oncology

Intraoperative radiation

Customers: clinics and hospitals, dental offices/clinics



¹ Market Scope®, CZM internal estimates

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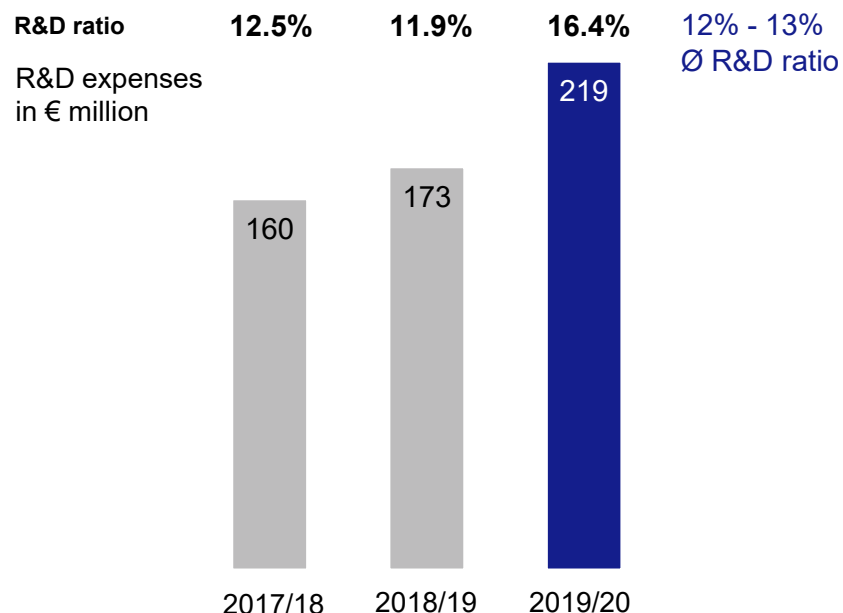
Appendix



Strong Position in Key Technologies and Leading in Market Shaping Innovation



ZEISS innovates to drive customer value through superior solutions.



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

1

LEADING INNOVATION AND PUSHING THE BOUNDARIES OF TECHNOLOGY

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

History of gold standards in optical technologies

2

DEVELOPING WITH THE CUSTOMER

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

Application-driven development

3

CONNECTIVITY & DATA MANAGEMENT

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

Lead the digitization of our business

4

WORKFLOW- AND OUTCOME-DRIVEN SOLUTIONS

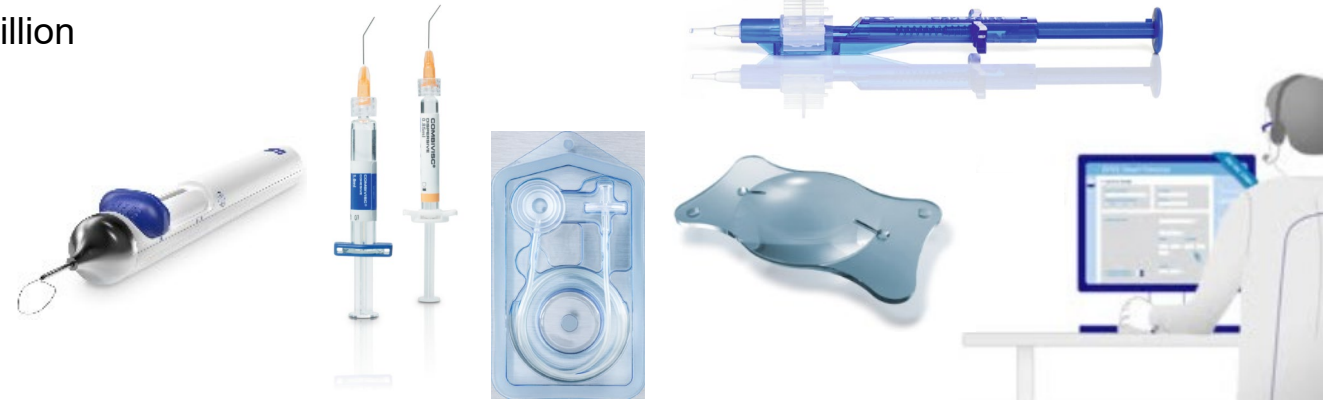
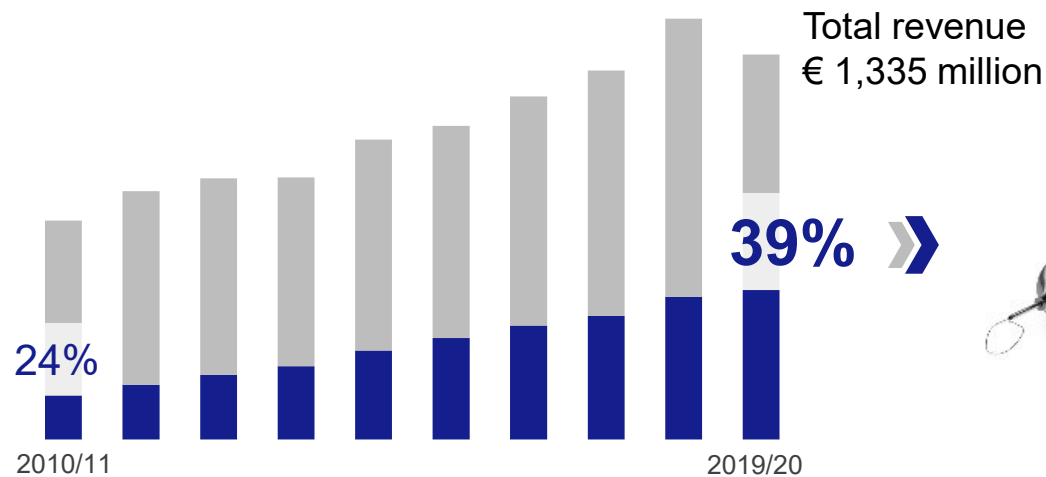
Integrated solutions supporting strong treatment outcomes and efficient workflows

We integrate our products into systems

Broad and Diversified Portfolio with Growing Share of Recurring-revenue Generating Products



