

MERSEN
Société anonyme. Share capital €41,273,236
Headquarters: 2 avenue Gambetta – Tour EQHO
92066 Paris La Défense Cedex — France
572 060 333 RCS Nanterre

Notice of meeting

Mersen shareholders are invited to attend the Combined General Meeting which will be held at 10 a.m. on May 17, 2019 at Tour EQHO — 2 avenue Gambetta — 92400 Courbevoie La Defense 5, France to deliberate on the agenda and the following draft resolutions:

Text of the resolutions

Ordinary resolutions:

First resolution – Approval of the parent company financial statements for the year ended December 31, 2018

Having considered the reports of the Board of Directors and the Statutory Auditors on the parent company financial statements for the year ended December 31, 2018, the General Meeting approves these financial statements, which show net income for the year of €16,691,313.41, as presented.

Second resolution – Approval of the consolidated financial statements for the year ended December 31, 2018

Having considered the reports of the Board of Directors and the Statutory Auditors on the consolidated financial statements for the year ended December 31, 2018, the General Meeting approves these financial statements, which show net income attributable to owners of the parent of €56,500,000, as presented.

Third resolution – Appropriation of net income for the year and payment of a dividend

The General Meeting approves the Board of Directors' recommendation and resolves to appropriate net income for the year ended 31 December 2018 as follows:

Income available for distribution

- Net income for the year	€16,691,313.41
- Retained earnings	€132,793.15

Appropriations

- To the statutory reserve	€0
- To the payment of dividends	€19,728,439.01
- To other reserves	€2,904,332.45
- To retained earnings	€0

The General Meeting notes that:

- a gross dividend of €0.95 will be paid on each ordinary share (A shares);
- a gross dividend of €0.095 will be paid on each eligible preference share (B, C and, if applicable, D shares).

For shareholders who are tax residents in France, dividends are either subject to a 12.8% single flat-rate withholding tax on the gross dividend (Article 200A of the French Tax Code [*Code général des impôts*]), or upon the taxpayers request, subject to the progressive income tax scale after a 40% deduction (Article 200 A, 13, and 158 of the Code). The dividend is also subject to social security contributions at a rate of 17.2%.

The ex-dividend date will be July 3, 2019. The dividend payment date will be July 5, 2019.

In the case of a change in the number of shares with rights to the dividend compared to (i) the 20,766,629 ordinary shares (A shares), 317 B preference shares (B shares) and 1,172 C preference shares (C shares) issued and outstanding as of January 23, 2019 and (ii) the issue of 1172 D preference shares (D shares) before the ex-dividend date, the total amount to be distributed will be adjusted accordingly and the amount appropriated to retained earnings will be determined on the basis of the dividends actually paid.

In accordance with Article 243 *bis* of the French Tax Code, the General Meeting notes that it has been informed of the dividends paid in the last three years and the related revenues for shareholders, as follows:

FISCAL YEAR	REVENUE ELIGIBLE FOR THE DEDUCTION		REVENUE NOT ELIGIBLE FOR THE DEDUCTION
	DIVIDEND	OTHER DISTRIBUTIONS	
2015	€10,317,976* €0.50 per share	-	-
2016	€10,235,927* €0.50 per share	-	-
2017	€15,477,566.78* €0.75 per A share and €0.075 per B and C share	-	-

* Including dividends on treasury stock that were credited to retained earnings

Fourth resolution — Approval of a commitment made to Luc Themelin, Chief Executive Officer

Ruling on the Statutory Auditors' special report on related-party agreements and commitments, the General Meeting approves the commitments made to Luc Themelin by the Company in respect of indemnities likely to be due in the event of termination of his term in office and a defined benefit pension scheme.

Fifth resolution – Appointment of Denis Thiery as a director

The General Meeting resolves to appoint Denis Thiery as a director for a four-year term expiring at the close of the Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

Sixth resolution – Re-election of BPIFRANCE INVESTISSEMENT as a director

The General Meeting resolves to re-elect BPIFRANCE INVESTISSEMENT as a director for a four-year term expiring at the close of the Annual General Meeting to be held in 2023 to approve the 2022 financial statements.

