

## FIRST-HALF 2025 RESULTS IN LINE WITH EXPECTATIONS

### 2025 GUIDANCE CONFIRMED

- HALF-YEAR SALES OF €610 MILLION, DOWN 2.2% (-4.0% ON AN ORGANIC BASIS) COMPARED WITH THE FIRST HALF OF 2024
- IMPROVED BUSINESS TRENDS BETWEEN FIRST AND SECOND QUARTER
- EBITDA MARGIN AT 16.0% AND OPERATING MARGIN BEFORE NON-RECURRING ITEMS AT 9.5%
- NET CASH FROM OPERATING ACTIVITIES MORE THAN 40% HIGHER THAN THE FIRST HALF OF 2024
- NET DEBT VIRTUALLY STABLE AT €380 MILLION, LEVERAGE AT 2.2X
- FULL-YEAR 2025 GUIDANCE CONFIRMED

*The Group is holding a webcast and conference call in French with simultaneous translation into English today at 10:00 a.m. CET (details on the last page).*

**PARIS, JULY 31, 2025** – Mersen (Euronext FR0000039620 – MRN), a global expert in electrical power and advanced materials, has released its sales figures for the second quarter of 2025 and interim results for the period ended June 30, 2025.

Luc Themelin, Mersen's Chief Executive Officer, said: *"Mersen's performance in the first half of 2025 has been consistent with our annual guidance, with the second quarter showing greater momentum than the first. The improvement came mainly from electrical distribution in the United States and numerous projects in the power electronics, aeronautics and rail sectors. The Group also benefited from the positive impact of contract negotiations with its SiC semiconductor customers. As expected, the trends observed in the solar market in the first quarter have persisted. As a result of its leading position and the effective rollout of its adaptation plans, the Group recorded an EBITDA margin of 16% and an operating margin before non-recurring items of 9.5% of sales in the first half of the year. The Group's financial structure remains sound thanks to strong operating cash flow generation, with a leverage ratio of 2.2x. Drawing on our global presence, we are able to confirm our full-year guidance, while remaining attentive to changes in the economic environment."*

### KEY FIRST-HALF FIGURES

In millions of euros	H1 2025	H1 2024
Sales	610.4	624.0
Operating income before non-recurring items	57.8	70.1
<b><i>Operating margin before non-recurring items</i></b>	<b>9.5%</b>	<b>11.2%</b>
EBITDA before non-recurring items	97.8	105.5
<b><i>Current EBITDA margin</i></b>	<b>16.0%</b>	<b>16.9%</b>
Net income attributable to Mersen shareholders	29.3	38.9
<b>Leverage</b>	<b>2.2</b>	<b>1.3</b>

## BUSINESS REVIEW

### SECOND QUARTER 2025 SALES

Mersen reported consolidated sales of €305.6 million for the second quarter of 2025, down slightly by 1.4% at constant scope and exchange rates compared with the same period in 2024. This is an improvement on the first quarter, which saw organic growth of -6.4%. The scope effect reflects the contribution of acquisitions made in 2024 in the United States. The currency effect for the period mainly concerned the strong depreciation of the US dollar and the Chinese renminbi. Prices increased by around 1% over the period.

In millions of euros	Q2 2025	Q2 2024	Organic growth	Scope effect	Currency effect	Reported growth
Advanced Materials	161.0	174.1	-9.1%	+5.4%	-4.0%	-7.6%
Electrical Power	144.6	137.3	8.2%	+0.7%	-3.3%	5.3%
Europe	100.2	102.6	-2.5%	+0.5%	-0.4%	-2.4%
Asia-Pacific	66.2	78.4	-12.0%	+0.4%	-4.6%	-15.7%
North America	129.7	120.6	5.9%	+7.9%	-5.5%	7.5%
Rest of the world	9.5	9.8	5.7%	0.0%	-8.3%	-3.1%
<b>Group</b>	<b>305.6</b>	<b>311.5</b>	<b>-1.4%</b>	<b>+3.3%</b>	<b>-3.7%</b>	<b>-1.9%</b>

### FIRST HALF 2025 SALES

Mersen's consolidated sales amounted to €610.4 million for the first six months of 2025, down 4% at constant scope and exchange rates compared with the first half of 2024. Reported growth was -2.2%. Prices increased by around 1% over the period. Excluding the solar and SiC semiconductor markets, which fell sharply as expected, organic growth was 3% in the first half of the year.

