

FIRST QUARTER OF 2025 IN LINE WITH GROUP'S EXPECTATIONS

- FIRST-QUARTER SALES OF €305 MILLION, -6.4% ON AN ORGANIC BASIS AND -2.5% ON A REPORTED BASIS
- GROUP SALES ARE UP ON AN ORGANIC BASIS, EXCLUDING SOLAR AND SiC SEMICONDUCTOR MARKETS
- AS EXPECTED, ORGANIC GROWTH IN THE SECOND QUARTER WILL BE BETTER THAN IN THE FIRST
- FULL-YEAR 2025 GUIDANCE CONFIRMED

The Group is holding a webcast and conference call in French with simultaneous translation into English today at 6:00 p.m. CET (details on the last page).

PARIS, APRIL 24, 2025 – Mersen (Euronext FR0000039620 – MRN), a global expert in electrical power and advanced materials, has reported consolidated sales of €305 million for the first quarter of 2025, representing a year-over-year decline of 6.4% and 2.5%, on an organic and reported basis, respectively. The currency effect for the period mainly concerned the US dollar and the Chinese renminbi. The scope effect mainly corresponds to the consolidation of GMI as of July 1, 2024, KTK as of October 1, 2024, and Bar-Lo as of November 1, 2024. Prices increased by around 1% over the year.

| In millions of euros | Q1 2025 | Q1 2024 | Organic growth | Scope effect | Currency effect | Reported growth |
|----------------------|--------------|--------------|----------------|--------------|-----------------|-----------------|
| Advanced Materials | 162.1 | 172.5 | -11.4% | +4.7% | +0.7% | -6.1% |
| Electrical Power | 142.8 | 140.0 | -0.2% | +1.1% | +1.1% | 2.0% |
| Europe | 103.1 | 104.5 | -1.4% | +0.1% | 0.0% | -1.3% |
| Asia-Pacific | 62.3 | 76.6 | -19.3% | 0.0% | +0.6% | -18.7% |
| North America | 127.7 | 121.5 | -4.9% | +7.7% | +2.2% | 5.1% |
| Rest of the World | 11.7 | 9.9 | 24.4% | 0.0% | -4.4% | 18.9% |
| Group | 304.9 | 312.5 | -6.4% | +3.1% | +0.9% | -2.5% |

Unaudited figures.

See glossary at the end of this document.

Luc Themelin, Mersen's Chief Executive Officer, said: "As expected, the Chinese solar and SiC semiconductor markets had a strong impact on the Group this quarter. Excluding these developments, which we had anticipated, Group sales in other markets saw overall growth of nearly 2%, thanks in particular to the excellent performance of the wind, rail and aeronautics markets. We are keeping a close eye on developments in the tariff discussions. The Group's international presence and geographical proximity to its customers, as well as its recent acquisitions in the United States, which have made Mersen the leading producer of isostatic graphite in the country, give us confidence in our ability to deliver on our objectives."

PERFORMANCE BY SEGMENT

Advanced Materials sales amounted to €162 million in the first quarter of 2025, down 6.1% on an organic basis and down 11.4% on a like-for-like basis, in comparison with the same period last year. As expected, sales to solar cell manufacturers were down. In the SiC semiconductor market, demand is down; in addition, the Group continued its negotiations with its customers, which slowed down orders during the period. Conversely, the Advanced Materials segment benefited from growth in the aeronautics and rail markets, with strong sales of railway pantographs in India, for example. Lastly, deliveries in the chemicals sector were strong this quarter compared with the same period last year.

Electrical Power sales reached nearly €143 million for the quarter, up 2% as reported and virtually unchanged in organic terms. This increase reflects growth in transportation markets, rail and electric vehicles, and in power electronics projects. In particular, the Group made its first deliveries of battery busbars to ACC. In addition, electrical distribution was down this quarter, but benefited from a strong order book.

PERFORMANCE BY REGION

Europe saw a slight decline, down 1.4% in organic terms. This trend reflects growth in the energy storage and power electronics markets, combined with a downturn in the SiC semiconductor market.

In **Asia**, Group sales were down as expected, primarily due to the low level of sales to solar cell manufacturers in China. Chemicals sales were also down. India, on the other hand, benefited from strong growth, driven by the rail market.