Seventh resolution – Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted for 2018 to Olivier Legrain, Chairman of the Board of Directors

In application of Article L.225-100 paragraph II of the French Commercial Code, the General Meeting approves the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted for 2018 to Olivier Legrain, Chairman of the Board of Directors, as presented in the Corporate Governance Report included in the 2018 Reference Document (pages 38 to 40).

Eighth resolution – Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted for 2018 to Luc Themelin, Chief Executive Officer

In application of Article L.225-100 paragraph II of the French Commercial Code, the General Meeting approves the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted for 2018 to Luc Themelin, Chief Executive Officer, as presented in the Corporate Governance Report included in the 2018 Reference Document (pages 38 to 40).

Ninth resolution – Approval of the principles and criteria for setting, allocating and awarding the fixed, variable and exceptional components making up the compensation package of the Chairman of the Board of Directors

In application of Article L.225-37-2 of the French Commercial Code, the General Meeting approves the principles and criteria for setting, allocating and awarding the fixed, variable and exceptional components making up the 2018 compensation package of the Chairman of the Board of Directors, as presented in the report prepared in application of the final paragraph of Article L.225-37 of the Code, which is part of the Corporate Governance Report included in the 2018 Reference Document (pages 38 to 40).

Tenth resolution – Approval of the principles and criteria for setting, allocating and awarding the fixed, variable and exceptional components making up the compensation package of the Chief Executive Officer and/or any other corporate officer

In application of Article L.225-37-2 of the French Commercial Code, the General Meeting approves the principles and criteria for setting, allocating and awarding the fixed, variable and exceptional components making up the 2018 compensation package of the Chief Executive Officer and/or any other corporate officer, as presented in the report prepared in application of the final paragraph of Article L.225-37 of the Code, which is part of the Corporate Governance Report included in the 2018 Reference Document (pages 38 to 40).

Eleventh resolution – Authorization for the Board of Directors to repurchase shares of the Company under a program governed by Article L.225-209 of the French Commercial Code

Having considered the Board of Directors' report, the General Meeting authorizes the Board of Directors for a period of 18 months and in accordance with Articles L.225-209 *et seq.* of the French Commercial Code, to purchase shares in the Company on one or more occasions and at the times that it deems appropriate. The number of shares held by the Company under this authorization may not be greater than 10% of the Company's capital and may be adjusted as necessary to take into account any capital increases or reductions that may occur during the term of the program.

This authorization supersedes the authorization granted to the Board of Directors by the General Meeting of May 17, 2018 in its eleventh ordinary resolution.

Shares may be acquired in order to enhance trading in the secondary market or the liquidity of the Mersen share by engaging an investment service provider under a liquidity agreement that complies with practices approved by French law. For the purposes of the program, the number of shares taken

into account to calculate the above-mentioned limit corresponds to the number of shares acquired, less the number of shares re-sold;

- hold the acquired shares in treasury and subsequently remit them as part of an exchange offer or in consideration for any acquisitions;
- cover share option and/or bonus share plans (or similar plans) allotted to Group employees and/or corporate officers, share allotments under company or group investment plans (or similar plans) or company profit-sharing plans and/or any other forms of share allotments to Group employees and/or corporate officers;
- cover securities conferring rights to allotments of shares in the Company, in accordance with applicable regulations;
- cancel the acquired shares, in accordance with the authorization granted or to be granted by the Extraordinary General Meeting.

The shares may be purchased by any means, including by way of block purchases, at the times that the Board of Directors deems appropriate.

The Board of Directors may not use this authorization without prior authorization from the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

The Company does not intend to use any options or derivatives.

The maximum purchase price has been set at €50 per share. In the event of a transaction affecting the Company's capital, such as share splits or reverse splits and bonus share allotments to shareholders, the above amount will be adjusted in the same proportion (a coefficient of the ratio between the number of shares comprising the Company's capital before the transaction and the number of shares after the transaction).

The maximum amount of the stock purchase program has been set at €103,825,450.

The General Meeting grants full powers to the Board of Directors to carry out the stock purchase program, determine the conditions and procedures thereof, enter into any and all agreements and carry out all formalities.