In millions of euros	H1 2025	H1 2024	Organic growth	Scope effect	Currency effect	Reported growth
Advanced Materials	323.0	346.6	-10.3%	+5.0%	-1.7%	-6.8%
Electrical Power	287.4	277.4	3.9%	+0.9%	-1.1%	3.6%
Europe	203.3	207.2	-2.0%	+0.3%	-0.2%	-1.9%
Asia-Pacific	128.4	155.0	-15.7%	+0.2%	-2.1%	-17.2%
North America	257.5	242.2	0.3%	+7.8%	-1.7%	6.3%
Rest of the world	21.2	19.6	15.2%	0.0%	-6.3%	7.9%
<b>Group</b>	<b>610.4</b>	<b>624.0</b>	<b>-4.0%</b>	<b>+3.2%</b>	<b>-1.4%</b>	<b>-2.2%</b>

### PERFORMANCE BY SEGMENT

Sales for the **Advanced Materials** segment totaled €323.0 million, down 6.8% over the period on a reported basis and down 10.3% on an organic basis. As announced, the Group renegotiated contracts with its customers in the SiC semiconductor sector, which led to higher sales in the second quarter than in the first. However, for the first half overall, sales in this segment remained below the previous year's level. Second quarter sales in the silicon semiconductor market were on par with the first quarter. The solar market remained weak, while other renewable energy markets (wind and hydropower) experienced growth. The transportation markets remained dynamic, especially aeronautics, and the chemicals market also expanded year on year.

**Electrical Power** sales totaled €287.4 million in the first half, up by 3.9% on an organic basis. The trend was present across most markets, including process industries, which saw growth driven in particular by electrical distribution in the United States. The segment benefitted from an increasing number of opportunities in power electronics projects, particularly for power grids, and enjoyed growth in transportation markets (aeronautics, rail and electric vehicles).

### PERFORMANCE BY REGION

**Europe** saw a decline of 2.0% in organic terms, reflecting a contraction in chemicals and SiC semiconductors, partially offset by good momentum in the wind power market and power electronics projects.

In **Asia**, Group sales were down 15.7% on an organic basis versus the prior year period, primarily due to the low level of sales to solar cell manufacturers in China. Chemicals sales were also down. India and Japan, on the other hand, enjoyed strong growth, supported by rail and energy storage markets, respectively.

Lastly, in **North America**, sales grew by 0.3% on an organic basis. On a reported basis, growth was 6.3%, thanks to the contribution of acquisitions made in 2024, despite the depreciation of the US dollar. The region was driven by buoyant maintenance activities for chemicals and electrical distribution markets. However, the slowdown in the SiC semiconductor market had a negative impact on the region.

### EBITDA AND OPERATING INCOME BEFORE NON-RECURRING ITEMS

EBITDA before non-recurring items came to €97.8 million, a limited 7% contraction year on year despite the lower business volumes and the unfavorable currency effect. This amounted to 16.0% of sales compared with 16.9% in the first half of 2024, in line with full-year 2025 guidance (between 16% and 16.5%).

Depreciation and amortization came in at €40.0 million, an increase on the previous year (€35.5 million) as expected, attributable to higher capital expenditure. This increase should continue in the second half of the year.

Operating income before non-recurring items came to €57.8 million in the first half of 2025, yielding an operating margin before non-recurring items of 9.5% of sales, in line with guidance for full-year 2025 (between 9% and 9.5% of sales).

The adaptation plan partially offset the unfavorable volume/mix effect. Price increases and productivity gains helped offset the higher cost of raw materials and labor. In addition, operating income before non-recurring items includes a significant increase in depreciation and amortization linked to the Group's capital expenditure plan.

### Advanced Materials segment

EBITDA before non-recurring items for the Advanced Materials segment was €61.4 million and represented 19.0% of sales compared with 22.2% in the first half of 2024. Lower volumes had a significant impact on the segment's margin in the first half of the year, partially offset by the adaptation plan. Price increases and productivity gains during the period only partially offset higher costs for raw material and wages.

Operating income before non-recurring items for the segment amounted to €33.8 million, resulting in an operating margin before non-recurring items of 10.5% of sales, compared with 15.2% for the first half of 2024. The increase in depreciation and amortization represented a change of more than 2 points in the operating margin before non-recurring items.

### Electrical Power segment

EBITDA before non-recurring items for the Electrical Power segment was €45.3 million, representing 15.8% of sales, significantly up on the first half of 2024 (14.1%). The adaptation plan more than offset the negative mix effect, while price increases and productivity measures comfortably counterbalanced the rise in the costs of raw materials and wages.

Segment operating income before non-recurring items amounted to €34.8 million, compared with €29.6 million in the first half of 2024. This represents an operating margin before non-recurring items of 12.1% of sales, a significant improvement on the first half of 2024 (10.7%).

