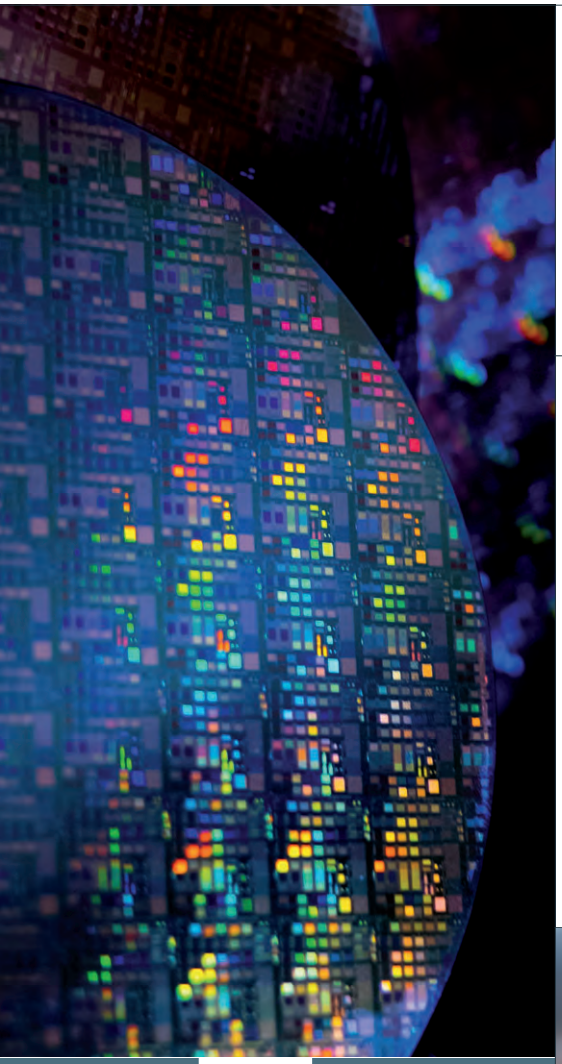
THE GROUP IN BRIEF

March 2025

Mersen is a global expert in electrical power and advanced materials for high-tech industries.
With more than 50 industrial sites and 21 R&D centers in about 30 countries around the world, Mersen develops custom-built solutions and delivers key products for clients in order to meet the new technological challenges shaping tomorrow's world.
For over 130 years, Mersen has focused tirelessly on innovation to accompany its clients and meet their needs.
Be it in wind power, solar power, electronics, electric vehicles, aeronautics, space or countless other sectors, wherever technology is progressing, you will always find a bit of Mersen.



MESSAGE FROM LUC THEMELIN CHIEF EXECUTIVE OFFICER OF MERSEN

We returned to external growth in 2024.

Luc Themelin, 64, has been Chief Executive Officer of Mersen since May 11, 2016, after serving as Chairman of the Management Board from August 2011 to May 2016. He also sits on the Group's Board of Directors. He holds a PhD in ceramic materials science, and initially joined the Group in 1993 as an R&D engineer.

In recent years, Mersen has taken on a new dimension and acquired a more comprehensive, dynamic, profitable and resilient profile thanks to our unique expertise in electrical power and advanced materials, our international presence and our position as world leader.

In 2024, Mersen set a new sales record, at €1,244 million. We have returned to external growth, and are delighted to welcome the employees of GMI, Bar-Lo and KTK to the Group. These acquisitions in the United States are an opportunity for us to expand our customer base while consolidating our production resources and expertise.

However, the Group's organic sales growth of 2.6% in 2024 is below initial expectations, due to a sharp downturn in deliveries to the solar cell market in China in the second half of the year and slower growth in SiC semiconductors due to turbulence in the electric vehicle market. These factors have also led the Group to push back its medium-term objectives by two years, from 2027 to 2029.

The Group rapidly adapted to the delay in these markets and achieved an EBITDA margin of 16.5%, virtually unchanged from last year. The increase in development costs for electric vehicles and the p-SiC substrate development project was offset by the ramping up of measures to improve the profitability of certain sites and product lines, with effects already visible at the end of 2024. The operating margin before non-recurring items, at 10.5% of sales, was 80 basis points lower than in 2023, due to the increase in depreciation and amortization linked to the significant investments made in 2023 and 2024.

16.5%

EBITDA MARGIN BEFORE NON-RECURRING ITEMS

3

ACQUISITIONS: GMI, BAR-LO AND KTK

Thanks to an increase in prepayments on contracts in the SiC semiconductor market and the initial effects of the inventory reduction plan announced at the end of October, the Group was able to generate record net cash from operating activities before capital expenditure over the year.

Net debt at the end of 2024 stood at €370 million, a significant increase compared to December 31, 2023, due to record capital expenditure and the financing of acquisitions. However, the Group's financial structure remains solid, with a leverage ratio (net debt/EBITDA) of 1.8x, in line with its policy. We also strengthened our cash position with the issue of a €100 million German private placement "Schuldschein") in March 2024, together with a US private placement of almost USD 195 million signed in February 2025.

Lastly, the Group has complied with the European Corporate Sustainability Reporting Directive (CSRD) and published its first sustainability report this year. In the future, the CSR double materiality assessment will help align the Group's strategy even more closely with its sustainability objectives.

Based on these results, the Board of Directors will ask shareholders at the Annual General Meeting to approve a cash dividend of €0.90 per share for 2024, in line with the Group's policy.

In 2025, we will continue to implement our strategic plan, leveraging growth opportunities in our markets and pursuing our adaptation and cost optimization initiatives against a backdrop that remains turbulent.

Luc Themelin

The Board of Directors will ask shareholders to approve a dividend of €0.90 per share.

MERSEN IN A NUTSHELL & KEY FIGURES FOR 2024

A global expert in electrical power and advanced materials,
Mersen partners companies around the world that drive
today's industry and shape tomorrow's society.
A committed partner and core technology provider.

OUR SOLUTIONS

The Group develops tailor-made solutions and supplies key products across ten main product lines to meet new technological challenges.