We steadily enhance our share of recurring revenue¹ over the last 10 years



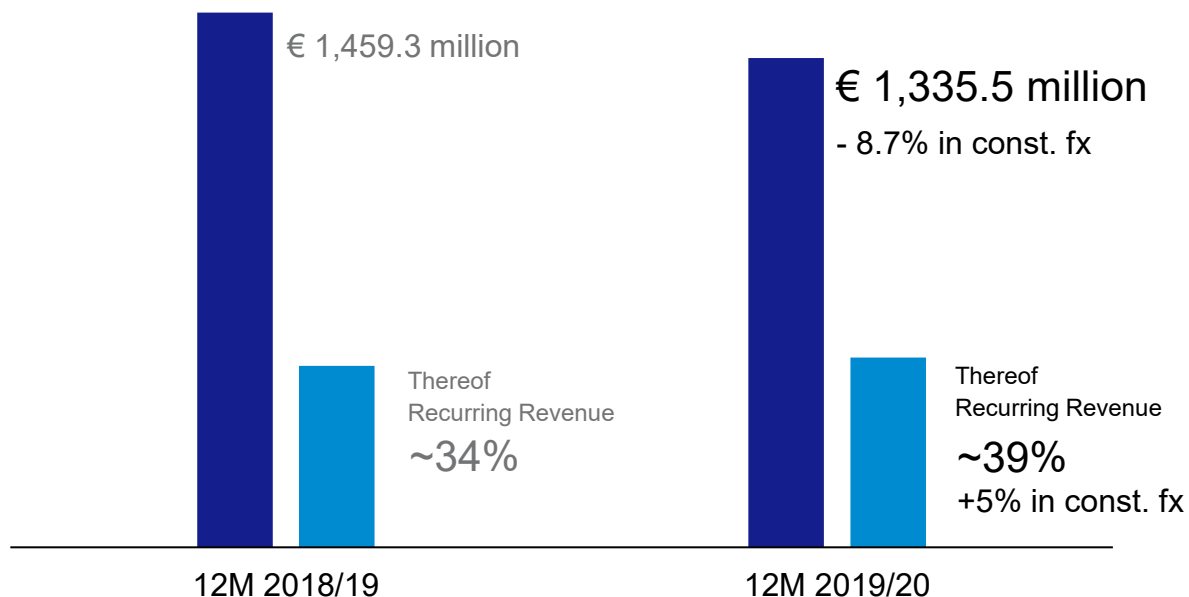
- More recurring revenue has allowed for profitable growth and less cyclicality.
- We steadily broaden our service offering to complement our product offering and enhance the share of recurring revenue.
- Comprehensive sales and service excellence including technical service, training, consulting on practice management and efficient workflow as well as on reimbursement

¹ Intraocular lenses (IOLs) and various consumables are sources of recurring revenue (e.g. viscoelastics, phaco cassettes, refractive laser treatment packs, drapes, etc.)

Recurring Revenue at new record high in FY 2019/20



Revenue development vs. last year



Recurring Revenue¹⁾ has reached a new record level of around 39%

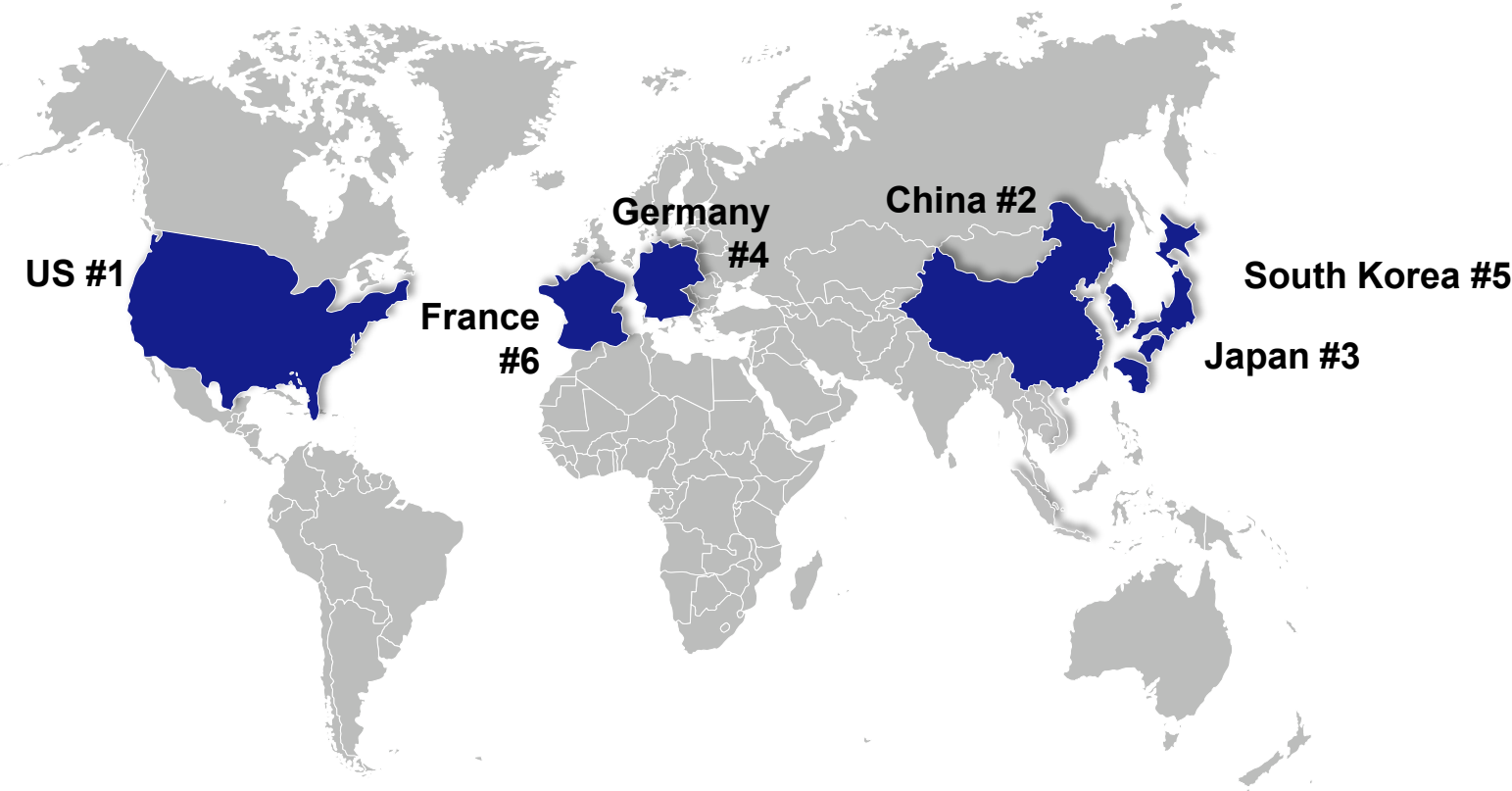
- Slight growth of recurring revenues y/y of +5% (in const. fx) to a new record high of 39%
- Stable contribution from Service business in otherwise difficult year for equipment sales

¹⁾ Recurring Revenue contains surgical consumables (IOLs, Refractive Treatment Packs, Drapes, Cassettes & Accessories) and Service.

