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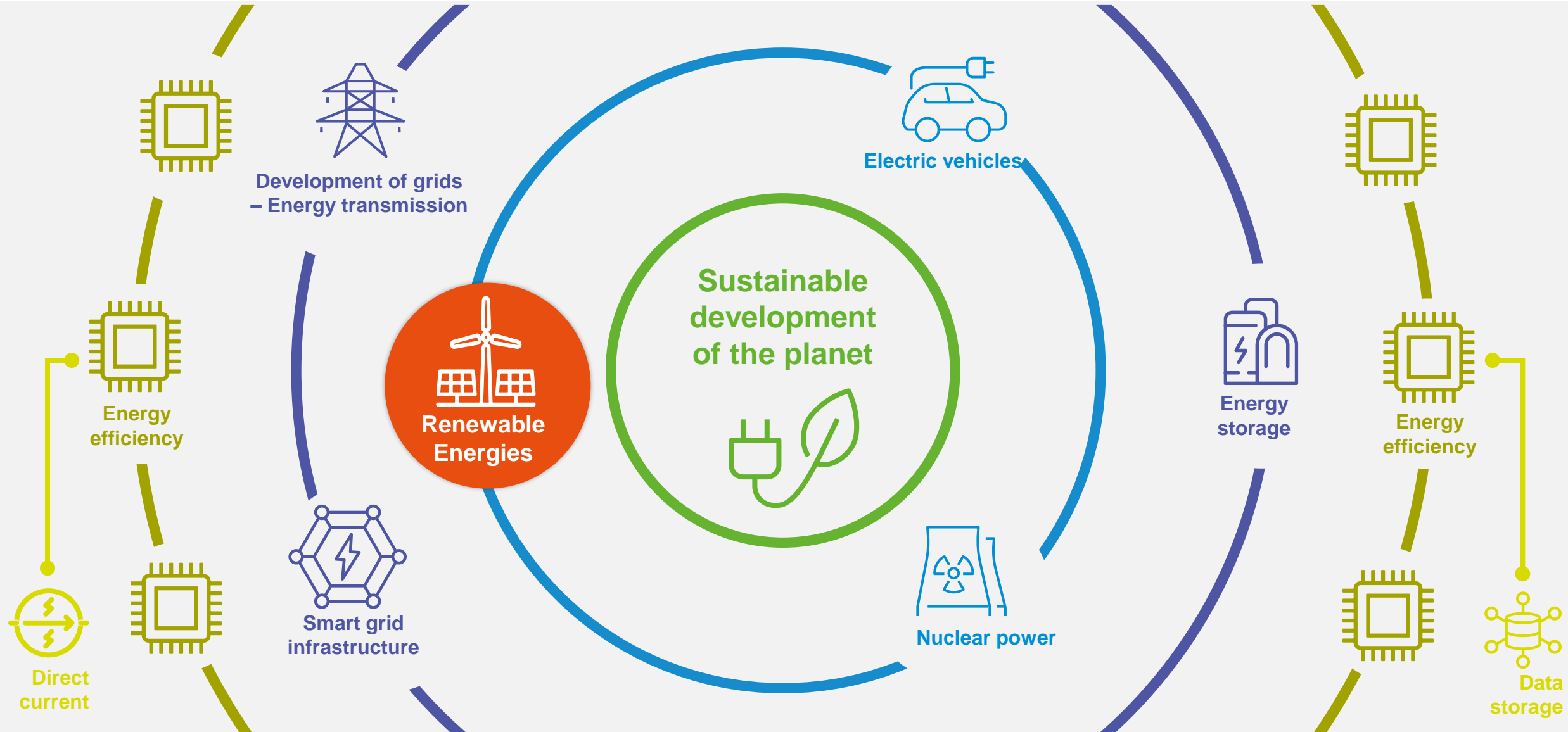
Our medium-term growth drivers

Luc Themelin
Chief Executive
Officer

**Olivier
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VP, GS Sales

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Lamas**
SVP, SPM

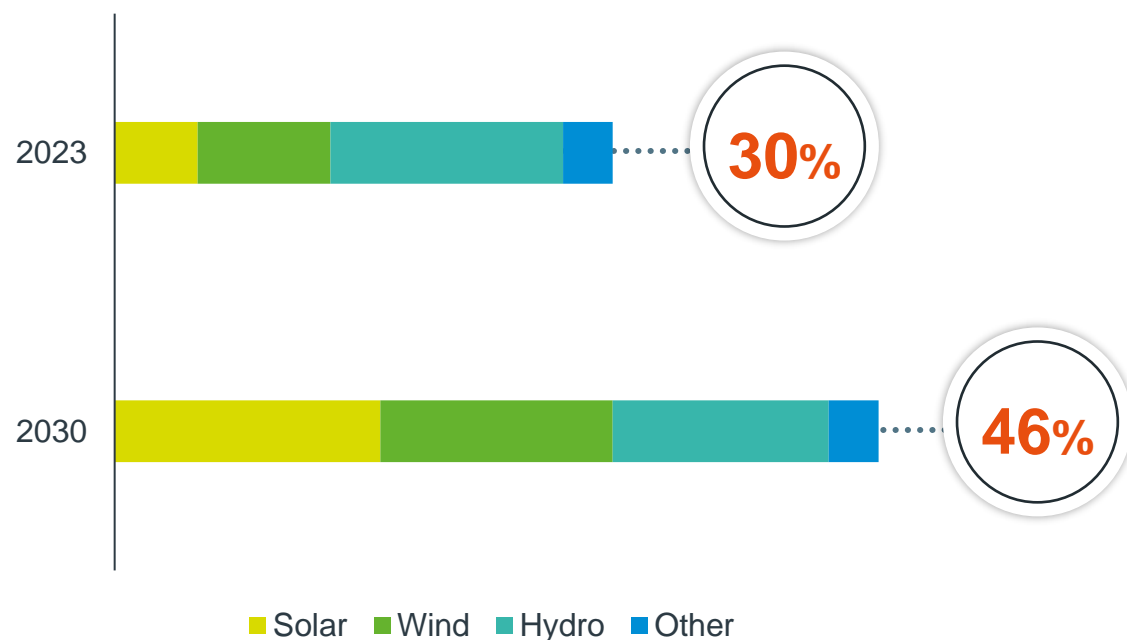
Major growth trends for our markets



Renewable energies will transform the world's energy mix by 2030



Renewable energy as a percentage of global electricity production



Source: IEA renewables 2024



By 2025, renewable energies will overtake coal to become the leading source of electricity production