Lastly, **North America** reported growth of 5.1%, thanks to the contribution of acquisitions made in 2024. In organic terms, the decline was mainly due to the slowdown in the SiC semiconductor and electrical distribution markets in the United States.

IMPACT OF TARIFFS

The Group has a global industrial footprint, with more than 50 sites around the world. As a result, production takes place close to customers, limiting the company's exposure to trade tensions.

The Group's recent acquisitions in the United States have been an opportunity for Mersen to strengthen its ability to serve the American market by cementing its position as the leading producer of isostatic graphite. The Group's production in Mexico for the United States, mainly the assembly of fuses, is not affected by the tariff measures, as these products are largely USMCA-compliant. Mersen has also demonstrated its ability to raise prices in the North American market.

In Europe and Asia, 95% of the Group's sales are based on local production.

Given the uncertain and evolving external environment, Mersen remains attentive to the latest developments. At this stage, it is difficult to quantify the precise impact of potential tariff measures.

MARKET TRENDS

In the energy market, the Group expects a further slowdown in the second quarter in solar, which should be partly offset by momentum in the wind power market. The electronics market should see a stronger performance thanks to a healthy order book in the Si semiconductor market, while deliveries should pick up thanks to good progress in negotiations with our SiC semiconductor customers; lastly, the market for power conversion for electricity transmission (HVDC) is also expected to be dynamic. Transportation markets should continue to develop well, thanks to numerous rail projects, the dynamic aeronautics market and the ramp-up of deliveries for ACC. Lastly, the chemicals market is expected to decline over the year, and process industries will follow global economic trends.

The Group is expecting an organic growth in the second quarter better than in the first.

2025 GUIDANCE CONFIRMED

While remaining vigilant to change in the macro-economic environment, the Group confirms its objectives for the year 2025, namely:

- reported sales to remain stable or increase compared with 2024, based on EUR/USD exchange rates of 1.05 and EUR/RMB exchange rates of 7.65, representing organic growth of between -5% and 0%, and a weaker first half of the year than the second;
- EBITDA margin before non-recurring items of between 16% and 16.5% of sales;
- operating margin before non-recurring items of between 9% and 9.5% of sales, reflecting a significant increase in depreciation and amortization;
- capital expenditure of between €160 million and €170 million, including €15 million pushed back from the end of 2024.

GLOSSARY

Organic growth: calculated by comparing sales for the year with sales for the previous year, restated at the current year's exchange rate, excluding the impact of acquisitions and disposals.

Scope effect: contribution from companies acquired in the year, less the contribution from companies sold in the previous year, in relation to sales for the previous year, restated at the exchange rate for the current year and for disposals.

Currency effect: calculated by comparing sales for the previous year at the exchange rate of the previous year with sales for the previous year at the exchange rate of the current year.

CONFERENCE CALL

The Group is holding a [webcast](#) with a conference call on April 24, 2025 at 6:00 p.m. (CET). Dial one of the following numbers and indicate your preferred language (English or French):

- France: +33 (0) 1 7037 7166
- United Kingdom: +44 (0) 33 0551 0200
- United States: +1 786 697 3501

FINANCIAL CALENDAR: *First-half 2025 results: July 31, 2025 before market opening*

ABOUT MERSEN

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 33 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's teams have focused tirelessly on innovation** to accompany its clients and meet their needs. Be it in solar power, electronics, electric vehicles, aerospace or other sectors, wherever technology is progressing, you will always find a bit of Mersen. We work to constantly contribute to progress, striving daily to improve people's lives and protect the planet. This **corporate commitment** has been recognized by external rating agencies, EcoVadis (Gold Medal) and MSCI (AA rating).

MERSEN IS PART OF THE SBF 120 INDEX (EURONEXT PARIS – COMPARTMENT B)

INVESTOR AND ANALYST CONTACT

Véronique Boca
Mersen
Tel.: +33 (0)1 46 91 54 40
Email: dri@mersen.com

MEDIA CONTACT

Guillaume Maujean/Stephan Bürklin
Brunswick
Tel.: +33 (0)6 33 06 55 93
Email: mersen@brunswickgroup.com