- High-temperature graphite solutions
- High-temperature insulation
- Advanced mirrors
- Anti-corrosion equipment
- Power transfer
- Power conversion
- Overcurrent protection
- Overvoltage protection
- Motor brushes
- Signal transfer

€1,244M
IN SALES

55%
FOR SUSTAINABLE DEVELOPMENT MARKETS

EARNINGS

€206M
EBITDA BEFORE NON-RECURRING ITEMS

€131M
OPERATING INCOME BEFORE NON-RECURRING ITEMS

€59M
NET INCOME ATTRIBUTABLE TO MERSEN SHAREHOLDERS

DIVIDEND PER SHARE

€0.90
Subject to shareholder approval at the Annual General Meeting

FINANCIAL STRUCTURE

10.8%
RETURN ON CAPITAL EMPLOYED

1.8
LEVERAGE

OUR COMMITMENTS

UN GLOBAL COMPACT
WE SUPPORT

CDP Discloser 2024

MSCI ESG RATINGS AA
CCC B BB BBB A AA AAA

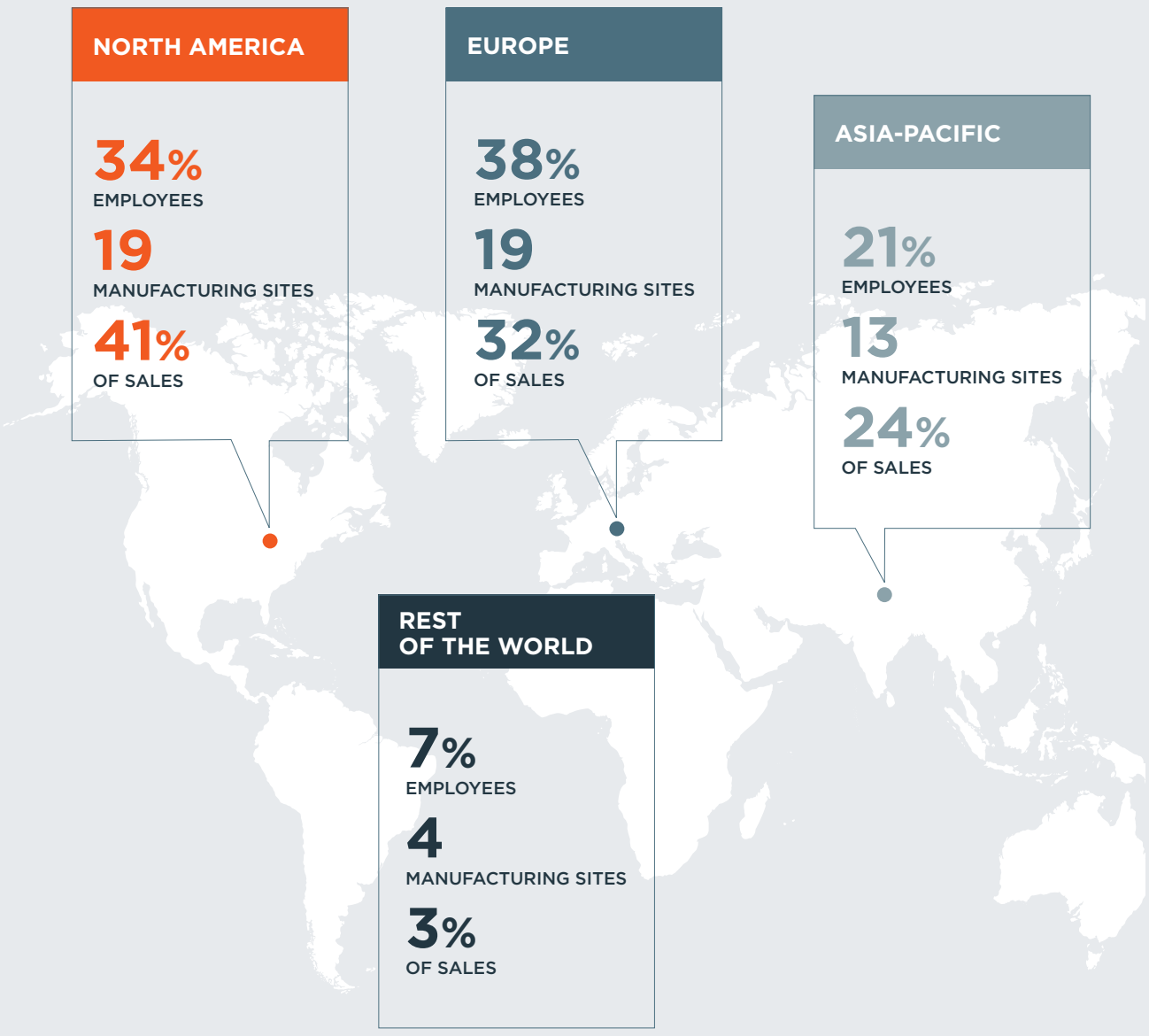
GOLD | Top 5%
ecovadis
Sustainability Rating
JUL 2024

MERSEN WORLDWIDE

7,466
EMPLOYEES

33
COUNTRIES

55
SITES WORLDWIDE
(of which 18 with more than 125 employees)



NORTH AMERICA

34%
EMPLOYEES

19
MANUFACTURING SITES

41%
OF SALES

EUROPE

38%
EMPLOYEES

19
MANUFACTURING SITES

32%
OF SALES

ASIA-PACIFIC

21%
EMPLOYEES

13
MANUFACTURING SITES

24%
OF SALES

REST OF THE WORLD

7%
EMPLOYEES

4
MANUFACTURING SITES

3%
OF SALES

LANDMARK DATES

The revolution in electricity, where it all began

Mersen's roots lay in a technology that was about to play a decisive role in the coming electrical revolution: carbon arc rods. These would illuminate public spaces and large department stores from the 1870s.

Following on from lighting and arc lamps, electric motors gave the Group's founders opportunities to develop on an industrial scale. Electricity was being produced by dynamos in which the current was transmitted by sliding contacts in the form of small brushes made of carbon, another major market that would underpin Mersen's growth.

In addition, electrical networks also required distribution, control and protection equipment: Mersen rapidly became a leader in the electrical appliances industry.

FOUNDING

The adventure began with two entrepreneurs, Maurice Lacombe and Fabius Henrion. Their companies – Le Carbone and the Compagnie Lorraine de Charbons – merged in 1937 to give rise to the Carbone Lorraine group. These two entrepreneurs are the true founders of Mersen.

1891 Establishment of the Fabius Henrion factory, producing electric motors, dynamos and lamps

1892 Creation of Le Carbone in Paris, specializing in the manufacture of brushes for motors

1897 Opening of the first foreign subsidiary, in Germany

1937 Foundation of Carbone Lorraine

REBUILDING

When France was liberated in 1945, Carbone Lorraine recovered most of its plants in working order. However, the Group emerged weakened from the global conflict.

It was now faced with a major challenge: modernize or disappear. Under the leadership of its new Chairman, Charles Malégarie, the Group rallied to return to the industrial presence it had enjoyed in the 1930s.

1950–1985 Resumption of worldwide distribution of products from Ferraz, a Lyon-based manufacturer of industrial fuses and brush-holders

1961 Construction of the Amiens plant to manufacture brushes for electric motors

EXPANDING

In the early 80s, the Group decided to reinvent itself. The aim was to move away from commonplace products and specialize in highly technical manufacturing methods.

At the same time, R&D efforts were more and more focused around customers so as to offer them tailor-made products. This important turning point is what shaped the Mersen Group as we know it today.