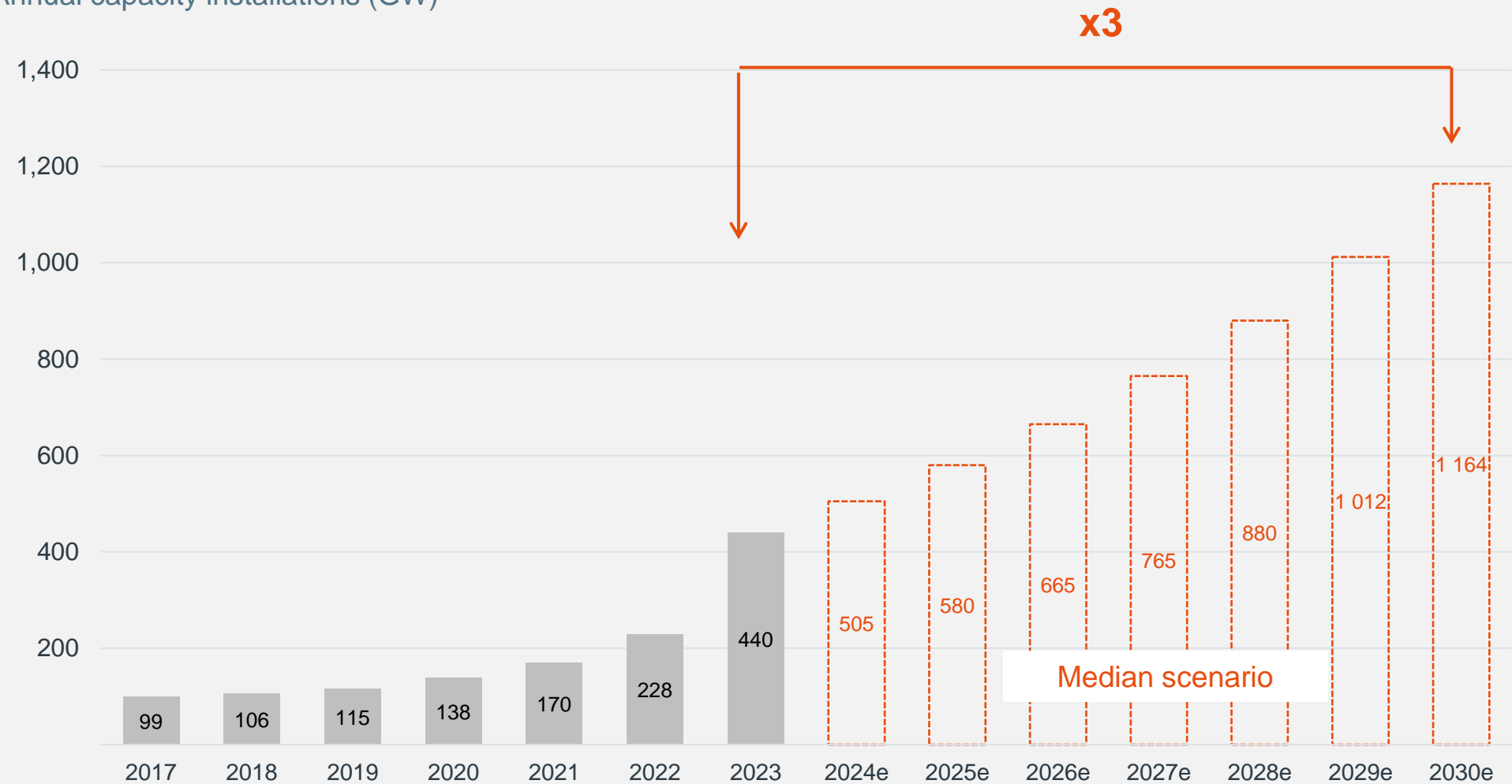


By 2030, renewable energy sources will account for **over 46%** of global electricity production

Sustained growth in solar panels, driving energy storage and transportation markets



Annual capacity installations (GW)



Source: Mersen consensus, Yole, Exawatt

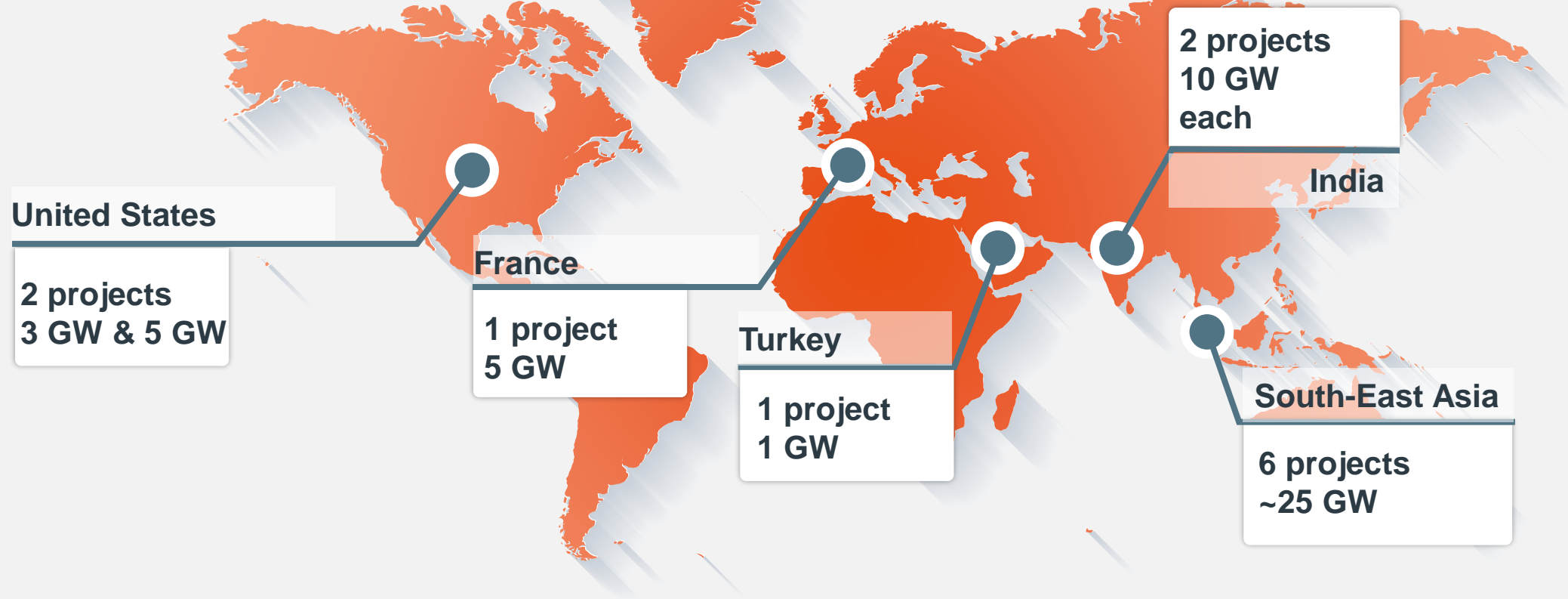
Mersen, a major supplier across the solar power value chain



New solar cell manufacturing projects, potential opportunities for Mersen



Solar cell manufacturing plant projects (vertical integration, from polysilicon to solar cells)



Additional potential from 2026



Renewable energies: Medium- to long-term potential unchanged

In the short term

2024 sales
~ €140m



Materials

Solar: Maintain our leadership in the manufacture of large solar parts in China.
Wind: maintain our market share on the installed base



Electrical Power

Support the rollout of renewable energies outside China, energy storage and conversion.