Extraordinary resolutions:

Twelfth resolution – Authorization for the Board of Directors to issue ordinary shares conferring rights to ordinary shares or debt securities (of the Company or another Group company) and/or securities (of the Company or another Group company) conferring rights to ordinary shares of the Company, for subscription by employees of Mersen group companies outside France who are not members of a company savings plan, without preferential subscription rights for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting resolves, in accordance with the French Commercial Code and notably Articles L.225-129-2, L.225-138 and L.228-92:

- 1) To delegate its authority to the Board of Directors to issue, on one or more occasions, for the amounts and at the times that it deems appropriate, in France or outside France, to the category of employees and corporate officers defined below, without preferential subscription rights for existing shareholders:
 - ordinary shares; and/or
 - ordinary shares conferring rights to ordinary shares or debt securities; and/or
 - securities conferring rights to new ordinary shares.

In accordance with Article L.228-93 of the French Commercial Code, securities issued pursuant to this authorization may confer rights to new ordinary shares of any company that owns, directly

or indirectly, more than half of the Company's capital or more than half of whose capital is owned, directly or indirectly, by the Company.

- 2) That this authorization is given for a period of 18 months from the date of this Meeting.
- 3) That the maximum number of ordinary shares issued under this authorization shall not exceed two hundred thousand (200,000).

The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.

This number will be deducted from the ceiling set in the thirteenth resolution.

- 4) That, in accordance with Article L.225-138 of the French Commercial Code, the issue price of the ordinary shares issued under this authorization will be set by the Board of Directors such that the issue price shall be (a) at least equal to 80% of the average of the opening prices quoted for the Company's shares on Euronext Paris over the 20 trading days that precede the Board's decision setting the opening date of the subscription period, in accordance with Articles L.3332-18 *et seq.* of the French Labor Code (*Code de travail*), or (b) equal to the price of the shares issued to members of a company savings plan pursuant to the thirteenth resolution of this General Meeting. However, the Board of Directors shall be expressly authorized to reduce or waive the discount, at its discretion, to take into account such issues as local legal, accounting, tax and employment rules in the countries concerned.
- 5) To waive shareholders' preferential rights to subscribe for the ordinary shares or other securities conferring rights to shares to be issued pursuant to Article L.228-91 of the French Commercial Code, in favor of the following category of employees and corporate officers or the following organizations:
 - (a) employees and corporate officers of Mersen group companies outside France that are related companies within the meaning of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code, to enable them to acquire shares in the Company; and/or
 - (b) employee share ownership funds or other structures, which may or may not be separate legal entities, that invest in the Company's shares and issue units or shares to the persons referred to in (a) above; and/or
 - (c) any bank or subsidiary of a bank acting at the Company's request for the purpose of setting up a share ownership or savings plan for the persons referred to in (a) above, if its intervention is required or useful to enable the employees or corporate officers referred to above to benefit from employee share ownership or savings formulas equivalent or similar to those available to other Mersen group employees in terms of financial benefits.
- 6) That, if an issue provided for in 1) above is not taken up in full, the Board of Directors may choose either or both of the following courses of action, in the order of its choice:
 - to limit the amount of the issue to the subscriptions received, provided that any minimum take-up rate set by the applicable regulations is met;
 - to freely allocate all or some of the unsubscribed shares or securities among the category of employees and corporate officers defined above.
- 7) That the Board of Directors shall have full powers to use this authorization and to:
 - a) decide the terms and conditions of the issue(s);
 - b) draw up the list of eligible employees and corporate officers in the category defined above;
 - c) decide the number of shares or securities to be allocated to each employee and corporate officer;
 - d) decide the amount of the issue, the issue price and the amount of any issue premium;
 - e) set the dates and terms of issue, and the type, form and characteristics of the securities, which may be dated or undated and subordinated or unsubordinated;
 - f) determine the method by which the shares and/or other securities issued or to be issued are to be paid up;

- g) set the terms of exercise of any rights attached to the securities issued or to be issued, including the new shares' cum rights date, which may be retroactive, and all other terms and conditions of issue;
 - h) suspend exercise of the rights attached to the securities, if necessary, for a maximum of three months;
 - i) at the Board's discretion, charge the share issuance costs against the related premium and deduct from the premium the amount necessary to raise the statutory reserve to one-tenth of the new capital after each capital increase;
 - j) place each capital increase on record and amend the Articles of Association to reflect the new capital;
 - k) make any and all adjustments that may be required in accordance with the law and decide the method of protecting the rights of holders of securities with deferred rights to shares as applicable;
 - l) generally, enter into any and all agreements, take any and all measures and carry out all formalities in relation to the issue and servicing of the securities issued pursuant to this authorization and the exercise of the rights attached thereto, and generally do whatever is necessary.
- 8) That the Board of Directors may not use this authorization without the prior approval of the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.
- 9) That the Board of Directors shall report to the next Ordinary General Meeting on the use made of this authorization, in accordance with the applicable laws and regulations.
- 10) That this authorization shall supersede the unused portion of any earlier authorization to the same effect.