1991 Acquisition of Stackpole's electrical applications and high-temperature assets (United States)

1999 Acquisition of the Gould-Shawmut group's electrical protection division (American standard fuses)

2005 Disposal of its automotive magnets business

2007 Inauguration of the Chongqing plant, the Group's first industrial facility in China to produce isostatic graphite

2008 Acquisition of Xianda (heat exchangers) and Mingrong Electrical Protection (MEP) (fuses), the Group's first acquisitions in China

Disposal of its rail and motorcycle braking business to Faiveley

Acquisition of Calcarb, world no. 2 in rigid graphite felts

2009 Disposal of its automotive and household electrical appliance brush business

CONSOLIDATING

In 2010, the Group undertook to bring its identity in line with its new profile. Carbone Lorraine gave way to Mersen.

2010 CARBONE LORRAINE BECOMES MERSEN

Acquisition of a majority stake in Boostec, a specialist in silicon carbide

Strengthening of the solar energy business with the acquisition of a majority stake in Yantaï in China

2011 Acquisition of Eldre, a specialist in laminated and insulated bus bars

2014–2018 Acquisition of Cirprotec, a specialist in lightning and surge protection devices (SPD)

2018 Acquisition of Idealec, a leader in designing and manufacturing laminated bus bars

Acquisition of FTCap, a leader in designing and manufacturing capacitors

2019 Acquisition of the Columbia site to manufacture isostatic and extruded graphite and insulation felts

Acquisition of Advanced Graphite Materials Italy, a specialist in the machining of graphite and carbon fiber insulation

2020 Acquisition of GAB Neumann, a specialist in graphite and silicon carbide heat exchangers

TRENDS AND OPPORTUNITIES

The energy transition is one of the greatest challenges of the 21st century, as the world faces the depletion of natural resources, a growing need for energy supply, and climate change.

The way forward is a structural transformation to reduce energy consumption and give green energy a greater share of our energy mix.

Mersen sees these underlying trends as opportunities to further support economic development and the global energy transition, delivering tailor-made solutions and key products to customers to help them rise to these new technological challenges.

Supporting the development of renewable energies

At the end of 2023, renewable energies accounted for 30% of global electricity production, of which 14% from hydroelectric power, 8% from wind power and 5% from solar power. In 2024, the combined capacities of solar and wind power overtook hydroelectric power. Annual solar panel installations climbed from 228 GW in 2022 to 440 GW in 2023, and then to more than 550 GW in 2024. Installed on-shore and off-shore wind power capacity was estimated at around 1,150 GW worldwide at the end of 2024 (1,020 GW worldwide at the end of 2023).

Renewable energies are expected to account for 46% of global energy production in 2030 (source: IEA Renewables 2024), with particularly strong growth in solar power.

China is set to consolidate its leading position in the rollout of additional capacity, accounting for 60% of global capacity expansion by 2030. Since 2020, China's cumulative photovoltaic solar power capacity has almost quadrupled and its wind power capacity has doubled, thanks to competitive costs and support policies.

Mersen is contributing to the boom in renewable energies: solar, wind and hydroelectric.

Thanks to its offering of solutions and products that help make these major energy sources possible, Mersen benefits from the short- and medium-term potential of these markets. Its global presence at the heart of its markets is also a major advantage.

Helping convert and transmit electricity

The development of high-performance storage and transmission solutions is crucial if renewable energies are to continue to rise.

Due to its intermittent nature, renewable power has to be converted so that it can be transmitted and stored.

Energy storage systems help balance electricity supply and demand on power grids and mitigate the intermittent output of renewables. Excess energy produced at certain times can be stored and then fed back into the grid when demand is higher. These systems also meet the needs of remote, off-grid areas.

(1) Source: International Energy Agency (IEA).

In most cases, electrical energy cannot be stored or transmitted directly, so it is converted into the form required for its intended use – from direct current to alternating current, for example.

Thanks to power conversion, electricity from renewable sources can be transformed into an energy form that is subsequently fed into power grids, or stored and transformed back when it needs to be used.

Power conversion is a key area of development for Mersen.

The Group offers passive components for power management, as well as a wide range for optimizing the operation of power conversion and storage systems to make sure they are safe and reliable.

Improving power conversion efficiency with silicon carbide semiconductors

Silicon carbide (SiC) semiconductors, which perform better and consume less energy than their silicon (Si) counterparts, are increasingly becoming the go-to choice in the transition toward greater efficiency. They are used in the conversion systems of electric vehicles, energy storage, wind power and solar energy.

They are particularly essential in accelerating the adoption of electric vehicles, as they improve range and reduce battery charging times.

The power components market was estimated at USD 2.7 billion in 2023, 70% of which was used in electric vehicles. Other end markets include manufacturing (speed drives for motors) and renewable energies (power conversion). Despite the current temporary slowdown in the electric vehicle market, with an estimated delay of about three years compared to the 2023 estimate, strong growth is still expected: the market is set to climb to around USD 10 billion by 2029[1], i.e., a growth rate of around 25% per year.

Mersen is a key player in the rise of SiC semiconductors.

The Group's expertise in supplying the components needed to manufacture power semiconductors is virtually unique. Mersen's isostatic graphite and insulators ensure perfect control of the reaction at 2,400°C, to form very high-quality silicon carbide.

Participating in the development of electric vehicles

The electric vehicle (BEV, HEV or PHEV[2]) market is thriving, with both the passenger vehicle, and industrial and commercial heavy vehicle segments enjoying robust growth.

More than 14 million new electric cars were sold in 2023, representing over 16% of total car sales, compared with around 4% in 2020 (source: JD Power).

Growth in the passenger vehicle market has been driven by China, early adopters and European regulatory requirements. In 2024, China accounted for more than 60% of all electric vehicles sold, and is expected to continue to represent a significant share of the market in the medium term. In Europe and North America, electric vehicles are being adopted more slowly than initially anticipated due to vehicle purchase costs and automakers and charging infrastructures running behind schedule. The global market is estimated to be delayed by about three years compared to the 2023 estimate.

Mersen is contributing to the powerful momentum of the electric vehicle market.

Thanks to its expertise in cutting-edge technologies and its long experience in sectors that share the same need for electrical protection and energy management, the Group has been developing and adapting its products (particularly fuses and bus bars) for several years to meet the requirements for battery protection and connection and for the range of electric vehicles.

(1) Source: Yole: Power SiC – Markets and Applications 2024.
(2) Plug-in Hybrid Electric Vehicle.