By 2029

Sales > €200m



Materials

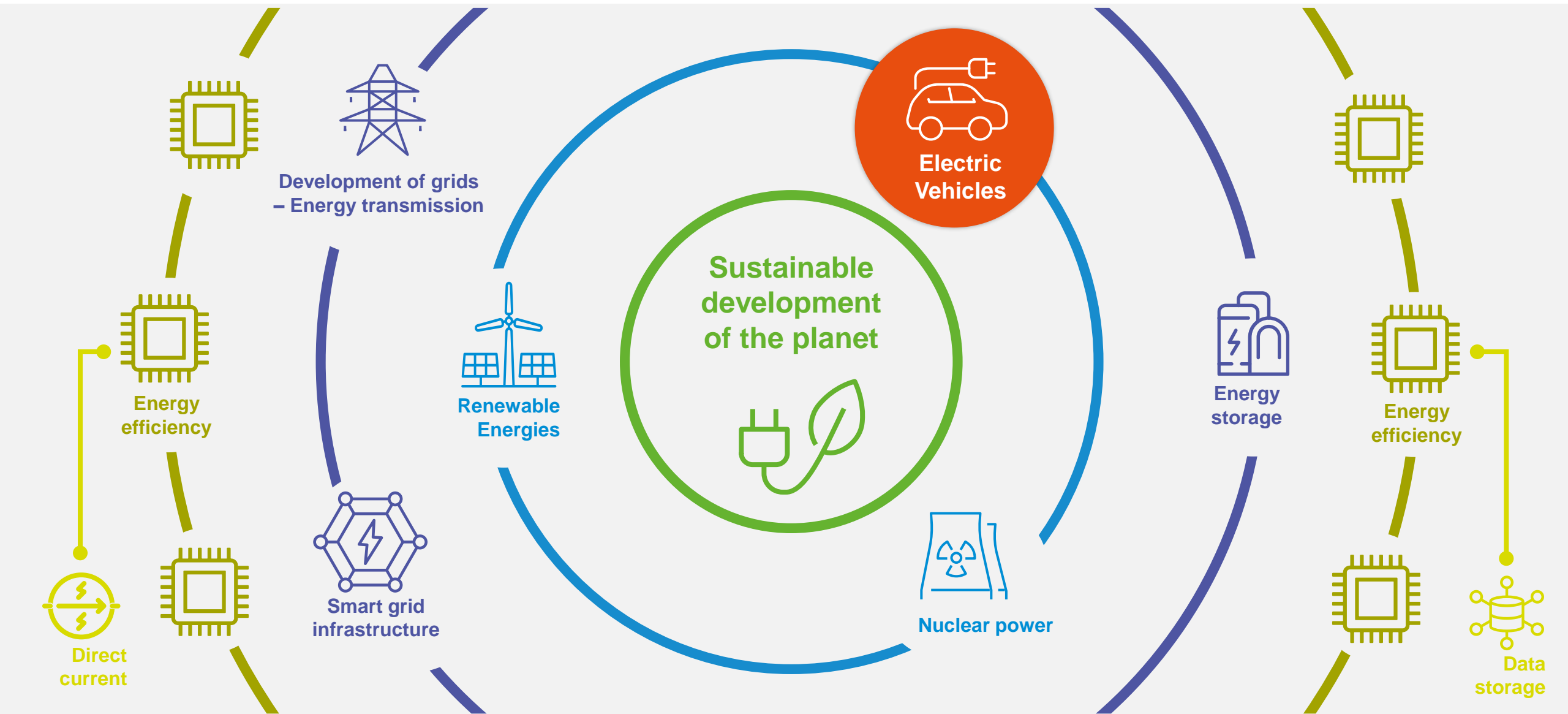
Leverage our industrial capabilities and customer relationships to build strong positions in the solar market outside China.
Consolidate our market share in wind power



Electrical Power

Gain market share by leveraging our relationships with major OEMs in energy storage and transport (HVDC) as well as power conversion.