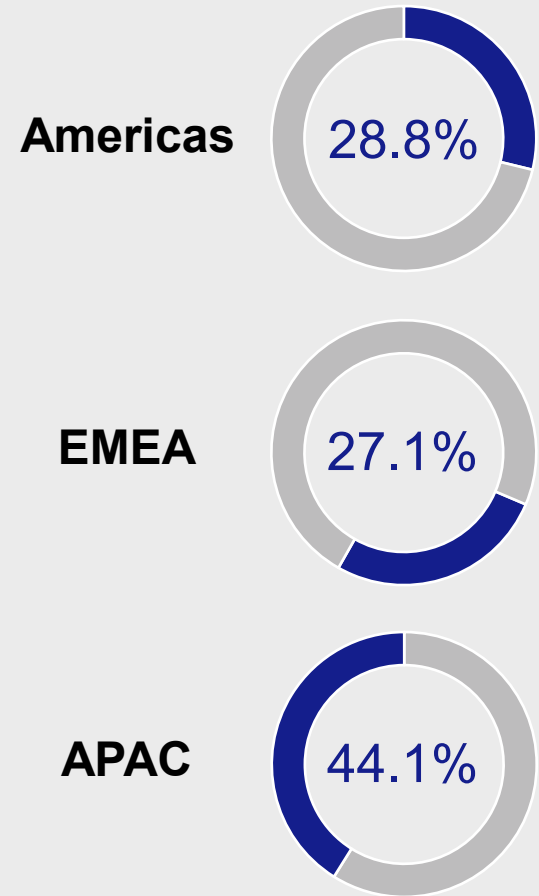
APAC has become the largest region for Carl Zeiss Meditec AG



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



Carl Zeiss Meditec Group's regional split
In % of total revenue 2019/20



ZEISS Provides the most Comprehensive Diagnostic and Surgical Solution Portfolio in Eye Care



						
Diagnostics	Routine Diagnostics	+				+
	Retinal Imaging	+			+	+
	Perimetry	+				+
	Biometry	+			+	+
Surgical	Therap. Laser Surgery	+		+	+	
	Refr. Laser Surgery	+	+	+		
	Surgical Microscopy	+	+			+
	Phaco & IOLs	+	+	+		

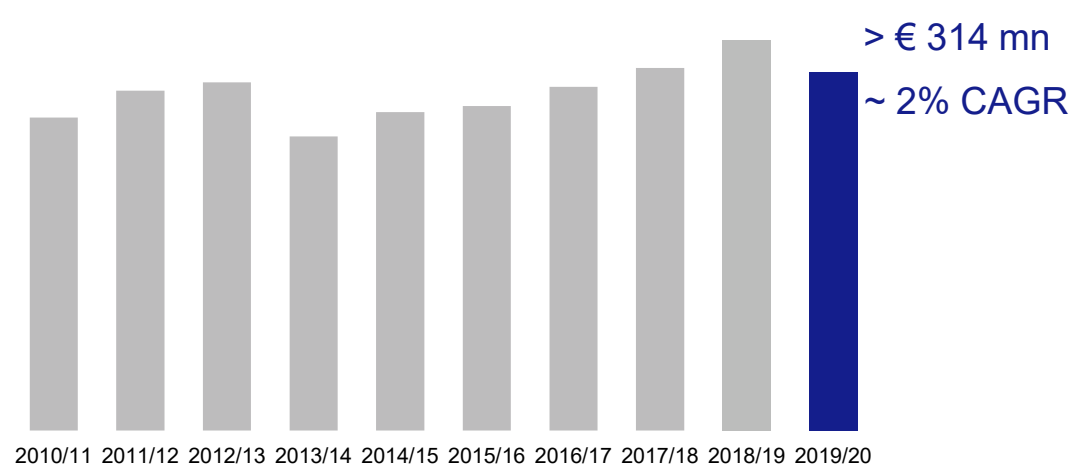
- ZEISS provides gold standard systems and solutions across eye diagnostics and surgery based on deep application know-how in optics and imaging.
- Connectivity of imaging and surgical devices used to support surgeons' quest for premium treatment outcomes and workflow efficiency.

All trademarks are property of the respective owner.

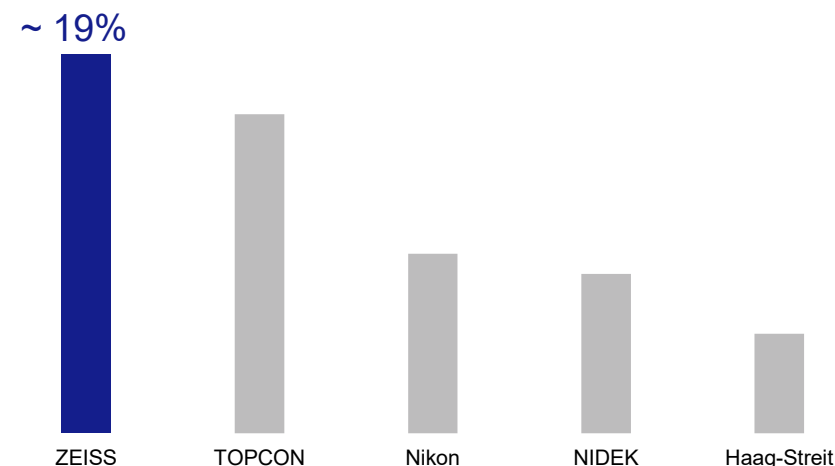
ZEISS leads Ophthalmic Diagnostics Industry with Broad Portfolio



Stable revenue trend in ODX



Key players and estimated market share in ODX¹

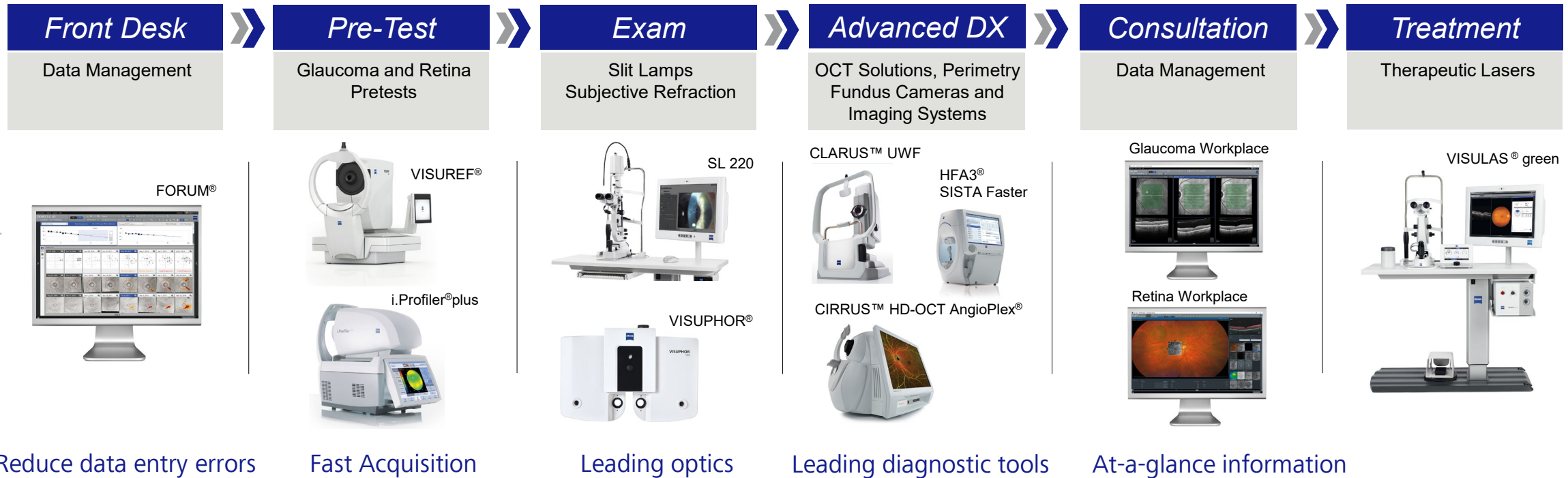


- ZEISS has maintained its historic leadership in ophthalmic diagnostic technologies for management of chronic age-related eye diseases
- FORUM data management infrastructure provides best-in-class connectivity, data archiving and analytical features
- Revenue growth accelerated before COVID-19 pandemic due to significant product launches & portfolio overhaul in OCT and fundus imaging