BUSINESS MODEL

Purpose

SUPPLY CHAIN

- Processed raw materials (black materials)
- New or recycled metals
- Energy
- Plastic
- Sand

BUSINESSES

ADVANCED MATERIALS

Design
Materials formulation
Transformation
Treatment processes, finishing

- Graphite
- Brushes
- Felts

ELECTRICAL POWER

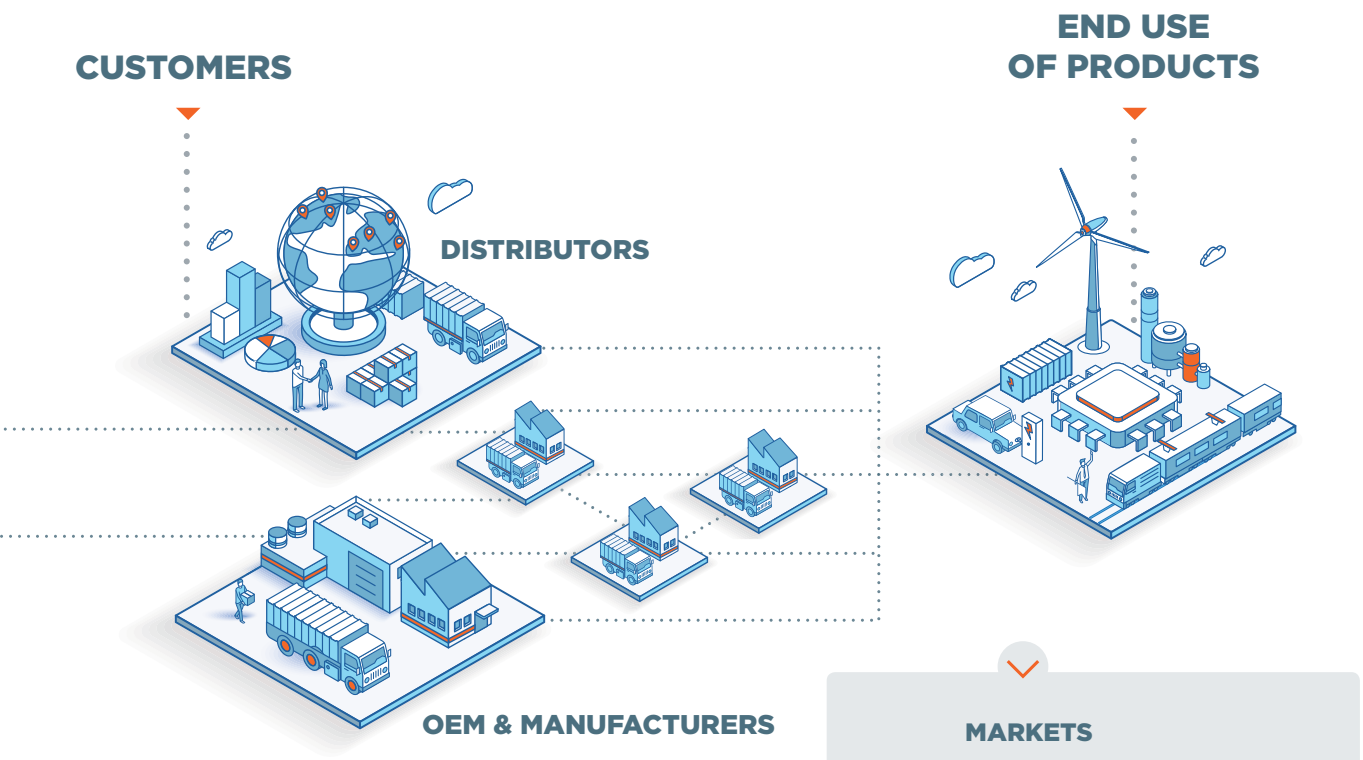
Design
Concept
Assembly

- Fuses
- Cooling
- Bus bars
- Capacitors

- €710m in purchases
- 76% renewable electricity

- 55 manufacturing sites
- 59% of sites certified ISO 14001 (>125 people)
- €204m in capital expenditure
- 21 R&D centers
- 7,466 employees
- €390m in fixed salaries
- €31m in profit sharing plans and bonuses

WE PROVIDE MANUFACTURERS ALL OVER THE WORLD WITH INNOVATIVE SOLUTIONS TO ENHANCE THE PERFORMANCE OF THEIR OFFER.



MARKETS

Energy
Electronics
Transportation
Chemicals
Process industries

- 55% of sales linked to sustainable development

ECONOMIC CONTRIBUTION

- €31m in dividends paid
- €13m in income tax
- €17m in interest paid to banks

OUR EXPERTISE

Since its beginnings at the end of the 19th century, Mersen has gradually transformed into an industrial group with recognized expertise in two key areas – Advanced Materials and Electrical Power. The Group primarily develops innovative solutions tailored to its customers' needs.

Advanced Materials segment

In the Advanced Materials segment, the Group operates across the entire value chain, from the formulation and manufacture of materials (graphite, silicon carbide, carbon fiber insulation and carbon-carbon composites) to the design of final products in line with customer needs.

It offers a range of solutions and products designed to perform the following principal functions:

€690M
IN SALES

55%
OF TOTAL SALES

Resistance against very high temperatures

Mersen's range includes isostatic graphite equipment, carbon-carbon composites, flexible and rigid insulating felt, silicon carbide parts (for solar applications and semiconductors) and other refractory components, electrodes for electrical discharge machining and kiln linings. Since 2019 and the acquisition of the Columbia site (United States), the Group has also produced specialty extruded graphite. In 2024, it boosted its graphite processing capabilities with the acquisition of two companies in the United States (GMI and Bar-Lo Carbon Products).

WORLD NO. 1(1)(2)
in high-temperature isostatic graphite applications.

Protection against corrosion

This is provided by equipment using graphite, reactive metals or silicon carbide for the chemical, pharmaceutical and metallurgy industries.

WORLD NO. 1-2(1)(2)
in graphite anticorrosion equipment.

Electric power transfer

The Group's range provides stable and constant generation, flow and transformation of electrical current in industrial environments (steel, mining, etc.), energy (power plants, hydropower plants, wind farms, etc.) and transportation (rail, aeronautics, space and maritime). This function is carried out with brushes, brush holders and power slip rings used in generators and motors, and with pantograph strips and collectors and third-rail shoe systems for subways.

WORLD NO. 1-2(2)
in brushes and brush holders for industrial electric motors.

Main competitors (in alphabetical order)

- **Helwig Carbon** (United States) – brushes, brush-holders and pantograph strips.
- **Morgan Advanced Materials** (United Kingdom) – brushes, brush-holders and pantograph strips and flexible and insulating felt.
- **Schunk** (Germany) – isostatic graphite transformation, brushes, brush-holders, pantograph strips and carbon-carbon composites.
- **SGL Carbon** (Germany) – isostatic graphite, anticorrosion systems, extruded graphite and flexible and rigid insulating felt.
- **Tokai Carbon** (Japan) – isostatic graphite and extruded graphite.
- **Toyo Tanso** (Japan) – isostatic graphite, carbon-carbon composites.