Major growth trends for our markets



Electric vehicles: Mersen is positioned in several segments



Heavy industrial vehicles



Bus & trucks



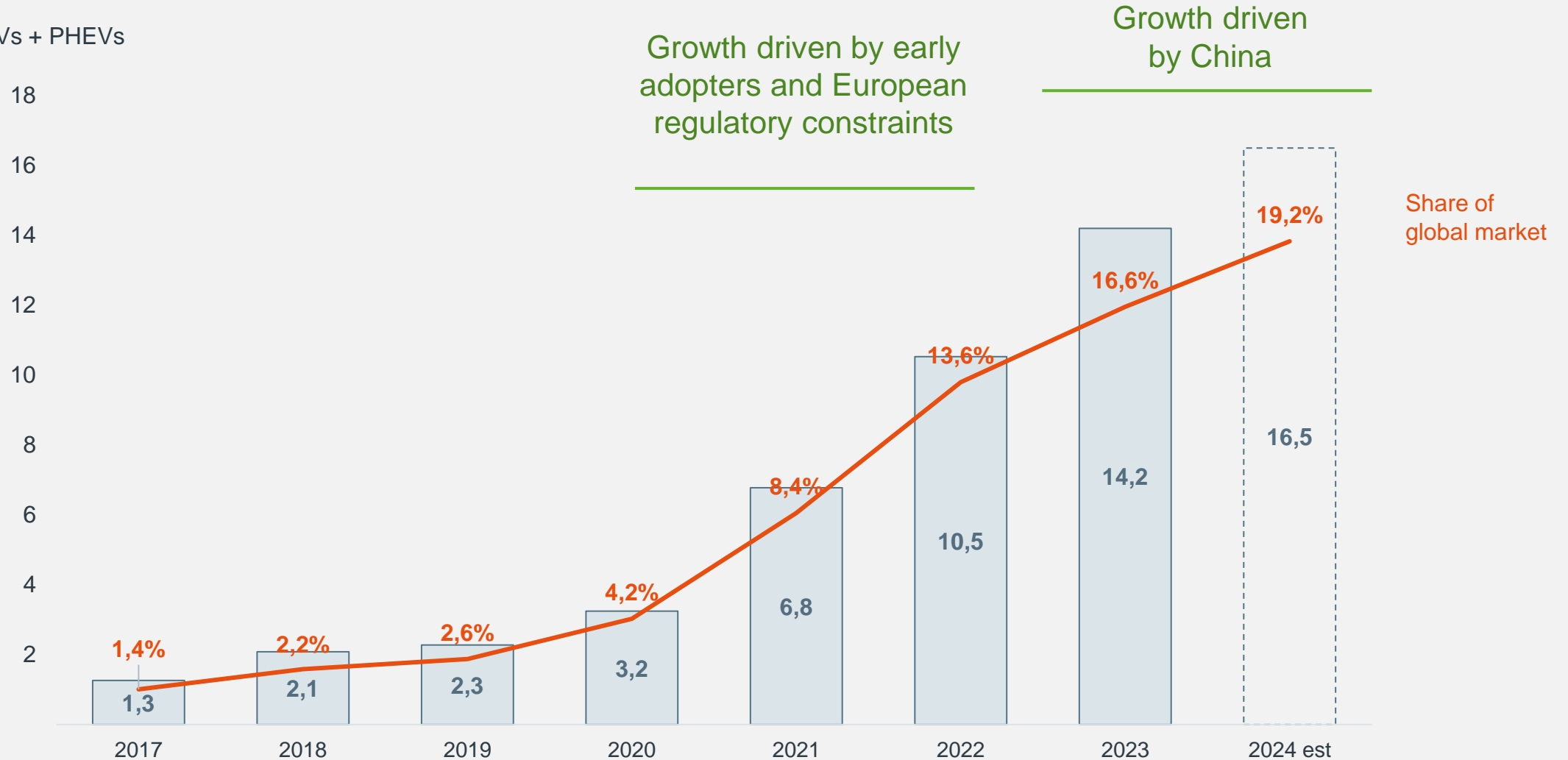
Passenger cars



Strong growth in the emerging EV passenger vehicle market



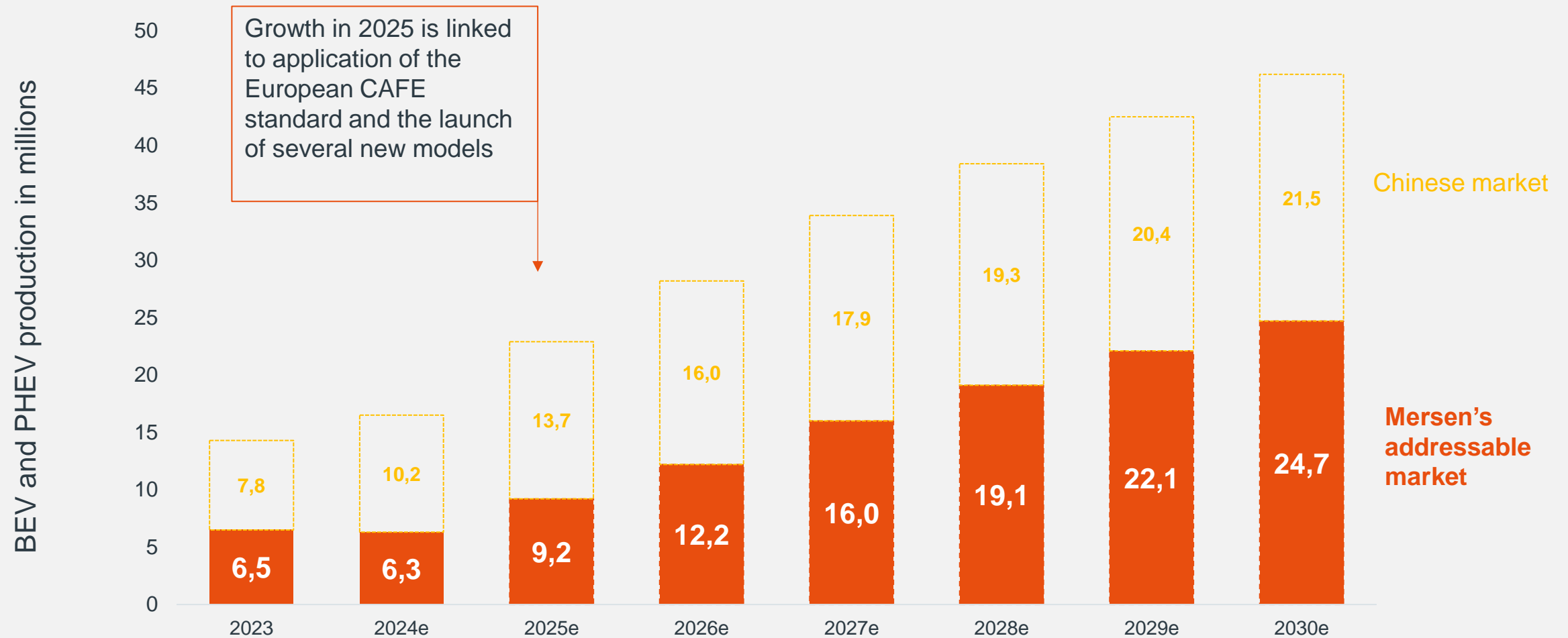
Number of BEVs + PHEVs
in million



Source: J.D. Power

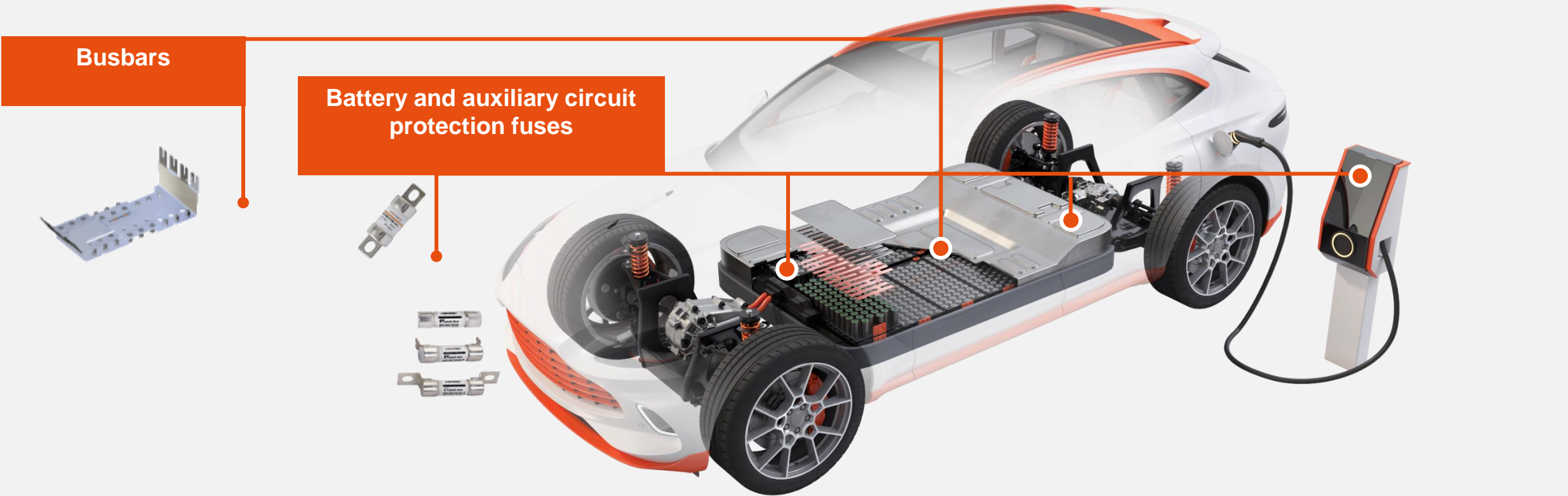
Market growth strongly linked to China

For Mersen, the addressable market remains significant



Source: J.D. Power, S&P Global Mobility; forecast Sept. 2024

Two Mersen product ranges for EV batteries



Battery
manufacturers

Car/bus manufacturers or subcontractors

Charging station
manufacturers



Mersen's value proposition for the EV market



Fuses

- New range of fuses dedicated to EV market (150-800V)
- Production capacity automated, IATF certified
- Test capability to approve useful life
- Expertise in electrical protection



Busbars

Customized solutions for 2 applications:

- **Cell interconnection**
Thermal protection thanks to insulation layers
Smart busbars, providing data for battery management systems
- **Power conversion for motor**

The first automatic busbar production line for ACC modules



Mersen is connected to major carmakers outside China



Europe

North America

Asia

Light
vehicles



Heavy
vehicles



A three-year delay in the EV market, but positive outlook beyond this timeframe



In the short term

2024 sales
~ €30m

- Harness growth in the European market boosted in the short term by CAFE regulations
- Gain a foothold in the emerging US market

Action plan:

- Optimization of industrial sites: One single plant to manufacture fuses (Shanghai)
- Take a flexible approach to ACC automatic line investments according to customer demand

By 2029

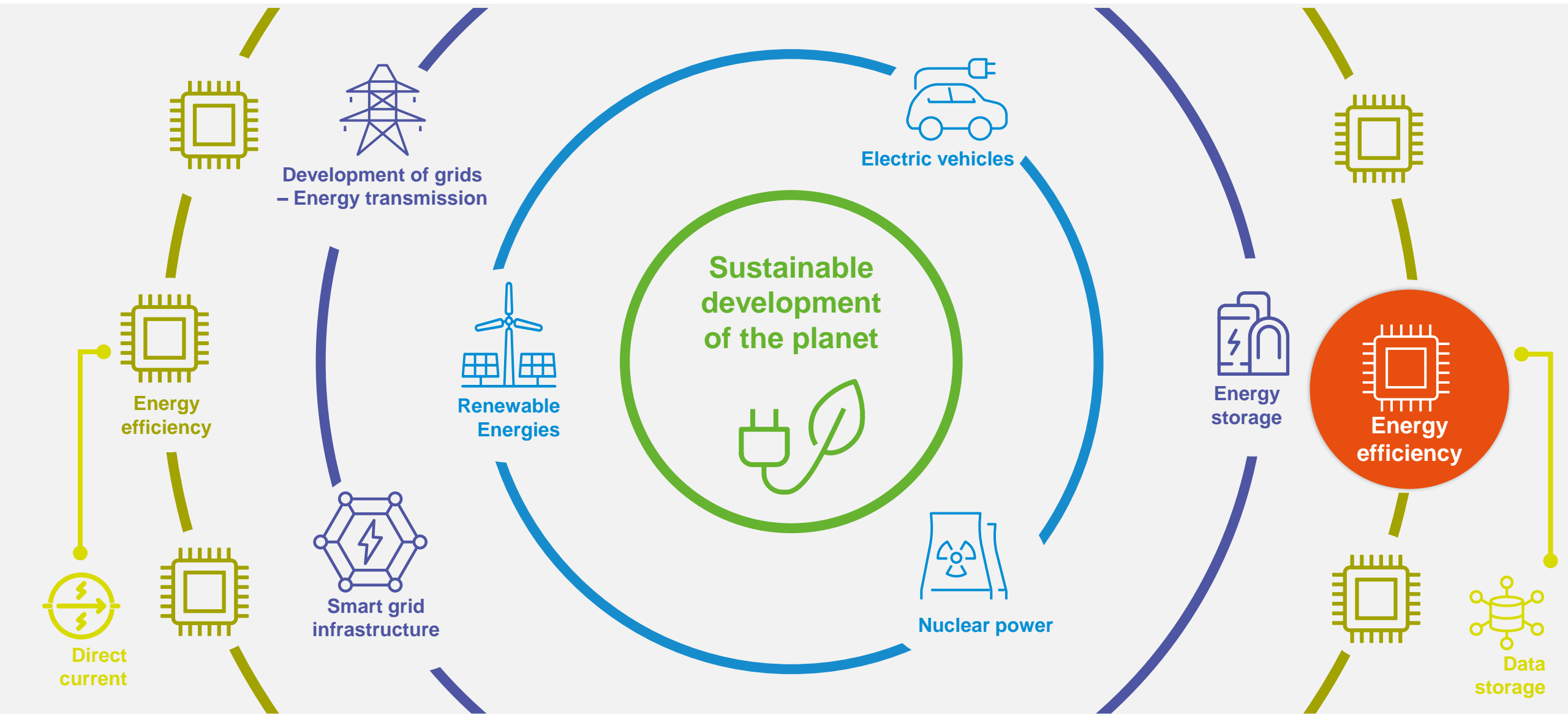
Sales ~ €100m

- Important addressable market outside China, with the US market more dynamic than expected