¹ Market Scope®, CZM internal estimates

ZEISS Ophthalmic Diagnostics

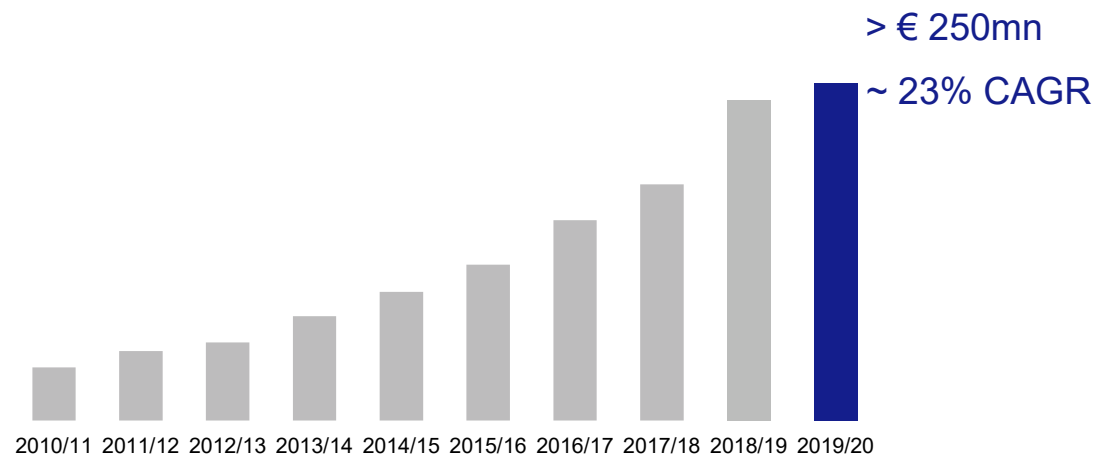
Solutions Managing & Supporting Practice Performance



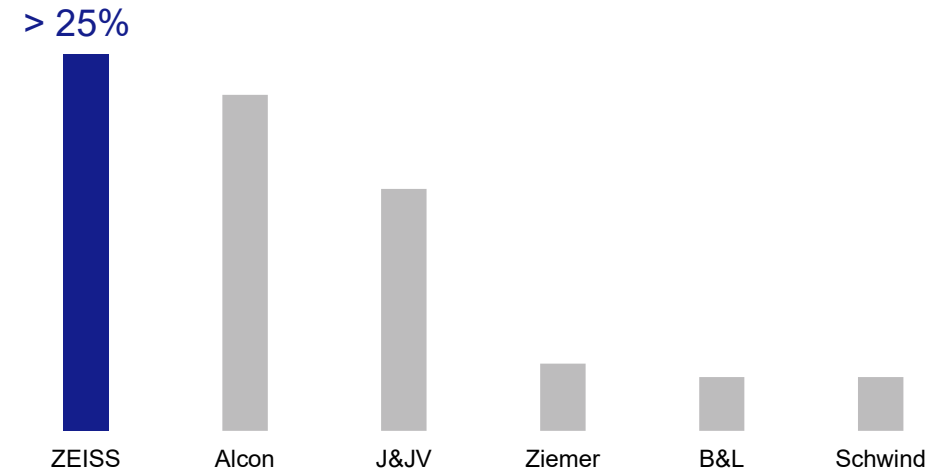
Refractive Laser has been a growth engine for ZEISS



Strong revenue growth in REF



Key players and estimated market share in REF¹

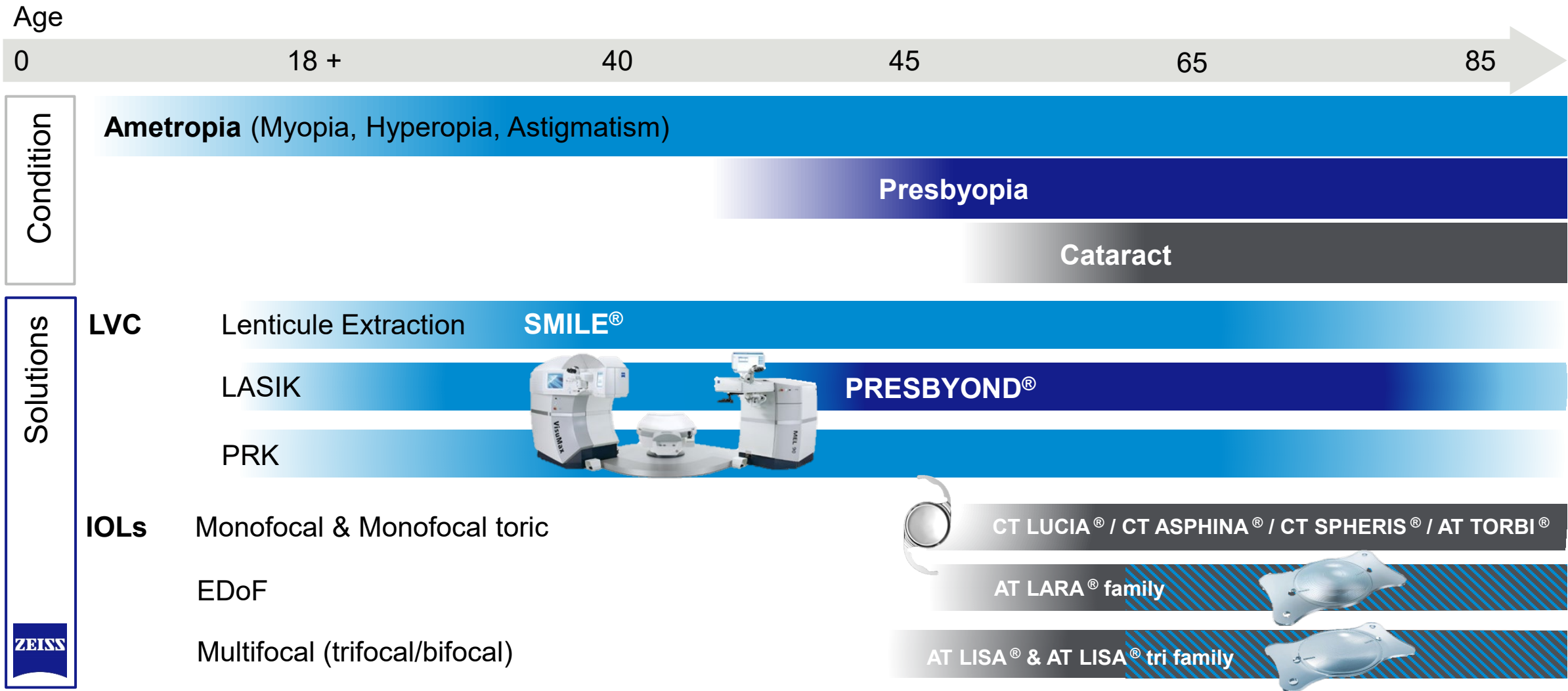


- ZEISS entered the refractive laser business in 2002 through the acquisition of Asclepion Meditec
- Strong driver of recurring revenues: > 60% recurring from treatment packs and service in FY 2019/20