Electrical Power segment

€554M
IN SALES

45%
OF TOTAL SALES

The Electrical Power segment offers a range of solutions and products designed to perform the following principal functions across the entire electrical chain:

Equipment and people protection

This function prevents the destruction of industrial and commercial electrical equipment, ensures an uninterrupted power supply and helps stabilize the electrical network. It is provided by overcurrent protection devices (such as industrial fuses) and by surge protection devices (to protect against damage from power surges).

The Group stands out for its ability to offer a wide and thorough range of products that meet various regional standards (e.g., UL, IEC, BS and DIN) and are aligned with the needs of the majority of its distributor and OEM customers.

WORLD NO. 2(2)
in industrial fuses

Power conversion

This function changes the nature, voltage, intensity or frequency of the current to meet very diverse applications, such as motor speed variation, solar and wind energy conversion, electric vehicle propulsion and the management of battery-based systems (electric vehicle or stationary storage).

To provide this, Mersen is the only group with an offering for power electronics industry players that includes high-speed fuses, cooling devices, laminated bus bars, and capacitors that are integrated around power electronics components or in the architecture of battery packs. In 2024, the Group strengthened its expertise in cooling devices with the acquisition of KTK Thermal Technologies.

For the electric vehicle market, some Group sites are certified to International Automotive Task Force (IATF) standards.

WORLD NO. 1(1)(2)
supplier of components for the power electronics market.

Main competitors (in alphabetical order)

- **Boyd Corp** (USA) – cooling devices
- **Dehn** (Germany) – surge protection devices
- **Eaton** (USA) – industrial fuses
- **ETI** (Slovenia) – industrial fuses
- **Littelfuse** (USA) – industrial fuses
- **Method** (USA) – bus bars
- **Phoenix Contact** (USA) – surge protection devices
- **Rogers** (USA) – bus bars
- **Siba** (Germany) – industrial fuses
- **TDK Electronics** (Japan) – capacitors
- **Wabtec** (USA) – current collector and earth current return units for rail transportation
- **WDI** (China) – bus bars

(1) Some businesses are covered by the regulations on the control of exports of dual-use items and technology.

(2) Internal source: the Group operates in niche markets. It draws on its in-depth sector expertise and the financial and technical documentation published by its competitors to establish its market position.

OUR SOLUTIONS BY MARKET

Mersen provides solutions for all sectors in manufacturing, as well as all companies seeking efficiency and reliability.

ENERGIES

19%
OF SALES

Solutions and products for principal energy sources, and renewable energies in particular.

Solar power

- Graphite and carbon fiber components for silicon ingot pulling which are needed to guarantee the purity of solar cells and to control the temperature of hot zones during crystallization.
- Isostatic graphite components for the deposition of blue anti-reflective coating on the surface of solar panels (PECVD process).
- A full range of solutions for the protection of photovoltaic panel installations (circuit breakers, fuses and surge protection devices).
- High-speed fuses, capacitors, laminated bus bars and cooling devices used for power conversion, which can be used in an integrated architecture.

Wind power

- Carbon brushes and brush holders and slip ring assemblies for current collection for generators.
- Signal transmission systems, brushes and brush holders for yaw motors and grounding systems.
- Full range of fuses, fusegears, fuseholders and surge protection devices.
- High-speed fuses, capacitors, laminated bus bars and cooling devices used for wind power conversion.
- Maintenance services: technical diagnostics, equipment verification, installation and replacement of components.

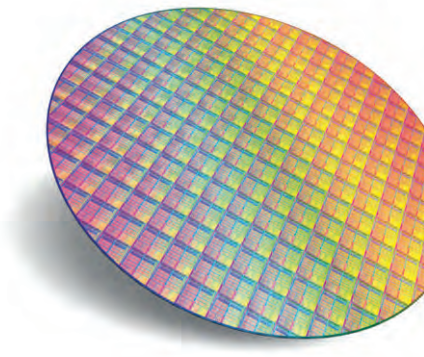
Energy storage

- Direct current surge protection solutions with fuse-based devices and laminated bus bars to connect battery cells.
- High-speed fuses, capacitors, laminated bus bars and cooling devices used in power conversion.

Conventional energies

- Power transfer solutions (brushes, slip ring assemblies, brush holders, and monitoring solutions).
- Power management: fuses and fusegears, cooling devices and laminated bus bars.

ELECTRONICS



23%
OF SALES

Si and compound semiconductor manufacturing

- High-grade, ultra-pure graphite for the manufacture of semiconductors.
- Coated graphite supports for epitaxy and deposition phases of semiconductor active layers (CVD, MOCVD, ALD, etc.).
- Graphite parts for semiconductor manufacturing steps (lithography and ion implantation).

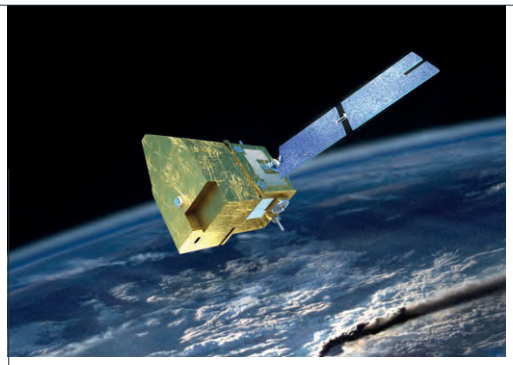
SiC semiconductor manufacturing

- Rigid felt and graphite components for the PVT process.
- Coated graphite supports for epitaxy and deposition phases of semiconductor active layers (CVD, MOCVD, ALD, etc.).
- Polycrystalline substrates (p-SiC®) for Soitec's SmartSiC process.

Power conversion

- High-speed fuses, capacitors, laminated bus bars and cooling devices used for power conversion, which can be used in an integrated architecture.

TRANSPORTATION



16%
OF SALES

Rail

Solutions that meet the needs of rail infrastructure and rolling stock:

- High-speed fuses, capacitors, laminated bus bars and cooling devices used for power conversion, which can be used in an integrated architecture.
- Current collector devices (pantograph strips, third rail shoes), brushes and brush holders.

Aeronautics

- Components for auxiliary motors, air conditioning, electrical power generation and distribution systems.
- Wear-resistant composite materials and brushes and brush holders designed for aircraft pressure systems.
- Optimal electronics cooling systems, low-inductance laminated bus bars, turbine blade positioning devices and components with lower friction rates.
- Materials and heat processing solutions for manufacturing processes for superalloy reactor blades.

Electric vehicles

High-end BEV and pHEV and industrial and commercial heavy vehicle markets:

- High-speed fuses and bus bars for battery modules and packs.
- Dedicated range of fuses to protect the electrical system supporting auxiliary functions.
- High-speed fuses, capacitors, laminated bus bars and surge protection devices for electric vehicle charging stations.

Space

- Silicon carbide mirrors and structures for telescopes, particularly for observation satellites, but also for ground-based telescopes (ELT).

PROCESS INDUSTRIES

33%
OF SALES

A wide range of tailor-made products and solutions to meet the challenges of energy efficiency and electrical protection.