### NET INCOME

Net income attributable to Mersen shareholders came to €29.3 million in the first half of 2025, compared with €38.9 million in the first half of 2024. This decrease is mainly due to the fall in operating income.

Non-recurring expenses of €4.9 million correspond to expenses and provisions set aside for optimization measures and litigation costs. These expenses were down slightly compared with the first half of 2024 (€5.4 million).

The net financial expense was €13.5 million, an increase from the first half of 2024 (net financial expense of €10.3 million), due primarily to the rise in average debt.

The income tax expense was €9.9 million, corresponding to an effective tax rate of 25%, slightly higher than in the first half of 2024 (24%).

Income from non-controlling interests fell sharply (€0.1 million versus €2.4 million in the first half of 2024) due to the steep decline in the solar business in China, which impacted the entities concerned.

### CASH FLOWS

The Group generated a strong €78.7 million in net cash from operating activities, an increase of more than 40% on the €54.5 million reported in the first half of 2024. The WCR ratio stood at 19.2% of sales, lower than its rate as of June 30, 2024 (21.8%) and as of December 31, 2024 (19.7%) thanks in particular to the action plan on inventories, which has led to a €32 million reduction in inventories on a like-for-like basis since its launch.

Income tax paid represented an outlay of €6.9 million, a similar level to the first half of 2024 (€6.3 million) which benefited from the repayment of tax receivables in the United States.

In the first half of 2025, capital expenditure amounted to €64.1 million. More than two thirds of this amount will be used for capacity increases as part of the Group's medium-term plan, mainly to serve the SiC semiconductor market. The remaining capital expenditure relates to safety and environmental initiatives at Group sites, maintenance, upkeep and modernization of plants and equipment and other growth projects.

Investments in intangible assets related to the plan to digitize and modernize information systems, as well as to capitalized costs in electric vehicles and on the p-SiC project, for a total of €7.1 million.

Net debt as of June 30, 2025 stood at €380.1 million, slightly up the amount as of December 31, 2024 (€370.3 million), thanks to significant cash flow generation and close control over capital expenditure.

The Group's return on capital employed (ROCE) stood at 9.4% in first half of 2025, compared with 10.8% for full-year 2024. This decrease, as expected, is due to the rollout of the Group's investment plan, with the new production capacity not yet in use.

### FINANCIAL STRUCTURE

The Group maintained a sound financial structure over the period, with leverage of 2.2x (versus 1.8x as of December 31, 2024) and a gearing ratio of 48% (versus 42% as of December 31, 2024). The average maturity of the Group's financing is 4.9 years. The next significant repayment milestone is expected in 2026. This will be refinanced with cash from the US private placement arranged in the first half of 2025.

### MARKET TRENDS

The Group expects for the second half, as already mentioned:

- Continued momentum in the wind power market and a slight rebound in the solar market.

- A growing market for Si semiconductors; a low level of deliveries for our SiC semiconductor customers, albeit at a higher level in the second half of the year than in the first; lastly, ongoing projects in power conversion for electricity transmission (HVDC).
- Continued positive trends in transportation markets, thanks to numerous rail projects, the dynamic aeronautics market and the ramp-up of deliveries for ACC.
- A decline over the year for the chemicals market, and,
- Process industries following global economic trends.

### **2025 GUIDANCE**

While remaining vigilant to changes 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%;
- 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.

**CONDENSED CONSOLIDATED STATEMENT OF INCOME**

<i>In millions of euros</i>	<b>H1 2025</b>	<b>H1 2024</b>
<b>Sales</b>	<b>610.4</b>	<b>624.0</b>
Gross income	182.0	203.4
Selling, marketing and other expenses	(42.0)	(45.1)
Administrative and research expenses	(81.3)	(87.7)
Amortization of revalued intangible assets	(0.8)	(0.6)
<b>Operating income before non-recurring items</b>	<b>57.8</b>	<b>70.1</b>
<i>As a % of sales</i>	<i>9.5%</i>	<i>11.2%</i>
Non-recurring income and expenses	(4.9)	(5.4)
<b>Operating income</b>	<b>52.9</b>	<b>64.7</b>
Net financial expense	(13.5)	(10.3)
Current and deferred income tax	(9.9)	(13.0)
<b>Net income</b>	<b>29.5</b>	<b>41.3</b>
Attributable to Mersen shareholders	29.3	38.9