Thirteenth resolution – Authorization for the Board of Directors to increase the capital by issuing ordinary shares and/or securities conferring rights to shares to members of a company savings plan governed by Articles L.3332-18 *et seq.* of the French Labor Code, without preferential subscription rights for existing shareholders

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting resolves, in accordance with Articles L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and L.3332-18 *et seq.* of the French Labor Code:

- 1) To authorize the Board of Directors to decide, at its discretion, to issue ordinary shares or securities conferring rights to new shares on one or more occasions for subscription by members of one or several company or group savings plans set up by the Company and/or French or foreign related companies, in accordance with Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code.
- 2) That this authorization shall entail the waiver, in favor of plan members, of shareholders' preferential rights to subscribe for the shares that may be issued pursuant to this authorization.
- 3) To set at 26 months the period during which this authorization may be used.
- 4) That the maximum number of shares issued pursuant to this authorization shall not exceed two hundred thousand (200,000) and shall be deducted from the ceiling on share issues set in the twelfth resolution. The nominal value of any shares to be issued to protect the rights of holders of securities conferring rights to shares of the Company in accordance with the law and any contractual adjustment clauses will not be taken into account for the purpose of determining compliance with this ceiling.
- 5) That the shares to be issued under paragraph 1) of this authorization shall not be issued at a discount of more than 20% to the average of the opening prices quoted for the Company's shares over the

20 trading days that precede the Board of Directors' decision to carry out the share issue, or 30% in the case of shares subject to a vesting period of at least ten years (or any other maximum percentage provided for by the applicable legal provisions at the time the price is set) in accordance with Articles L.3332-25 and L.3332-26 of the French Labor Code, or at a price in excess of this average.

- 6) That, in accordance with Article L.3332-21 of the French Labor Code, the Board of Directors may grant existing or new bonus shares or securities conferring rights to shares to plan members described in 1) above (i) in respect of the employer matching payment due under the rules of the company or group savings plans, and/or (ii) in place of the discount.
- 7) That the Board of Directors may not use this authorization without the prior approval of the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.
- 8) That this authorization shall supersede the unused portion of any earlier authorization to the same effect.

The Board of Directors may decide to use or not to use this authorization, and shall take any and all measures and carry out any and all formalities that may be necessary.

Fourteenth resolution – Authorization for the Board of Directors to allot bonus shares to certain employees

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting resolves, in accordance with Articles L.225-197-1 and L.225-197-2 of the French Commercial Code, to allot, on one or more occasions, existing or new ordinary shares at no cost to employees of the Company or companies or intercompany partnerships that are directly or indirectly related to the Company within the meaning of Article L.225-197-2 of the French Commercial Code.

No bonus shares may be allotted to the beneficiaries referred to in the authorization for the allocation of bonus shares, which is the subject of the following resolution (notably the Chief Executive Officer).

The number of bonus shares that may be allotted under this authorization is capped at 84,000 shares, representing approximately 0.4% of the Company's capital on the date of this Meeting.

The bonus shares will be subject to performance conditions set by the Board of Directors.

The bonus shares will be subject to a vesting period that will be determined by the Board of Directors and will not be less than three years. The General Meeting authorizes the Board of Directors to decide whether or not they set a holding period at the end of the vesting period.

As an exception to this rule, the General Assembly authorizes the Board of Directors to ensure, if applicable, that the bonus shares will vest before the end of the vesting period if the beneficiary is classified as being category 2 or 3 disabled, as defined in Article L.341-4 of the French Social Security Code (*Code de la sécurité sociale*).