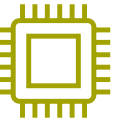
Strategy:

- Busbars: Strengthen positioning in two high value-added applications, namely cell interconnection and power conversion
- Fuses: Gain market share and continue to invest in innovation

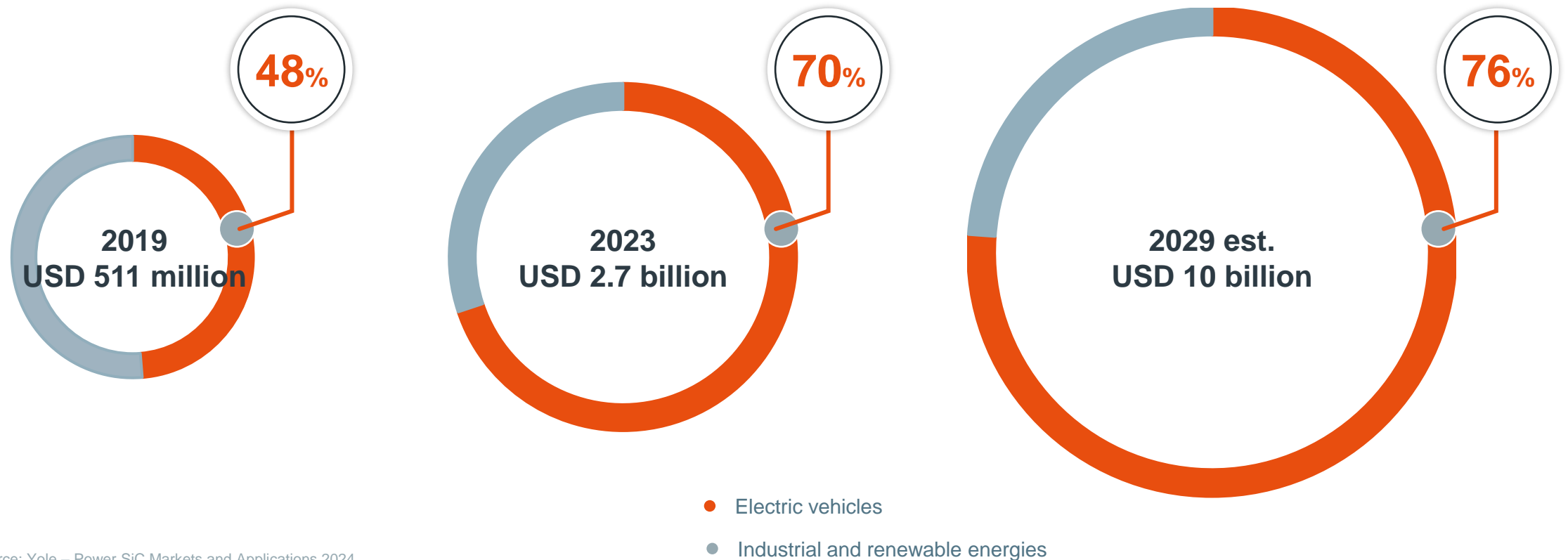
Major growth trends for our markets



SiC power components, a benefit for the electric vehicle market



SiC power components market

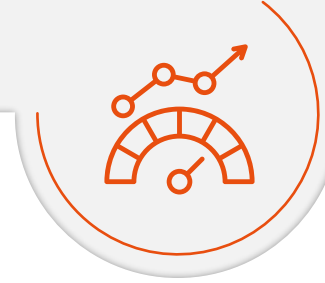


Source: Yole – Power SiC Markets and Applications 2024

The advantages of SiC over Si



Balancing performance and cost



Performance

- **SiC for more efficient power conversion:**
 - **~20% reduction** in system size and weight
 - **+~10%** additional autonomy
 - **Longer battery life**

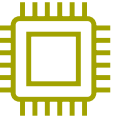


Cost

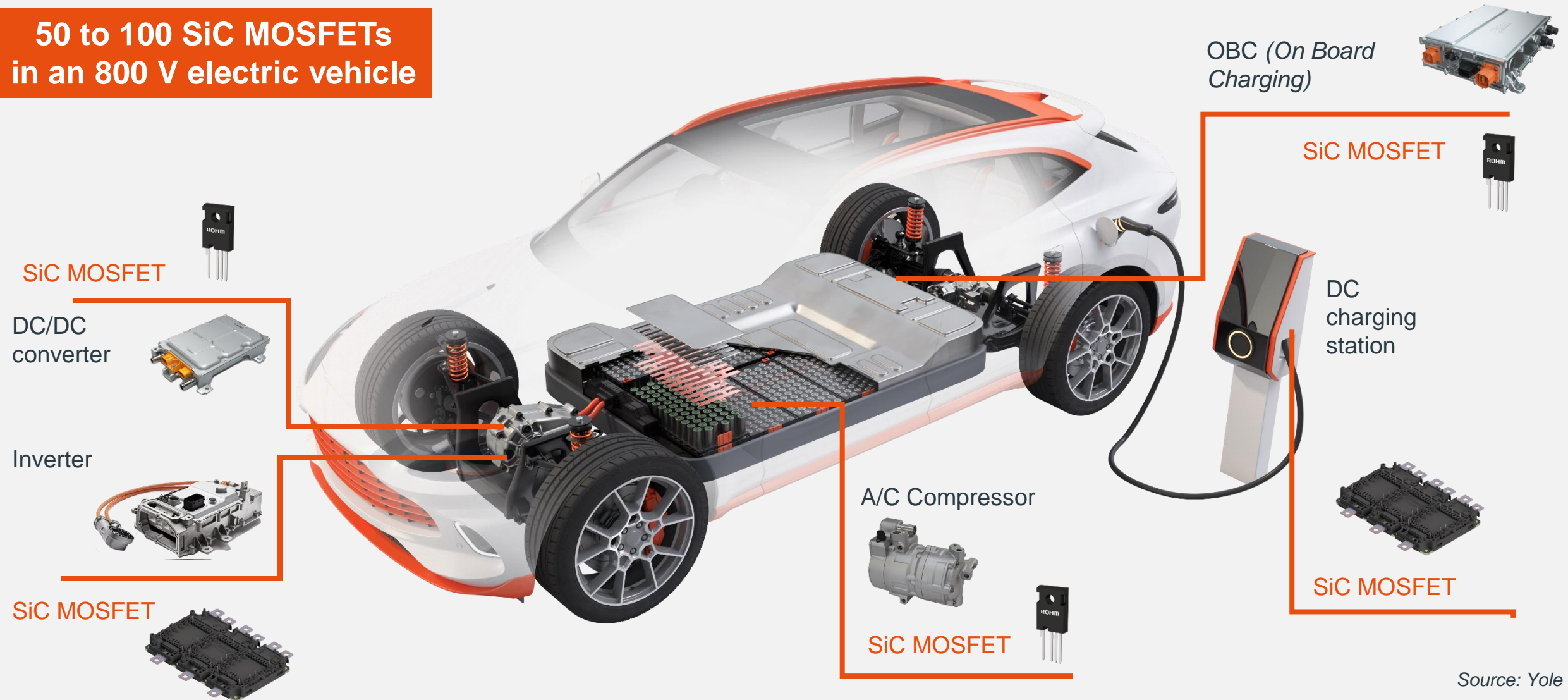
- **Higher, but falling, costs:**
 - A SiC converter costs 1.7x more than a Si converter for a 400V battery, and 2x more for an 800V battery
- **Future cost reduction**
 - Learning curve, accelerating technological progress
 - Increased wafer size
 - Smart-SiC