- **Metallurgy:** electrical and graphite solutions for foundries and furnaces, hot and cold rolling mills, galvanic lines and electrolysis systems.
- **High temperature furnace industry:** graphite refractories, thermal insulation and flexible graphite composite systems.
- **Sintering processes:** graphite refractory tools to withstand extreme pressure and temperature during processes.
- **Glass industry:** graphite solutions and grades specially designed for glass molding and handling.
- **Rubber and plastic:** solutions designed for very specific operations (extrusion, injection, high temperatures, constant or variable speed, etc.).
- **Pulp and paper:** electrical, mechanical and sealing solutions.
- **Oil and gas industries:** electrical, mechanical and sealing solutions and equipment for production processes (drilling and refining).

CORROSIVE CHEMICALS

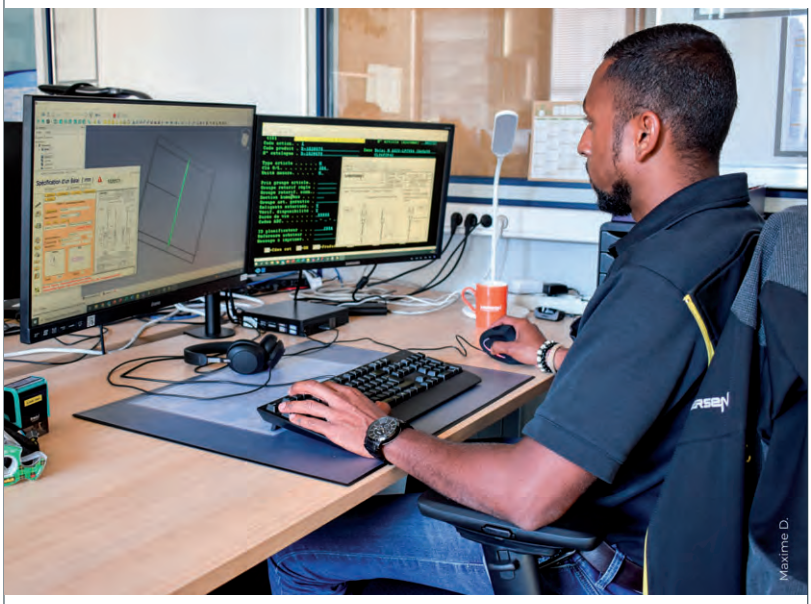
9%
OF SALES

The Group offers equipment designed to meet the **most stringent production requirements**, in particular for phosphoric acid, chlor-alkali, active pharmaceutical ingredients, isocyanates, acid and specialty chemicals.

Made from graphite, SiC or reactive metals, its customized solutions:

- perform heat exchange and reaction functions: **heat exchangers**;
- transfer highly corrosive and high-temperature fluids: columns, reactors, pressure vessels, piping, fittings and bellows.

OUR STRENGTHS



88%
OF EMPLOYEES SATISFIED WITH WORKING FOR MERSEN

96%
OF PLANT MANAGERS RECRUITED LOCALLY

4
VALUES

Local relationships worldwide

Mersen works side-by-side with its customers all over the world. The Group draws on its production base of more than 50 manufacturing sites in over 30 countries, overseen by local managers to facilitate interaction with local stakeholders.

The Group leverages its knowledge of its customers' challenges to offer innovative products and solutions, which are sometimes developed jointly.

Employees committed to shared values

Mersen's major strength is its 7,400-plus employees around the world who drive its development according to a strict code of ethics that guides all of the Group's activities and operations.

Its four core values are driven by 12 principles of conduct and action:

- **People first:** health & safety, respect, people development
- **One step ahead:** continuous improvement, open to challenges, balanced achievement
- **Cross collaboration:** trust, open-mindedness, collective intelligence
- **Innovate for our customers:** deep understanding of customers & markets, customer orientation, co-development

21
R&D CENTERS

230
EXPERTS AND SPECIALISTS

200
EMPLOYEES WORKING IN R&D AND INNOVATION

Innovative answers to customer challenges

R&D organization

Mersen's R&D organization is built around a lean central structure headed by the Group's Chief Technical Officer (CTO), who also manages its 21 R&D centers.
This structure oversees the long-term vision and manages priorities in line with the company's strategy. Each activity splits its efforts between "everyday" innovations and very ambitious projects, in terms of both the challenges to be solved and the value of the developments in question for Mersen.

The Group devotes around 3% of its sales to research and development for products, materials and processes, and to technical sales efforts so as to constantly adapt its solutions or services to each customer's specific requirements. Most of this expenditure is financed internally.

The Group offers certain employees the option of professional careers focused primarily on the development of critical technical expertise for Mersen. The role of these 230 experts and specialists is to ensure that the Group's internal scientific culture and know-how are leveraged and passed on.

A source of synergies between Mersen's different activities

One of the Group's defining characteristics is the wide range of expertise required for its various activities to succeed, reflected by the highly decentralized rollout of R&D projects.

As such, Mersen ensures that central resources are in place and available to each of its activities, in particular powerful computing resources and the specialists needed to operate them, making possible to multiply and streamline our digital simulations. As well as accelerating the development of all parties involved, these resources also make it easier to share relevant expertise between activities.

Partnerships to strengthen R&D

The Group relies on a network of partnerships and collaborations with external players such as universities and large national research centers, which play a key role in helping the company to develop core knowledge, without which the Group would be less efficient in delivering solutions to the increasingly complex problems which its customers need to solve. It is also involved in standardization and standards committees.

The Innovation Challenge

The Innovation Challenge is designed to encourage and reward individual or collective initiatives that can contribute to the Group's growth or improve its performance.
It is an annual event and culminates in two prizes:

- the "Growth +" prize rewards a team for putting forward a successful growth project whose execution is already contributing significantly to Mersen's sales growth;
- the "Best Creative" prize rewards the best innovative idea whose future implementation could make a lasting contribution to the growth or improvement of the Group's net income.

Eco-design

Since 2021, Mersen has been stepping up its eco-design approach in order to reduce the overall ecological impact of certain products. For example, when developing new products in the Electrical Power segment, the challenge is to design products that have a lesser impact than existing product lines.

To achieve this, Mersen integrates environmental criteria into its design process, such as carbon weight (kg CO_2eq.) and water acidification and consumption.

The process begins with a life cycle assessment of the existing product to calculate its current impact, identify areas for improvement and define impact reduction targets. This assessment covers the product's entire life cycle, from the extraction of materials to production, transportation, use and end-of-life recycling. The results of this assessment are then used to optimize the various stages in the product's life cycle. For example, the use of recycled materials may be increased to optimize the materials extraction stage, certain production sites may be selected to limit emissions of pollutants, and identical materials may be used for different components of the same product to make it more easily recyclable.