The Board of Directors shall have full powers to:

- Set the terms and conditions and any performance or other criteria for the share allotments.
- Prepare the list of beneficiaries and the number of shares allotted to each one.
- If applicable:
 - note the existence of adequate reserves and, for each allotment, transfer to a restricted reserve account the sums necessary to pay up the new shares allotted under the plan;

- when the shares vest, decide the capital increase(s) to be paid up by capitalizing reserves, additional paid-in capital or income;
- purchase the required number of shares under the stock repurchase program and allocate them to the bonus share plan;
- determine the impact on the beneficiaries' rights of transactions affecting the capital or that may affect the value of the allotted shares that may be carried out during the vesting period, and modify or adjust as necessary the number of shares allotted in order to protect the beneficiaries' rights;
- decide whether or not they set a holding period at the end of the vesting period and if so, determine the length of the holding period and take any appropriate measures to ensure that beneficiaries comply with the holding requirement;
- generally do everything necessary under the applicable legislation to implement this authorization.

The Board of Directors may not use this authorization without the prior approval of the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

This authorization automatically entails the waiver by shareholders of the preferential rights to subscribe for the new shares paid up by capitalizing reserves, additional paid-in capital and income.

It is given for a period of 38 months from the date of this Meeting.

This authorization supersedes the unused portion of any earlier authorization to the same effect.

Fifteenth resolution – Authorization for the Board of Directors to allot bonus shares to certain employees and/or to certain corporate officers

Having considered the Board of Directors' report and the Statutory Auditors' special report, the General Meeting resolves, in accordance with Articles L.225-197-1 and L.225-197-2 of the French Commercial Code, to allot, on one or more occasions, existing or new ordinary shares at no cost to the Chief Executive Officer (corporate officer), members of the Executive Committee and business unit managers of the Group belonging to the following categories:

- Corporate officers who meet the conditions set out in Article L.225-197-1 of the French Commercial Code;
- and/or employees of the Company or of companies or intercompany partnerships that are directly or indirectly related to the Company within the meaning of Article L.225-197-2 of the French Commercial Code.

The number of bonus shares that may be allotted under this authorization is capped at 68,000 shares, representing approximately 0.3% of the Company's capital on the date of this Meeting.

The total number of bonus shares granted to the Chief Executive Officer cannot exceed 10% of the total number of bonus shares granted under the present and previous authorizations. The definitive allocation will be subject to performance criteria determined by the Board of Directors.

In accordance with the provisions of Article L.225-197-1 of the French Commercial Code, the Board of Directors shall decide on the number of shares that corporate officers will be required to hold in registered form for as long as they remain in office.

The bonus shares will be subject to a vesting period that will be determined by the Board of Directors and will not be less than three years. The General Meeting authorizes the Board of Directors to decide whether or not they set a holding period at the end of the vesting period.

As an exception to this rule, the General Assembly authorizes the Board of Directors to ensure, where applicable, that the bonus shares will vest before the end of the vesting period if the beneficiary is classified as being category 2 or 3 disabled, as defined in Article L.341-4 of the French Social Security Code.

The Board of Directors shall have full powers to:

- Set the terms and conditions and any performance or other criteria for the share allotments.
- Prepare the list of beneficiaries and the number of shares allotted to each one.
- If applicable:
 - note the existence of adequate reserves and, for each allotment, transfer to a restricted reserve account the sums necessary to pay up the new shares allotted under the plan;
 - when the shares vest, decide the capital increase(s) to be paid up by capitalizing reserves, additional paid-in capital or income;
 - purchase the required number of shares under the stock repurchase program and allocate them to the bonus share plan;
 - determine the impact on the beneficiaries' rights of transactions affecting the capital or that may affect the value of the allotted shares that may be carried out during the vesting period, and modify or adjust as necessary the number of shares allotted in order to protect the beneficiaries' rights;
 - decide whether or not they set a holding period at the end of the vesting period and if so, determine the length of the holding period and take any necessary measures to ensure that beneficiaries comply with the holding requirement;
 - generally do everything necessary under the applicable legislation to implement this authorization.

The Board of Directors may not use this authorization without the prior approval of the General Meeting from the date that a public offer for the Company's shares is filed by a third party until the end of the offer period.

This authorization automatically entails the waiver by shareholders of the preferential rights to subscribe for the new shares paid up by capitalizing reserves, additional paid-in capital and income.

It is given for a period of 38 months from the date of this Meeting.

This authorization supersedes the unused portion of any earlier authorization to the same effect.

Sixteenth resolution – Powers to carry out formalities

The General Meeting gives full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all filing and publication formalities required by law.