Source: Yole, Mersen

A growing number of SiC semiconductors in high-performing electric vehicles

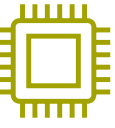


50 to 100 SiC MOSFETs
in an 800 V electric vehicle



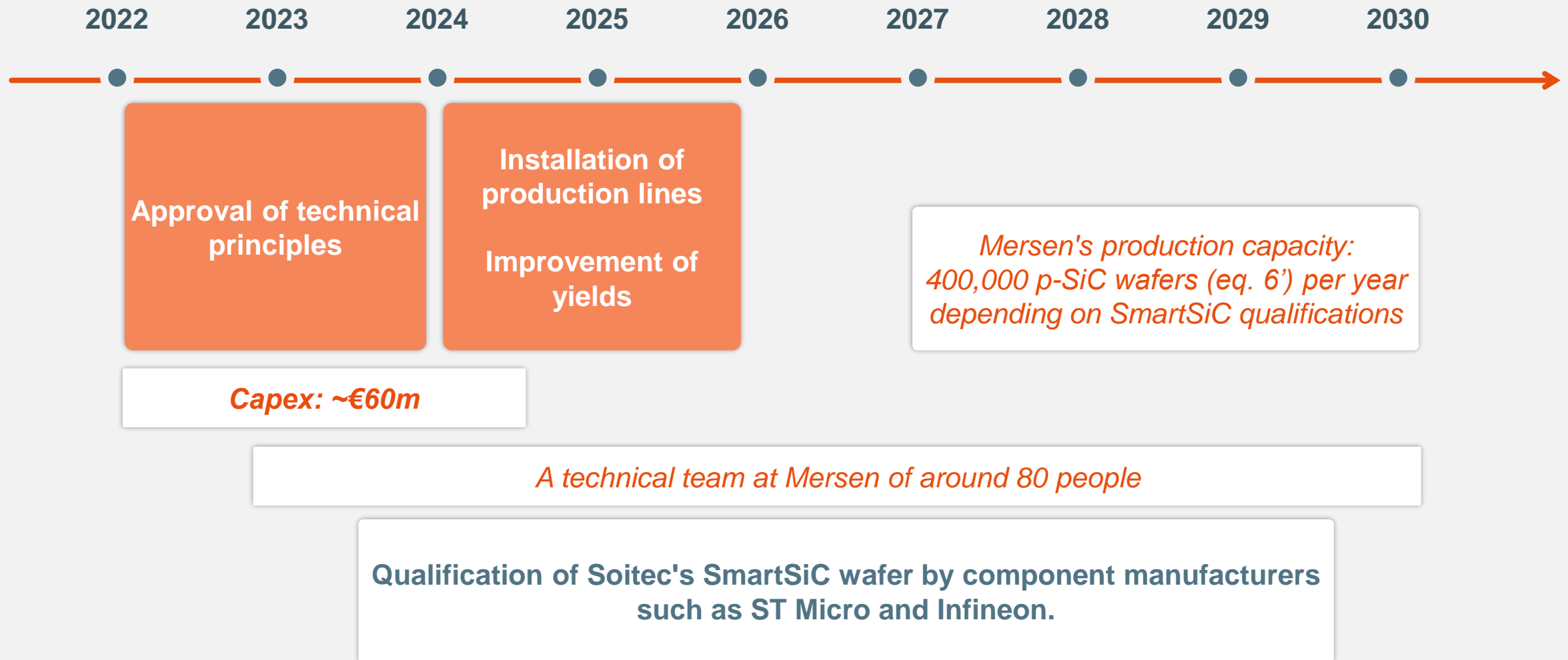
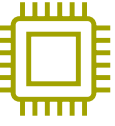
Source: Yole

Mersen, a supplier to all players in the SiC semiconductor manufacturing process

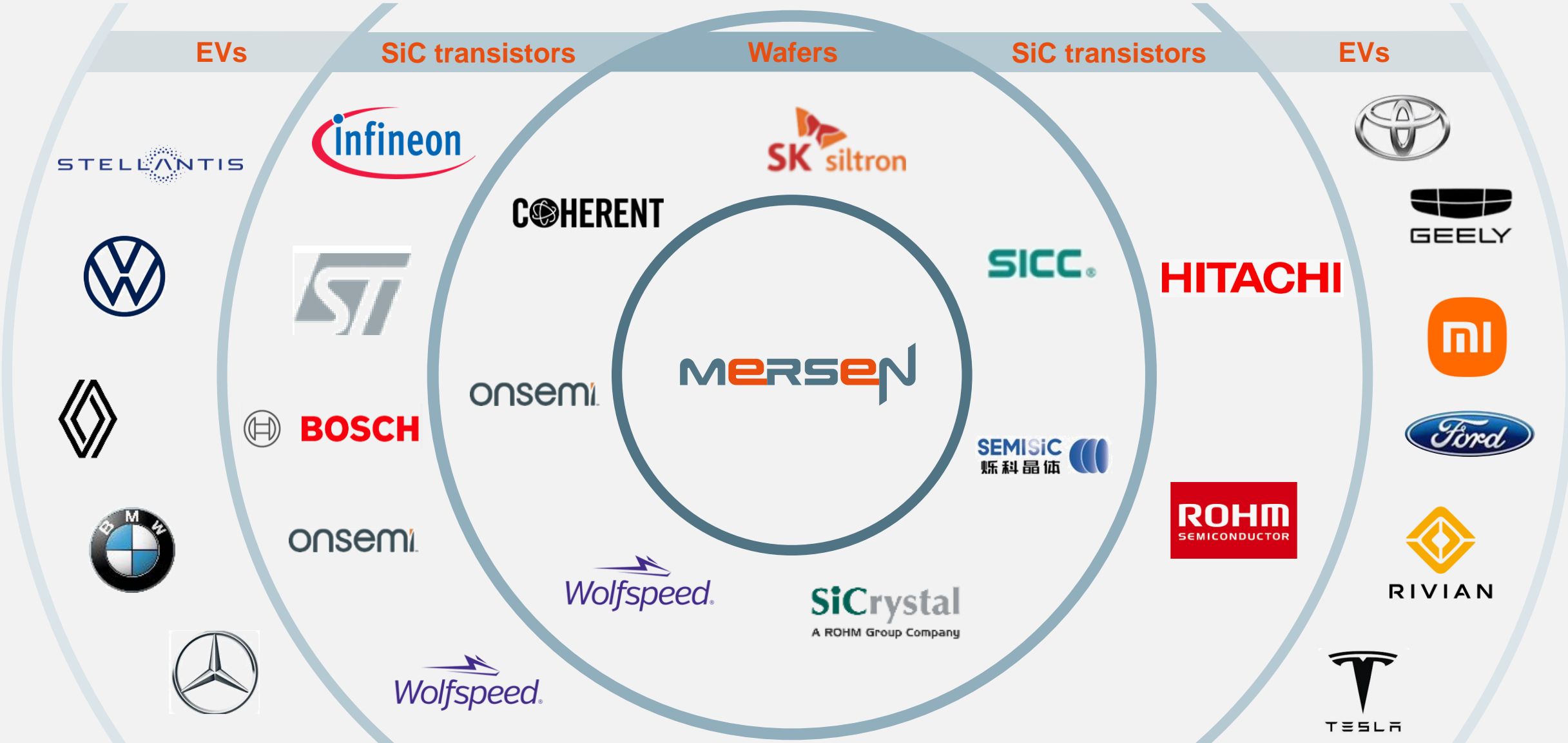
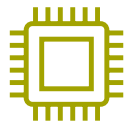