- ZEISS has captured a majority of the growth in the refractive laser market over the past years as adoption of the SMILE technology has accelerated
- Strong growth in APAC (China, South Korea)

¹ Market Scope®, CZM internal estimates

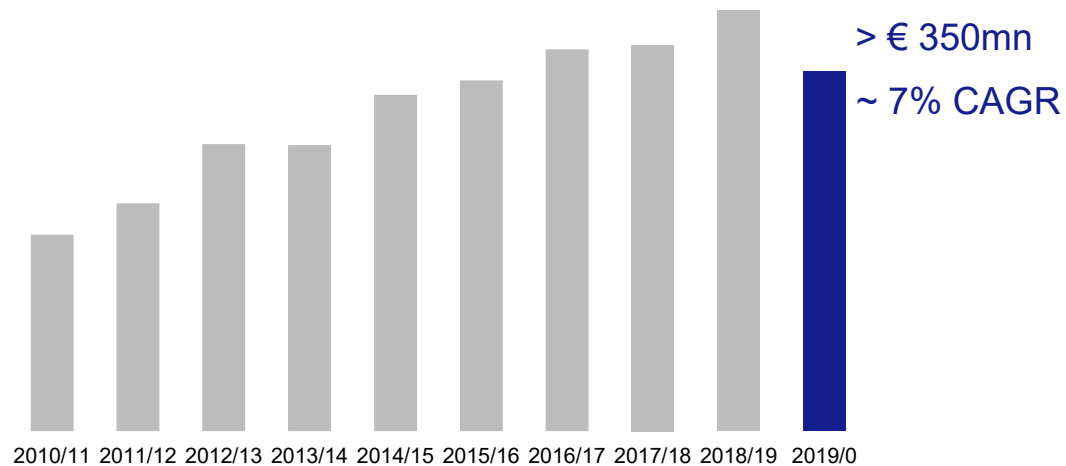
ZEISS Ophthalmic Surgical Solutions Cover a Patient's Entire Ocular Lifecycle



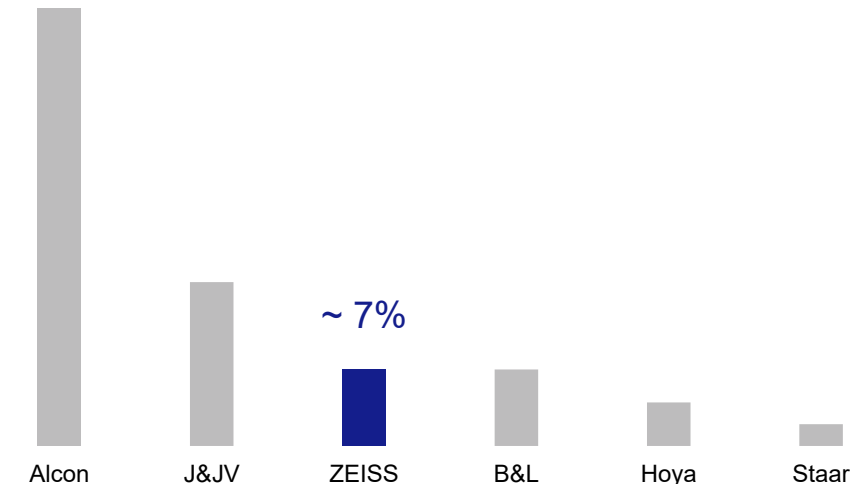
Surgical Ophthalmology has provided steady above-market growth over the past decade



Continuous revenue growth in SUR



Key players and estimated market share in SUR¹



- SUR has grown significantly ahead of market growth for the last decade
- Largest contributor to recurring revenue

- Most innovative portfolio in industry with high share of premium IOLs
- Leading position in Surgical Microscopes and Biometry

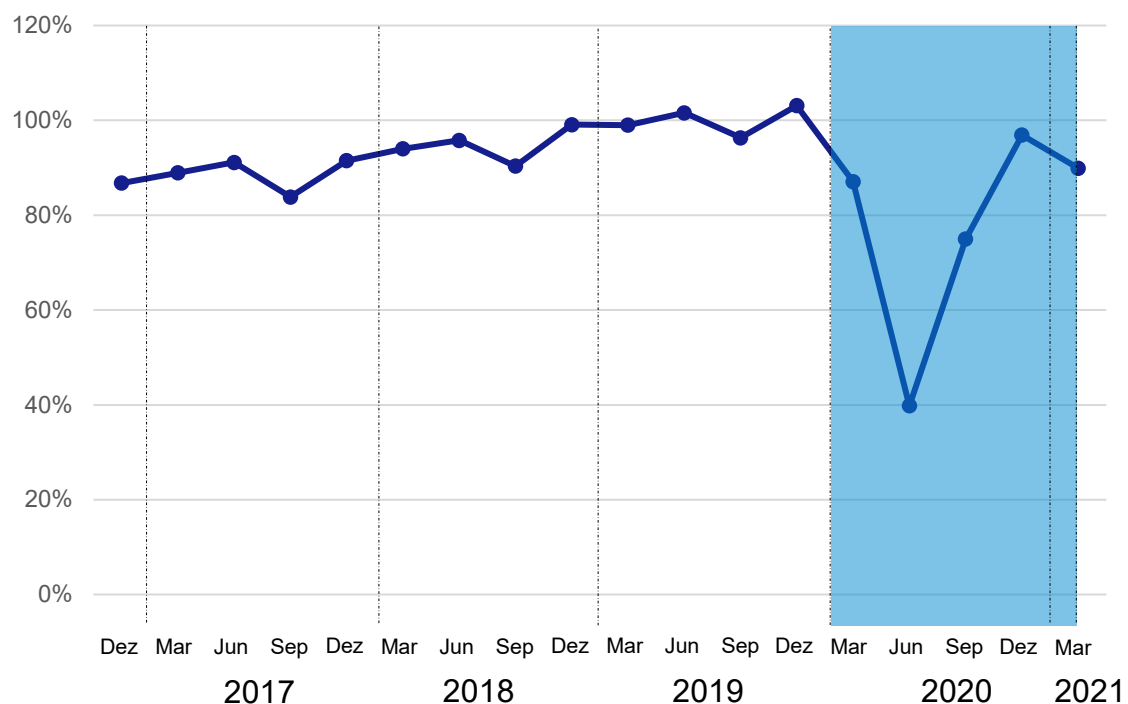
¹ Market Scope®, CZM internal estimates

Global cataract surgeries dropped significantly in 2020 and have mostly recovered, but slipped again in early 2021



Global IOL¹⁾ volumes vs. 2019 avg. baseline

(Calendar quarters)



¹⁾ Intraocular lenses

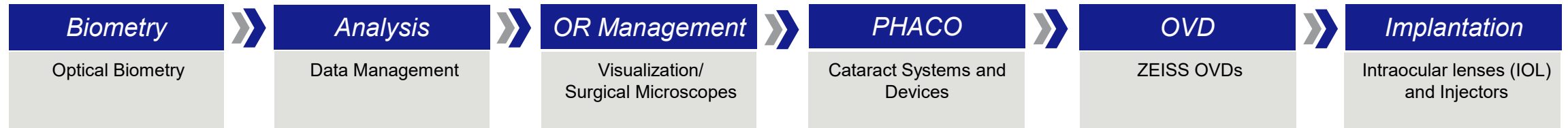
Source: MarketScope, Company's own estimates; 100% = 2019 avg. quarterly volume of EUR 6.8m units