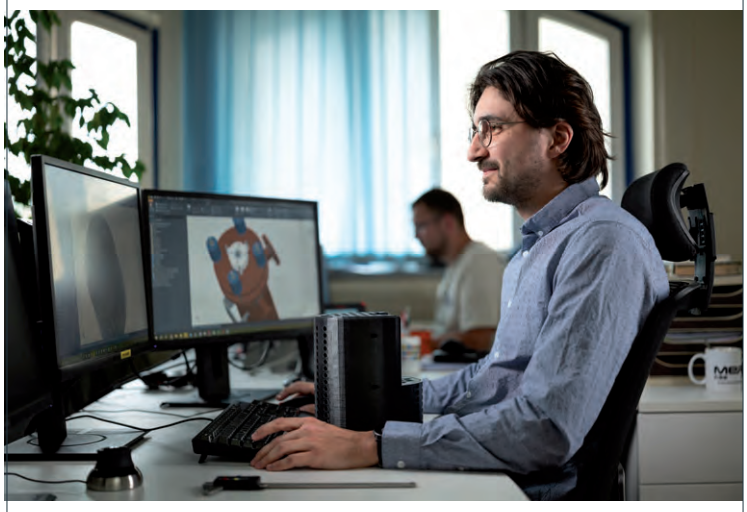
FOUR PILLARS OF MEDIUM-TERM GROWTH

As a key player in manufacturing industries around the world, Mersen follows a strategy based on four main pillars:

1

Pursuing the development of solutions tailored to our customers' needs by relying on our high value-added expertise

Mersen offers a wide range of products, services and solutions in our two areas of expertise – electrical power and advanced materials.
To effectively address customers' specific needs, the Group draws on its network of 21 R&D centers located close to its customers across the world. This proximity gives Mersen unique insight into the challenges facing each player and enables the Group to offer custom-designed, innovative solutions backed by state-of-the-art technology.
Mersen is also pursuing its policy of targeted acquisitions to provide its customers with an enhanced experience, consolidate its leadership positions and expand its operations in certain regions.



2

Fostering growth in buoyant sustainable development markets by offering innovative and sustainable solutions

Mersen works closely with major industry players around the world, leveraging its international sales and manufacturing network. It focuses its efforts on markets with significant medium-term growth potential that contribute to the sustainable development of the planet, from renewable energy to electronics, energy storage and electric vehicles.

3

Continuing to implement its competitiveness and performance program while taking a socially responsible approach

Mersen wants to gain in operational efficiency while promoting the security and safety of its plants and the people who work there and strengthening its ties with stakeholders in its host communities. The Group's overall performance is supported by a global operational excellence initiative for all parts of the company, from operations through to sales, with special emphasis on improving health and safety in the workplace and reducing the environmental footprint of its sites.

4

Ensuring human capital development by building on Mersen's strong identity

Mersen promotes a culture where people are the bedrock of the Group and its development. It has built a robust, deep-rooted and attractive culture by offering employees genuine trust and accountability, and by respecting local cultures and fighting all forms of discrimination. Mersen is committed to helping its employees grow – while paying the utmost respect to human rights – and providing social protection for all.

MEDIUM-TERM STRATEGIC PLAN

OPERATIONAL AND FINANCIAL

In 2023, Mersen presented its 2027 strategic plan

The plan draws on the stability of Mersen's traditional markets as well as strong momentum from some buoyant energy transition markets:

- **silicon carbide semiconductors:** Mersen supplies materials that are essential for manufacturing these power components, which are necessary for high-performance electric vehicles.
- **silicon semiconductors:** the Group has a strong position in the most sophisticated stages of the manufacturing process.
- **electric vehicles,** with a dedicated offering for battery connection and protection, including a wide range of fuses.
- **renewable energies,** with:
  - photovoltaic solar power, for which the Group is a major supplier across the entire value chain, ranging from materials for the solar cell production process to protection for panels and conversion of the energy produced,
  - wind power, with solutions that contribute to the functioning of wind turbines, spanning from protection and electricity production through to power transfer and cooling.

Alongside this strategic plan, the Group also drew up **a plan for the capital expenditure necessary to support its growth**, earmarking approximately €300 million for 2023-2025 – above its usual level of expenditure – as well as around €100 million for bolt-on acquisitions.

Updating the roadmap

In the second half of 2024, a number of indicators from our customers confirmed a slowdown in the electric vehicle market, and consequently in the related SiC semiconductor market.

Mersen estimates that these markets will be delayed by three years. The Group's other markets continue to grow, and the Group can leverage its extensive expertise, global leadership position, international footprint and longstanding relationships with leading players to continue its development.

Investments made as part of the Group's growth plan will be adjusted to this new context. They are now expected to total between €280 million and €290 million over the 2023-2025 period, a reduction of between €30 million and €40 million, excluding the impact of inflation, on the amount initially planned in 2023.

Medium-term objectives unchanged but postponed

Mersen confirms the targets it announced in 2023 but is pushing them back by two years, to 2029.

Accordingly, by 2029, the Group is aiming for:

- sales of around €1.7 billion;
- operating margin before non-recurring items of 12% of sales. This margin may vary by +/-50 basis points;
- EBITDA margin before non-recurring items of 19% of sales. This margin may vary by +/-50 basis points;
- ROCE of 13%, which may vary by +/-50 basis points.

These objectives include bolt-on acquisitions, of which three were completed in 2024.

CORPORATE SOCIAL RESPONSIBILITY

In March 2024, the Group plotted out a 2027 CSR roadmap, in line with its strategic objectives and with a view to growing its business in a responsible and sustainable way. No changes were made to this roadmap in 2024. It will be reviewed over the coming years in light of the European Corporate Sustainability Reporting Directive (CSRD).
Mersen's commitment to CSR is reflected in a number of objectives across the entire value chain, built on four pillars:

Being responsible partners

Ensuring responsible purchasing

- Maintain a minimum of 85% of external purchases with local suppliers
- Less than 5% of suppliers with a CSR score of less than 25

Limiting our environmental footprint

Limiting greenhouse gas emissions

- Reduce GHG emission intensity (scopes 1 and 2) by 35% (compared with 2022)
- Increase the share of renewable electricity to 80%

Recycling waste

- Increase the share of waste recycled to 80%

Limiting water consumption

- Reduce water consumption by 15% (compared with 2022)
- Draw up a formal water conservation plan for all sites exposed to water stress

Developing human capital

Promoting equal opportunity and diversity

- Encourage gender balance and diversity in the workplace:
  - % of senior management positions held by women: 27%
  - % women engineers and managers: ≥29%
  - Improve inclusion of people with disabilities: up 25% (compared with 2022)

Promoting a social responsibility policy for all: 100% employee beneficiaries

- Provide social protection with a universal indemnity in the event of death in service
- Standardize profit-sharing schemes
- Adopt a minimum amount of paid leave in all countries

Promoting well-being, health and safety at work

- Keep LTIR ≤1.8 and ISR ≤60
- Increase the number of management safety visits per employee by 30% (compared with 2022)

Cultivating an ethics and regulatory compliance culture

Ethics training

- Compulsory for new hires
- Compulsory refresher training every two years (individual or theme-based training by site)

Cybersecurity training

- Compulsory for employees with a personal computer

GOVERNANCE

BOARD OF DIRECTORS

The Board of Directors determines the Company's overall strategy, overseen by its Chairman in close collaboration with Executive Management. As part of this role, it examines and approves the Company's strategic plans and activities.