MERSEN, CRUCIAL IN THE SiC
SEMICONDUCTOR PROCESS

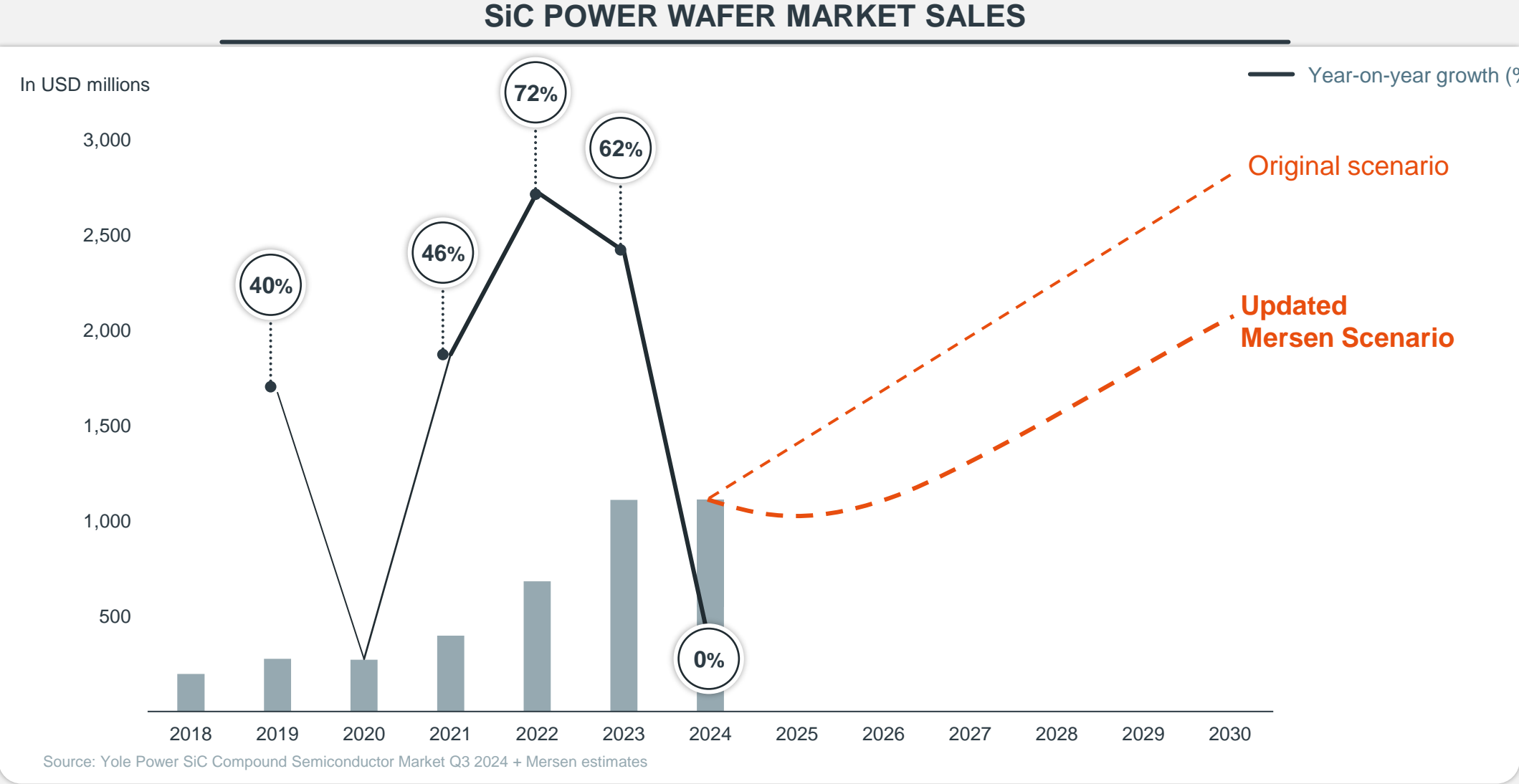
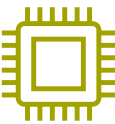
p-SiC project



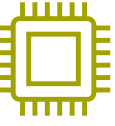
Mersen is connected to the entire EV market



High inventory levels between 2022 and 2024, impacting market growth rates



A three-year delay compared with the original plan



In the short term

2024 sales
~ €100m

- The strong growth until mid-2024 led to a build-up of high inventory levels throughout the chain
- 2025 lower than originally forecast
- Recovery expected in 2026

Action plan

- Postpone certain investments
- Allocate graphite capacity for other potential markets

By 2029

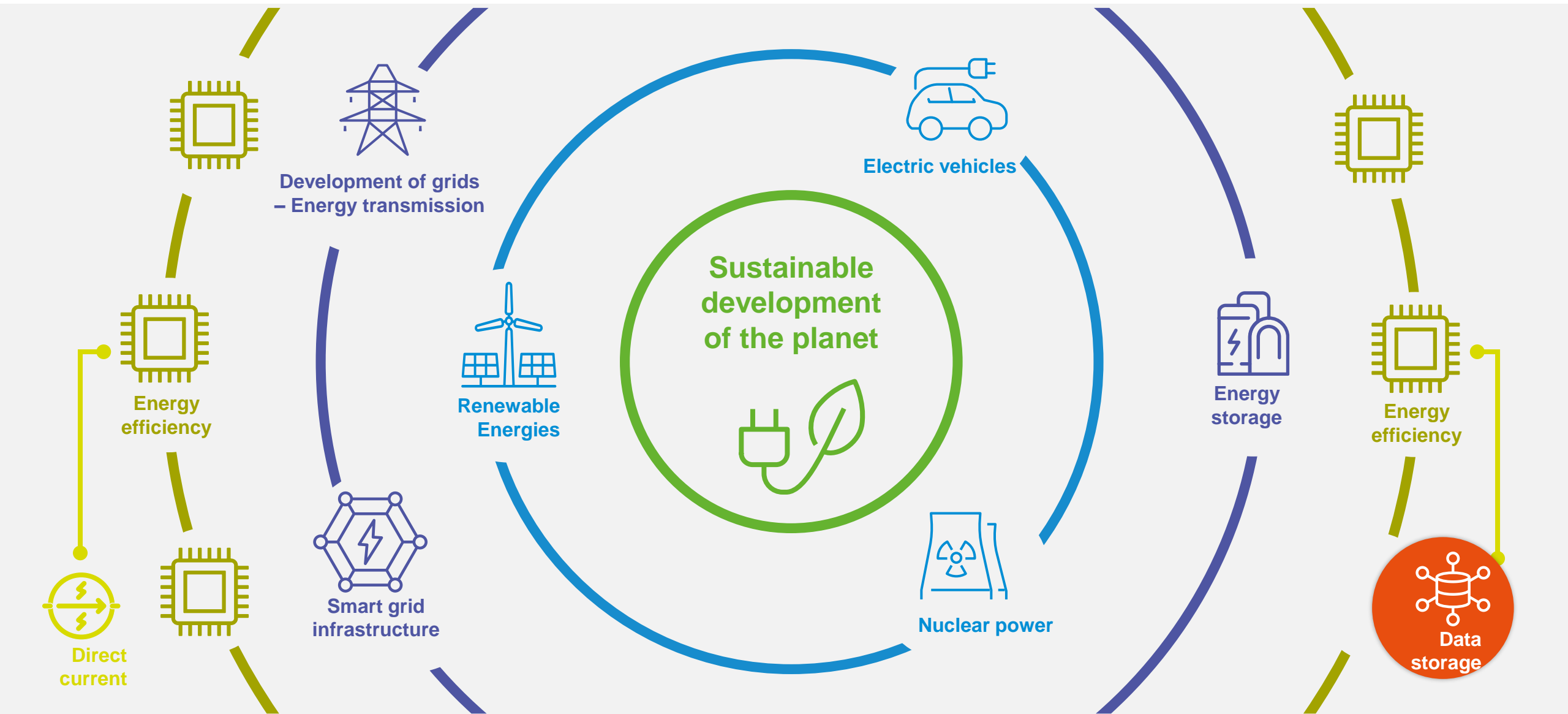
Sales > €220m

- Very important potential mainly linked to EV market

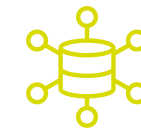
Strategy

- Continue to diversify the customer base and support our main customers' transition to 8' through our expertise
- Continue working with Soitec on p-SiC and its transition to 8' to bring the market a high-performance, cost-effective solution that has been tested by their customers