Recovery in IOL procedures to 2019 levels mostly completed by December, 2021 off to a weak start

- Postponement of elective surgeries across all regions in spring of 2020 led to the most severe decline in cataract procedures on record
- Recovery in the global IOL market still short of pre-crisis baseline, as high COVID-19 case numbers continue to burden healthcare system
- Some signs of acceleration of multifocal IOL adoption and share gains of private clinics in our markets
- Early signs of delayed procedures from 2020 being recovered in some countries, particularly in APAC – not yet visible in global numbers

ZEISS Cataract Suite

Integrated Solutions to Provide Highest Level of Care

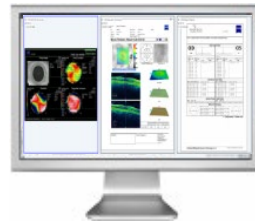


Product examples

IOLMaster® 700



FORUM®



ZEISS ARTEVO 800
with CALLISTO eye®



VISALIS 500

ZEISS miLOOP



VISTHESIA
COMBIVISC®



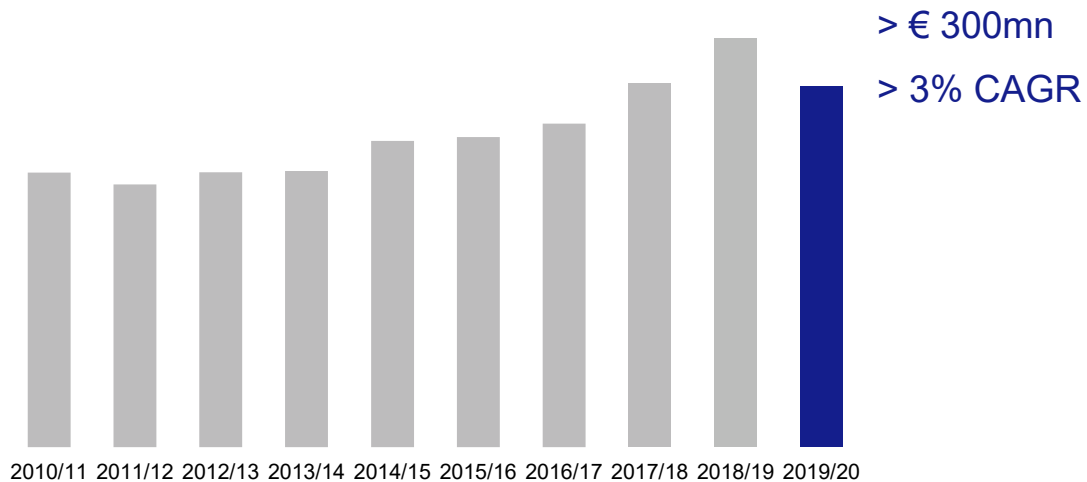
EDoF®, Trifocal®, Bifocal®,
Toric®, BLUEMIXS injector®



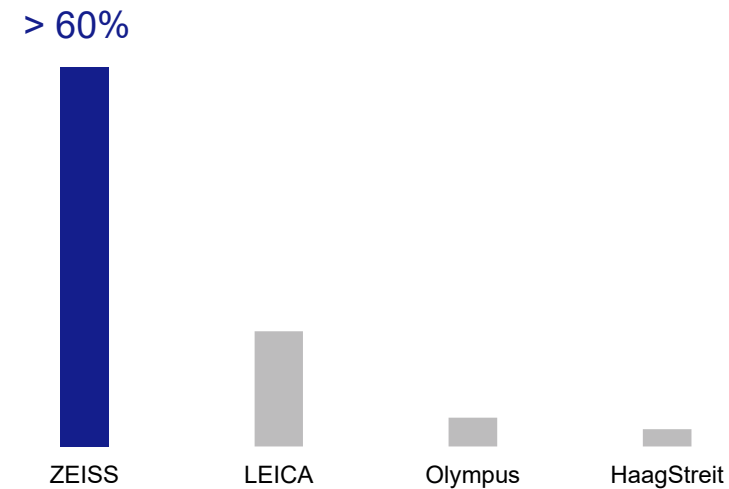
Stable Revenue Growth in Microsurgery SBU



Stable revenue growth in MCS



Key players and estimated market share in MCS¹



- U.S., Japan and China are the key markets for Microsurgery – together accounting for more than half of revenue
- Strong leading position in Neurosurgery
- Neurosurgery/ENT is more than half of the overall Microsurgery business and contributes the largest share of the earnings

¹ Market Scope®, CZM internal estimates

We Have been at the Forefront of Innovation for Decades, Applying our Specialized Know-how



- We have grown the market by replacing the installed base with next generation technology and driving system value (intraoperative diagnostics)
- Kinematics & Robotics – providing a maximum of flexibility, movement and ergonomics for the surgeon
- Intra-Operative Diagnostics – seeing beyond - additional diagnostic information live during surgery
- Digital Imaging – improving image quality in ocular and attached screens and facilitating video transmission on local and remote screens

We Have a Strong Position in Microsurgery with a Durable Competitive Advantage



- » Largest R&D team for surgical visualization
 - Leading in bringing robotic and modern video technology to microsurgery
 - Close collaboration with our customers

- » Technology leadership
 - Strong brand
 - High customer loyalty
 - High market share
 - Long product lifecycles