It is assisted by two committees: the Audit and Accounts Committee and the Governance, Appointments and Remuneration Committee.

Two directors play a coordinating role in strategic issues and CSR.

57%
PERCENTAGE OF INDEPENDENT DIRECTORS

98%
AVERAGE ATTENDANCE RATE OF DIRECTORS

Olivier Legrain*
Chairman of the Board and member of the Governance, Appointments and Remuneration Committee

Emmanuel Blot
Representative of Bpifrance Participations in charge of CSR issues and member of the Audit and Accounts Committee

Pierre Creusy
Director representing employees and member of the Governance, Appointments and Remuneration Committee

Carolle Foissaud
Member of the Governance, Appointments and Remuneration Committee

Emmanuelle Picard*
Responsible for leading discussions on strategic issues and member of the Audit and Accounts Committee

Luc Themelin
Chief Executive Officer of Mersen

Denis Thiery*
Chair of the Audit and Accounts Committee and member of the Governance, Appointments and Remuneration Committee

Jocelyne Vassoille*
Chair of the Governance, Appointments and Remuneration Committee

Board members (at the date of publication of the URD)

** Independent director*

EXECUTIVE COMMITTEE

The Executive Committee is responsible for managing the Mersen group's operational affairs and meets every month to review the Group's financial and non-financial performance and decide on action plans in various areas (including human resources, IT, procurement, legal affairs and development) in line with its strategic priorities. The Executive Committee ensures that the Group's organization runs smoothly. To this end, it is closely involved in forecasting the human resources required for the continued development of its business activities. It defines the Group's sustainable development roadmap and ensures that it is applied at all levels of the company.

16 YEARS
AVERAGE LENGTH OF SERVICE

30%
WOMEN

Luc Themelin
Chief Executive Officer

Thomas Baumgartner
Chief Financial Officer

Gilles Boisseau
Executive Vice President, Electrical Power

Christophe Bommier
Group Vice President, Technology, Research, Innovation and Business Support

Thomas Farkas
Group Vice President, Strategy & Development

Jean-Philippe Fournier
Group Vice President, Operational Excellence

Éric Guajioty
Executive Vice President, Advanced Materials

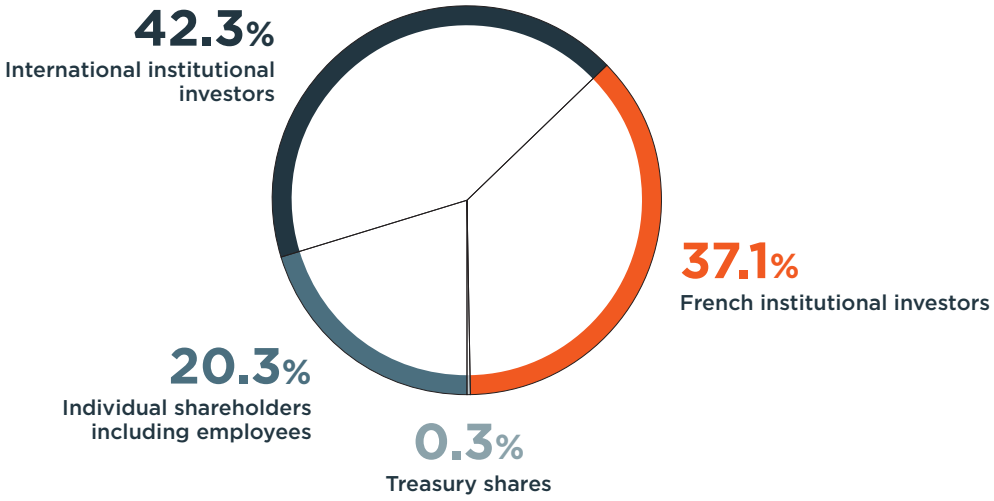
Sylvie Guiganti
Group Chief Information Officer

Delphine Jacquemont
General Counsel and Secretary of the Board of Directors

Estelle Legrand
Group Vice President, Human Resources

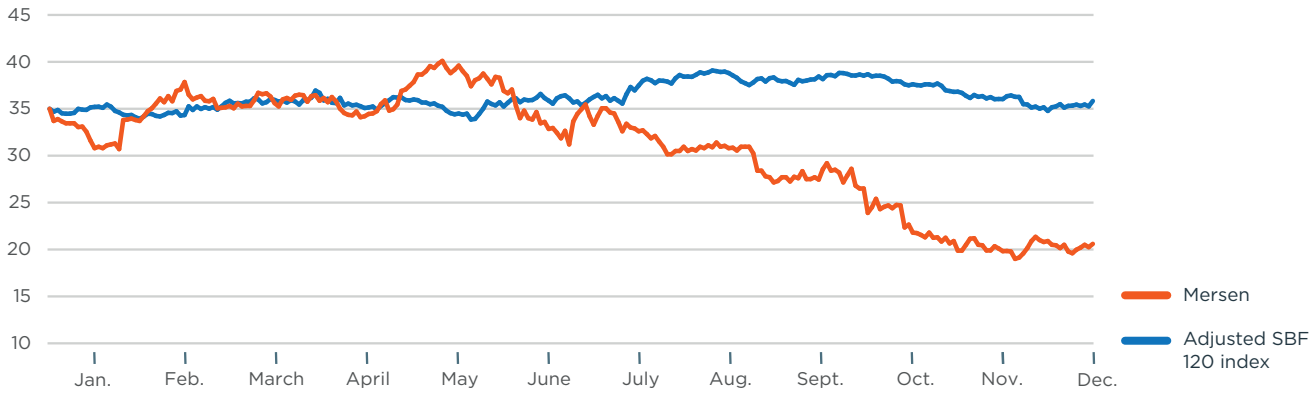
SHARE OWNERSHIP & TRADING

SHARE OWNERSHIP on December 31, 2024



Number of shares: 24,418,312

SHARE PRICE in 2024



Share price on December 31, 2024: €20.60

Average daily transactions in 2024: 118,390 shares

DIVIDEND PER SHARE in €*

€0.90

** Subject to shareholder approval at the Annual General Meeting*

MERSEN

Expertise, our source of energy

GLOBAL EXPERT
IN ELECTRICAL POWER
AND ADVANCED MATERIALS

WWW.MERSEN.COM

Design & Production: épithète.net