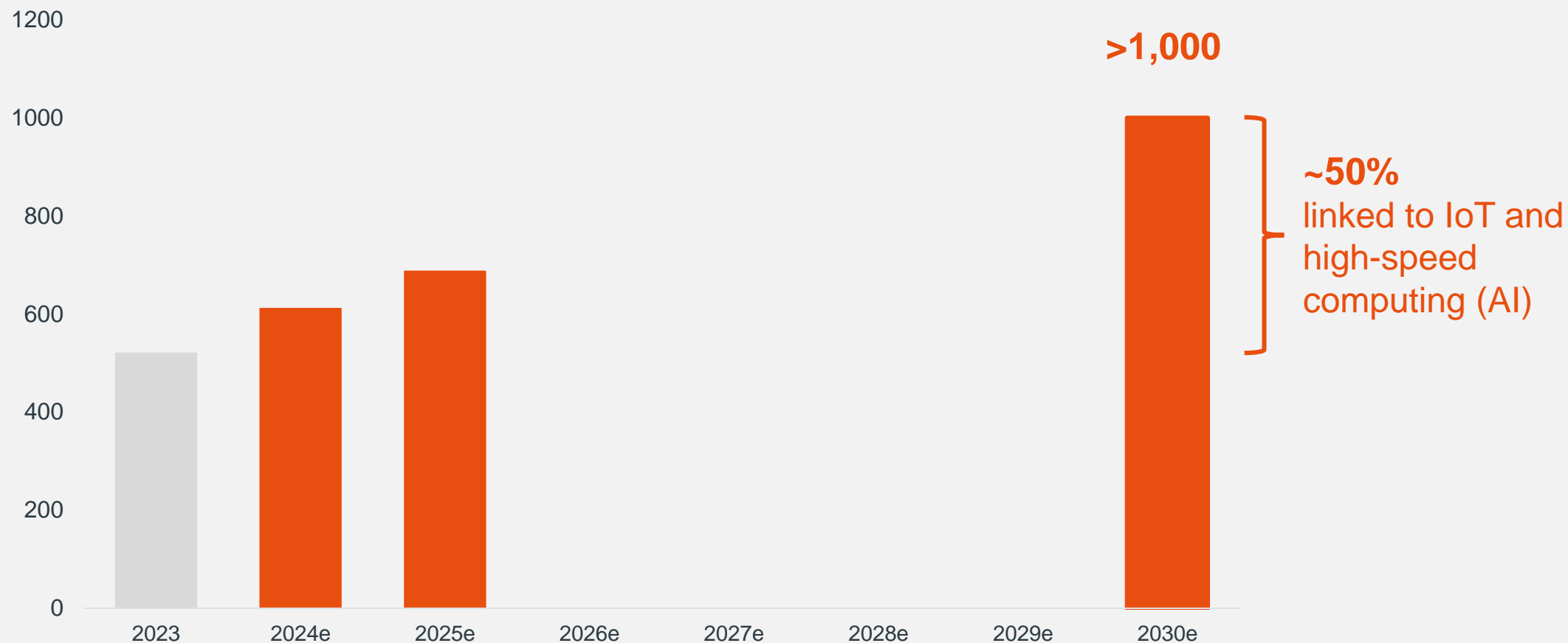
Major growth trends for our markets



Silicon semiconductor market prospects boosted by AI

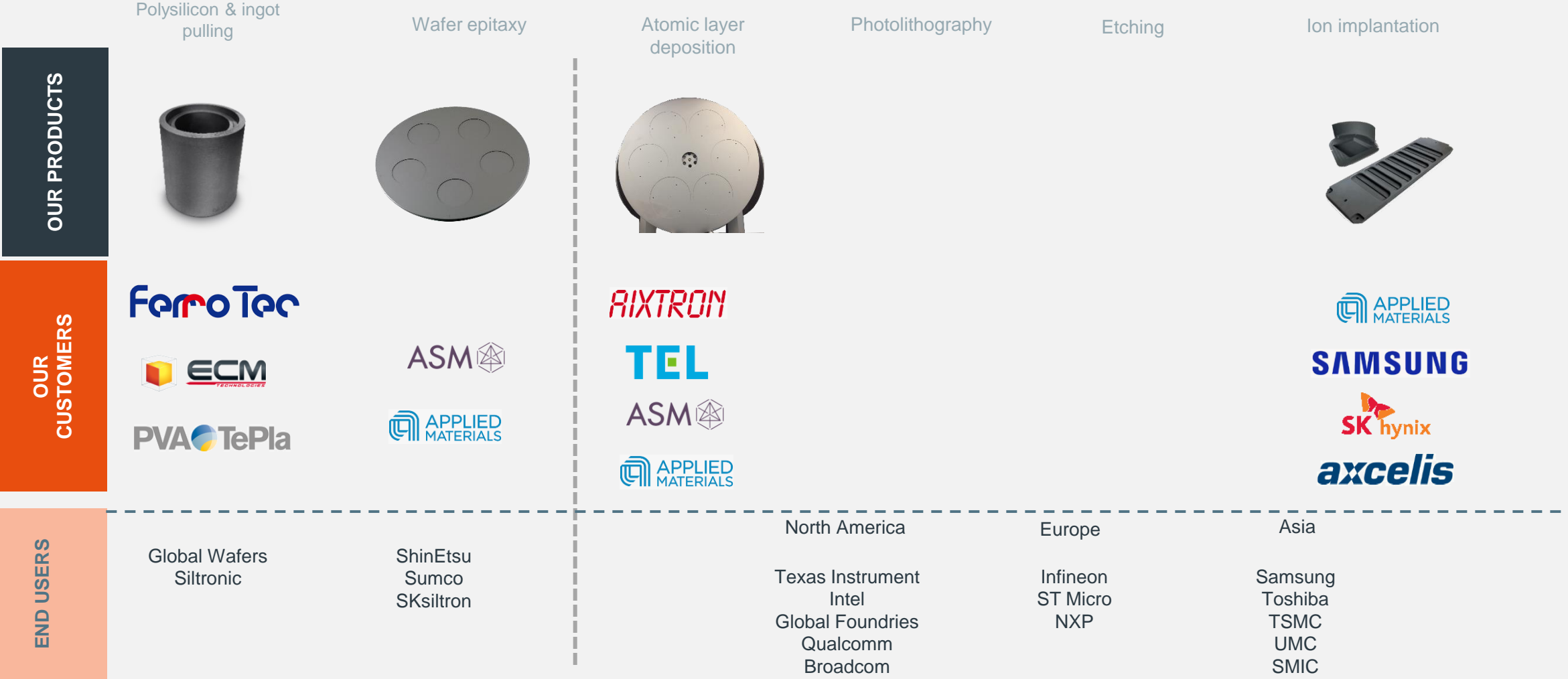


In USD billions



Source: WSTS Forecast summary for 2024 and 2025 – Applied Materials May 2024 for 2030

Mersen present at the technical stages of silicon semiconductor manufacturing



Unchanged medium-term potential for the silicon semiconductor market



In the short term

2024 sales
~ €50m

- Important drop in 2024 due to inventory levels
- Recovery expected in H1 2025

Action plan

- Strengthen local manufacturing presence for local markets (particularly in China)

By 2029

Sales > €100m

- Considerable demand for high-speed computing (AI) and data centers

Strategy:

- Leverage our relationships with OEMs to gain market share in the technical stages of the process