We Continue to Benefit from Several Growth Drivers in Microsurgery

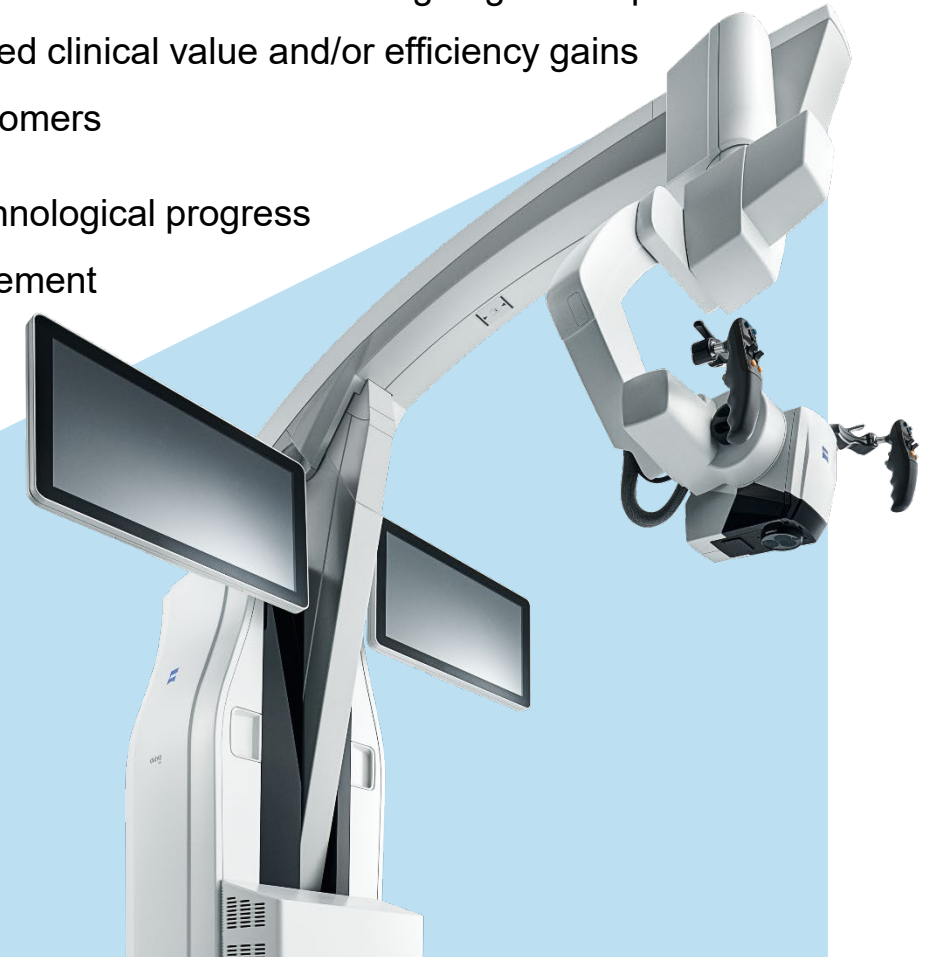


+ Innovation – We remain at the cutting edge – our products provide added clinical value and/or efficiency gains for our customers

+ Shortening of Replacement Cycles – Technological progress and new applications lead to shorter replacement cycles, driving unit growth

+ Demand in RDE's – Rapidly Developing Economies are becoming an ever more important source of our growth, already accounting for > 25% of revenue

+ Pricing Power – We have been able to slightly raise ASP's over time



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Carl Zeiss Meditec returns to growth in Q2 2020/21

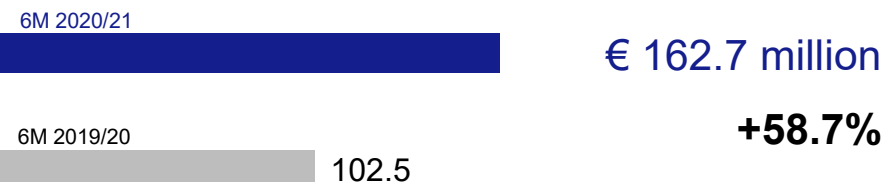


Revenue



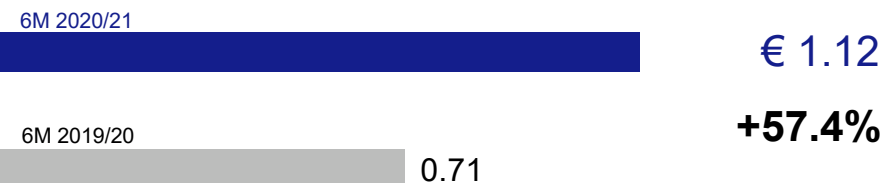
- FX-adj. revenue growth of +10.5%
- Very strong growth of OPT segment, partly supported by recovery of delayed surgical procedures and early improvement in equipment business
- MCS improved during period, back to growth in March – good order intake throughout Q2
- Strongest regional growth contribution from APAC

EBIT



- EBIT margin at new record high of 21.2% (prev. year 14.3%)
- Favorable product mix with high recurring revenue
- Low sales & marketing expenses due to virtual-only trade shows and comparably low advertising and travel activity
- One-off gain from sale of a property of ~€2.4million as disclosed in Q1 2020/21
- Adj. EBIT margin amounted to 21.4% (prev. year 14.7%)

EPS



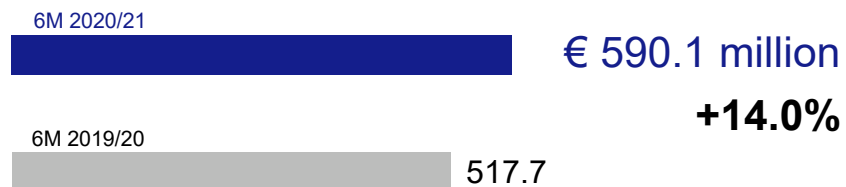
- Significant growth in line with EBIT trend vs past year

Ophthalmic Devices

Recurring revenue drives strong growth



Revenue



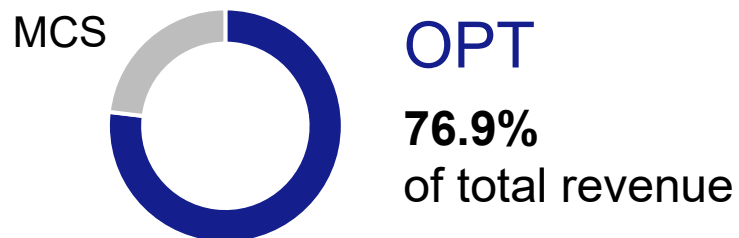
- FX-adj. revenue growth of +17.2%
- OPT benefits from strong growth in recurring revenues
- Equipment business returns to growth in Q2 against both 2020 and 2019

EBIT margin



- Strong EBIT margin expansion supported by:
- Favorable product mix with high share of recurring revenue
- Significant savings in sales and marketing expenses due to virtual-only trade shows, low advertising and travel activity

Revenue Split



Microsurgery

Performance stabilized in Q2 2020/21, return to growth in March/April

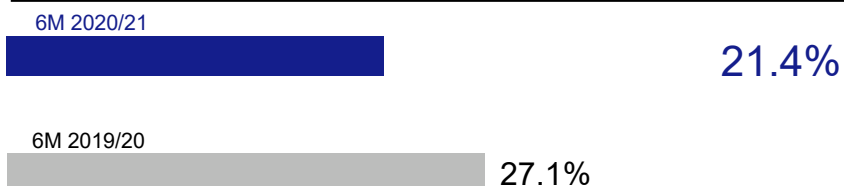


Revenue



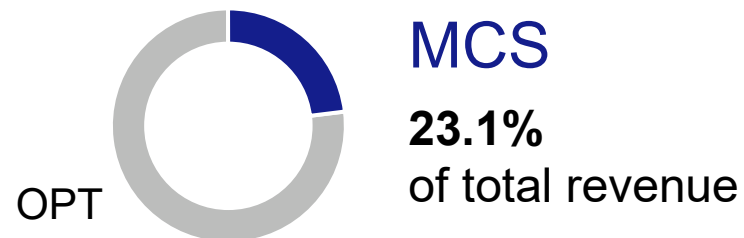
- Fx-adj. revenue decline of -7.0%
- Performance stabilized, solid order intake throughout Q2
- Return to revenue growth in months of March and April 2021, against both 2020 and 2019

EBIT margin



- EBIT margin decreased compared with prior-year period as a result of weaker revenue, mitigated by disciplined cost management in manufacturing as well as sales & marketing

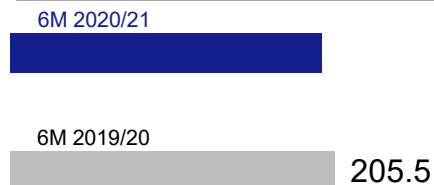
Revenue Split



All regions back to fx-adjusted growth, APAC significantly ahead



25.7%
Americas



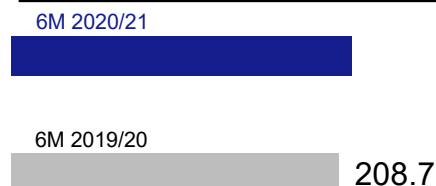
€ 197.2 million
-4.1%

Americas

- FX-adj. revenue growth of +3.0%
- A further acceleration in the US business in particular contributed to the positive development.