**SEGMENT ANALYSIS**

<i>In millions of euros</i>	Advanced Materials		Electrical Power		Groupe	
	<b>H1 2025</b>	<b>H1 2024</b>	<b>H1 2025</b>	<b>H1 2024</b>	<b>H1 2025</b>	<b>H1 2024</b>
Sales	323.0	346.6	287.4	277.4	610.4	624.0
EBITDA before non-recurring items	61.4	77.1	45.3	39.1	97.8	105.5
<i>As a % of sales</i>	<i>19.0%</i>	<i>22.2%</i>	<i>15.8%</i>	<i>14.1%</i>	<i>16.0%</i>	<i>16.9%</i>
Operating income before non-recurring items	33.8	52.8	34.8	29.6	57.8	70.1
<i>As a % of sales</i>	<i>10.5%</i>	<i>15.2%</i>	<i>12.1%</i>	<i>10.7%</i>	<i>9.5%</i>	<i>11.2%</i>



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<i>In millions of euros</i>	June 30, 2025	Dec. 31, 2024
Non-current assets	1,111.9	1,151.3
Right-of-use assets	53.8	59.7
Inventories	276.7	307.8
Trade and other receivables	208.7	205.6
Other assets	4.0	4.5
<b>TOTAL</b>	<b>1,655.2</b>	<b>1,728.9</b>
Equity	821.9	882.4
Provisions	18.6	22.7
Employee benefit obligations	31.4	32.4
Trade and operating payables	251.0	268.6
Other liabilities	93.8	88.2
Lease liabilities	58.4	64.4
Net debt	380.1	370.3
<b>TOTAL</b>	<b>1,655.2</b>	<b>1,728.9</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

<i>In millions of euros</i>	H1 2025	H1 2024
Cash generated by operating activities before change in working capital requirement	93.1	101.3
Change in working capital requirement	(7.5)	(40.5)
Income tax paid	(6.9)	(6.3)
<b>Net cash generated by operating activities</b>	<b>78.7</b>	<b>54.5</b>
Capital expenditure	(64.1)	(83.1)
Disposals of assets and other	(0.1)	2.6
<b>Net cash used in operating activities after capital expenditure, net of disposals</b>	<b>14.5</b>	<b>(25.9)</b>
Investments in intangible and financial assets	(7.1)	(5.7)
Changes in scope of consolidation	0.0	(0.1)
<b>Net cash used in operating and investing activities</b>	<b>7.5</b>	<b>(31.6)</b>

*These interim consolidated financial statements were approved for issue by the Board of Directors on July 30, 2025.*

*The results will be presented on July 31, 2025 at 10:00 a.m. CET in a webcast and conference call [accessible via this link](#). The half-year report and results presentation will be available on the corporate website at <http://www.mersen.com>.*

### FINANCIAL CALENDAR

*Third-quarter 2025 sales: October 23, 2025 after the markets close*

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### 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 (A rating).

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

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## GLOSSARY

Capital expenditure: Investments in property, plant and equipment.

EBITDA before non-recurring items: Operating income before non-recurring items, depreciation and amortization.

Gearing: Covenant net debt divided by equity.

Leverage: Covenant net debt divided by covenant EBITDA.

Net debt: Sum of long- and medium-term borrowings, current financial liabilities and current bank loans, less current financial assets, cash and cash equivalents.

Operating cash flow: Net cash generated by operating activities

Operating margin before non-recurring items: Operating income before non-recurring items divided by sales

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

Recurring EBITDA margin: EBITDA before non-recurring items divided by sales.

ROCE: Return on capital employed: operating income before non-recurring items for the last 12 months divided by average capital employed for the last three half-year periods.

Scope effect: Contribution from companies acquired in the year in relation to sales for the year.

WCR: Working capital requirement: sum of trade receivables, inventories, contract assets and other operating receivables, less trade payables, contract liabilities and other operating payables.

WCR ratio: Working capital requirement divided by sales for the last quarter, multiplied by four.

## APPENDIX

### 1 - Working capital to sales ratio

<i>In millions of euros</i>	<b>H1 2025</b>	<b>2024</b>	<b>H1 2024</b>
Inventories	277	308	325
Trade receivables	173	177	195
Other operating receivables	31	27	29
Contracts assets	5	2	5
Trade payables	(77)	(81)	(92)
Other operating payables	(116)	(119)	(120)
Contracts liabilities	(58)	(69)	(71)
<b>Working capital requirement</b>	<b>234</b>	<b>245</b>	<b>271</b>
Sales (last quarter x 4)	1,222	1,243	1,246
<b>WCR as a % of sales</b>	<b>19.2%</b>	<b>19.7%</b>	<b>21.8%</b>

### 2 - ROCE

<i>In millions of euros</i>	<b>June 30, 2025</b>	<b>Dec. 31, 2024</b>
Operating income before non-recurring items over the last 12 months	118.8	131.1
Capital employed	1,270.2	1,213.1
<b>ROCE</b>	<b>9.4%</b>	<b>10.8%</b>