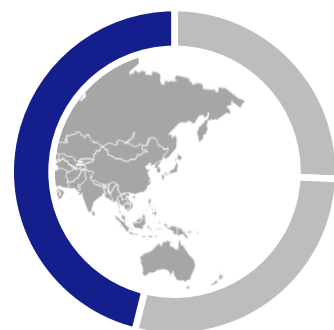
28.2%
EMEA



€ 216.7 million
+3.8%

EMEA

- Stable fx-adj. revenue trend (+5.4%)
- Good contributions from Germany, France and Southern Europe



46.1%
APAC



€ 353.5 million
+17.6%











APAC

- FX-adj. revenue growth of +19.2%
- Revenue mainly supported by China and South Korea, Southeast Asia returned to growth
- Japan, India still trailing PY

P&L Analysis – EBIT growth supported by solid revenue development, product mix and lower sales & marketing cost



Income Statement

		in € million	in % of sales	
Gross profit		438.0	57.1	<ul style="list-style-type: none"> Gross margin up y/y, supported by high share of recurring revenue in Ophthalmic Devices, partly offset by weaker trend in Microsurgery SBU Significant opex reductions vs. previous quarters, mainly in sales & marketing R&D ratio decreased to 14.5% (previous year: 14.8%) EBIT includes one-off gain from sale of a property of ~€2.4 million as disclosed in Q1 2020/21
		397.7	55.6	
Selling & marketing expenses		137.3	17.9	
		160.0	22.4	
General admin. expenses		28.9	3.8	
		29.7	4.2	
R&D expenses		111.6	14.5	
		105.5	14.8	
EBIT [adj.]		162.7	21.2	
		[164.1]	[21.4]	
		102.5	14.3	
		[105.3]	[14.7]	

■ 6M 2020/21 ■ 6M 2019/20

Adjusted EBIT margin amounted to 21.4%



Adjusted EBIT margin

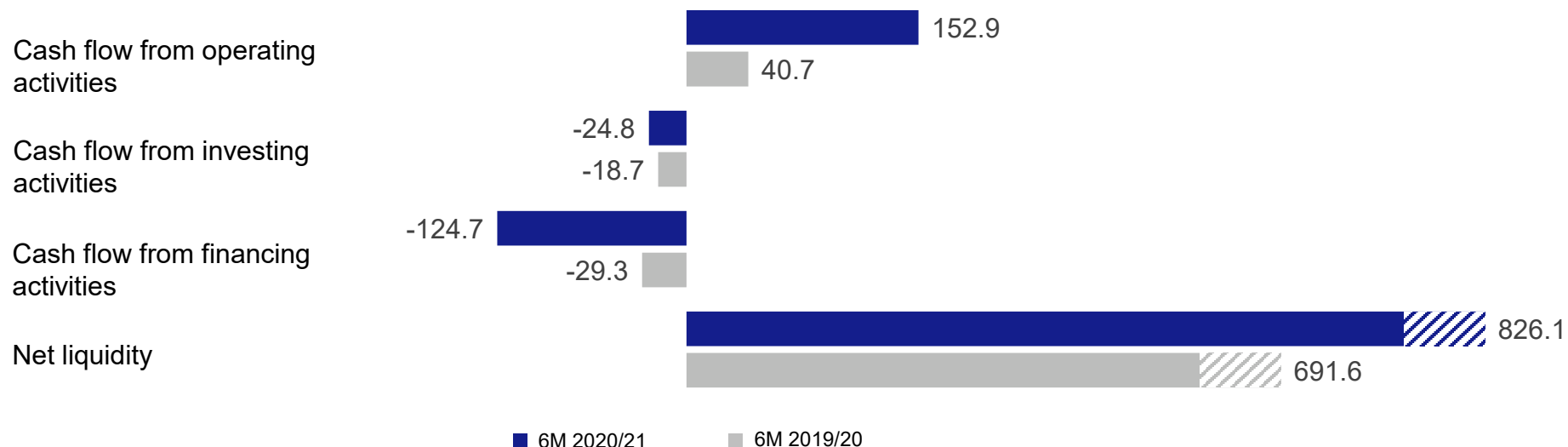
	6M 2020/21 € million	6M 2019/20 € million	Change to PY %
EBIT	162.7	102.5	+58.7
./.. Acquisition-related special items	-3.8	-2.8	+33.9
./.. Other special items	+2.4	-	-
Adjusted EBIT	164.1	105.3	+55.8
Adjusted EBIT in % of revenue	21.4%	14.7%	+6.7% pts.

- Non-cash charges related to the acquisitions of Aaren Scientific and IanTech
- One-time gain from the sale of a property in the amount of around € 2.4 million in the current period

Further increase of operating cashflow and net liquidity



Cash flow statement



- **Operating cash flow higher** compared to PY mainly due to strong increase in operating earnings as well as reduction in inventories.
- **Cash flow from investing activities** includes € 8.5 million milestone payment related to IamTech acquisition, offset by proceeds from the sale of a property of € 8.4 million as disclosed in Q1 2020/21
- Investments in property, plant and equipment increased due to the expansion of production capacities for intraocular lenses at new plant in Guangzhou, China.
- Net liquidity at new high of € 826.1 million

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Recovery in revenue and EBIT expected to continue



Favourable Long-Term Trends

Aging of the population and growing affluence

Rising access to health care in RDEs

Increasing information access and awareness

Growing patient load, growing patient expectations

COVID-19 Impact

Surgical procedures recovering fast following end of containment measures

Equipment business needs more time to recover to pre-crisis levels, but has mostly returned to growth in March/April 2021 vs. both 2020 and 2019

Rising relevance of tele-medicine and digital, AI driven solutions for diagnostics and surgery will re-shape ophthalmology, ZEISS needs to continue to invest in digitalization in order to stay on top

FY 2020/21 Outlook

During the further course of FY 2020/21, the company expects further business normalization

Revenue is expected to reach around € 1.6 billion (past year: EUR 1,335.5 million)

EBIT margin is projected to reach a level of approximately 20% (past year: 13.3%), with significant support from lower than usual sales and marketing expenses in the current year

Mid-term margin outlook unchanged:
EBIT margin sustainably above 18%

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Medical Technology is a Deeply Integrated Core Business for the ZEISS Group



- 27 May 2021 **Annual General Meeting**, Jena
- 6 August 2021 Publication of **9-Month Quarterly Statement** and Conference Call
- 10 December 2021 Publication of **Annual Financial Statements** and Analyst Conference



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Seeing beyond