First-Half 2025 Results

July 31, 2025

Luc Themelin
CEO

Thomas Baumgartner
CFO

MERSEN
Expertise, our source of energy

First half in line with full-year guidance

Sales

€610m

-2.2% vs 2024
-4.0% organic

Improvement in business trends between Q2 and Q1

Profitability

EBITDA margin: **16 %**
Current operating margin: **9.5%**

Strong margin control

Financial structure

Leverage ratio: **2.2x**

Net debt virtually unchanged compared to end of 2024

Strong cash flow generation

FY guidance confirmed

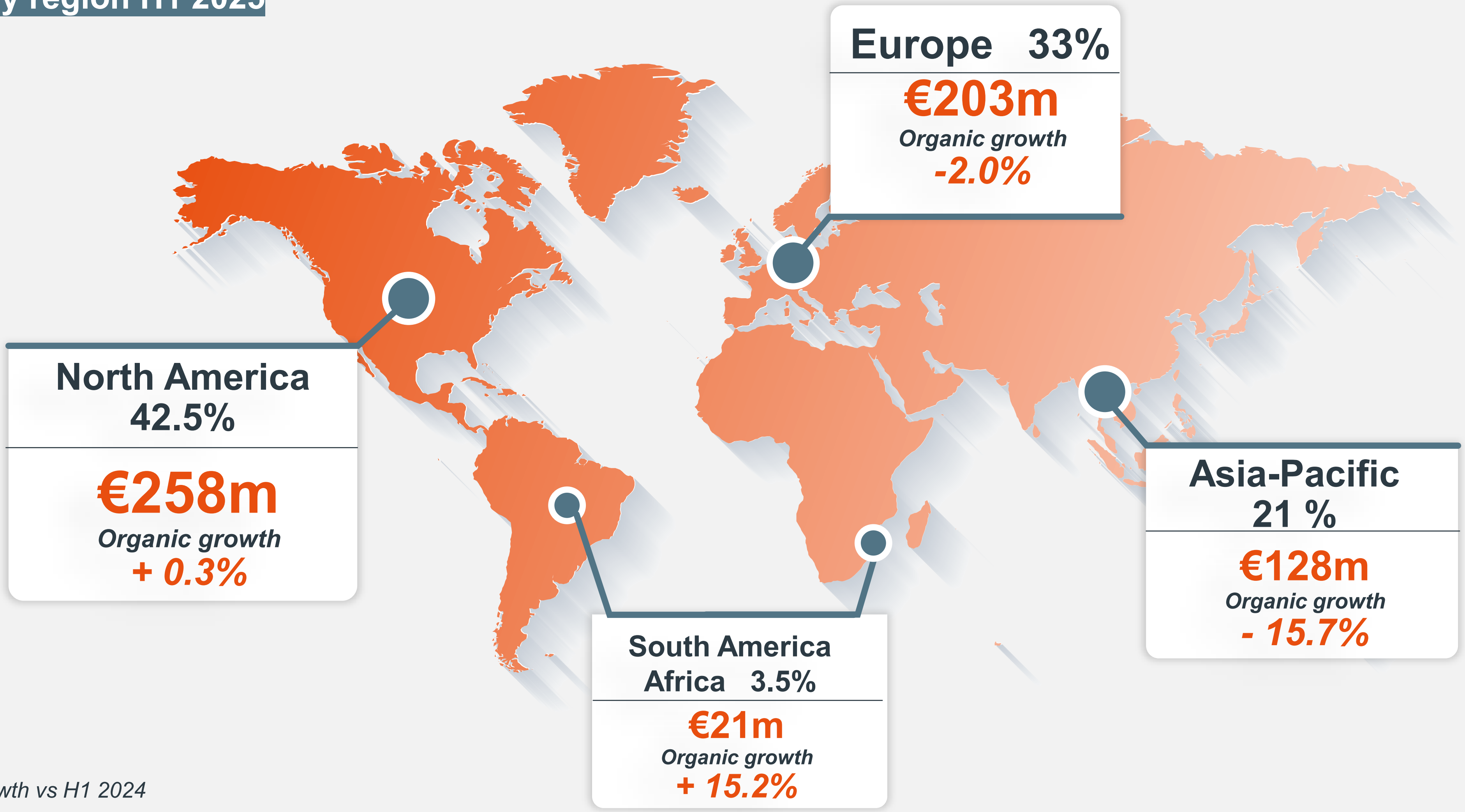
01

Our markets

Luc Themelin
CEO

Good performance in North America

Sales by region H1 2025



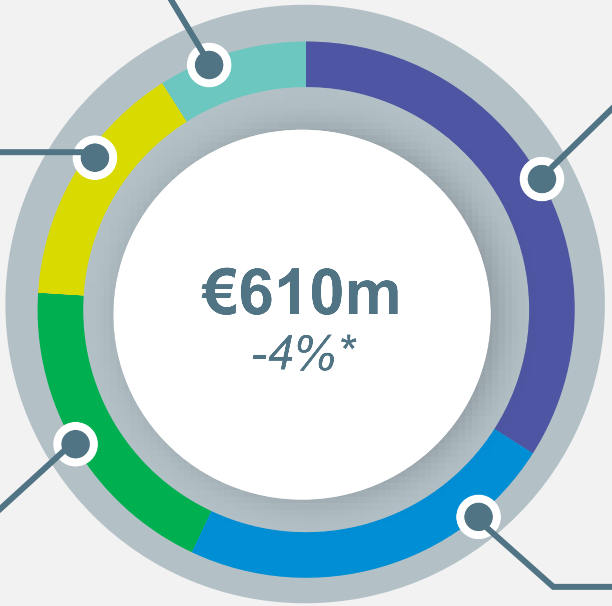
Organic growth vs H1 2024

Solid dynamic in transportation markets
Decrease, as expected, in SiC semiconductors and solar

9%
CHEMICALS
++

16.5%
TRANSPORTATION
++

18.5%
ENERGIES
-



35%
PROCESS INDUSTRIES
-

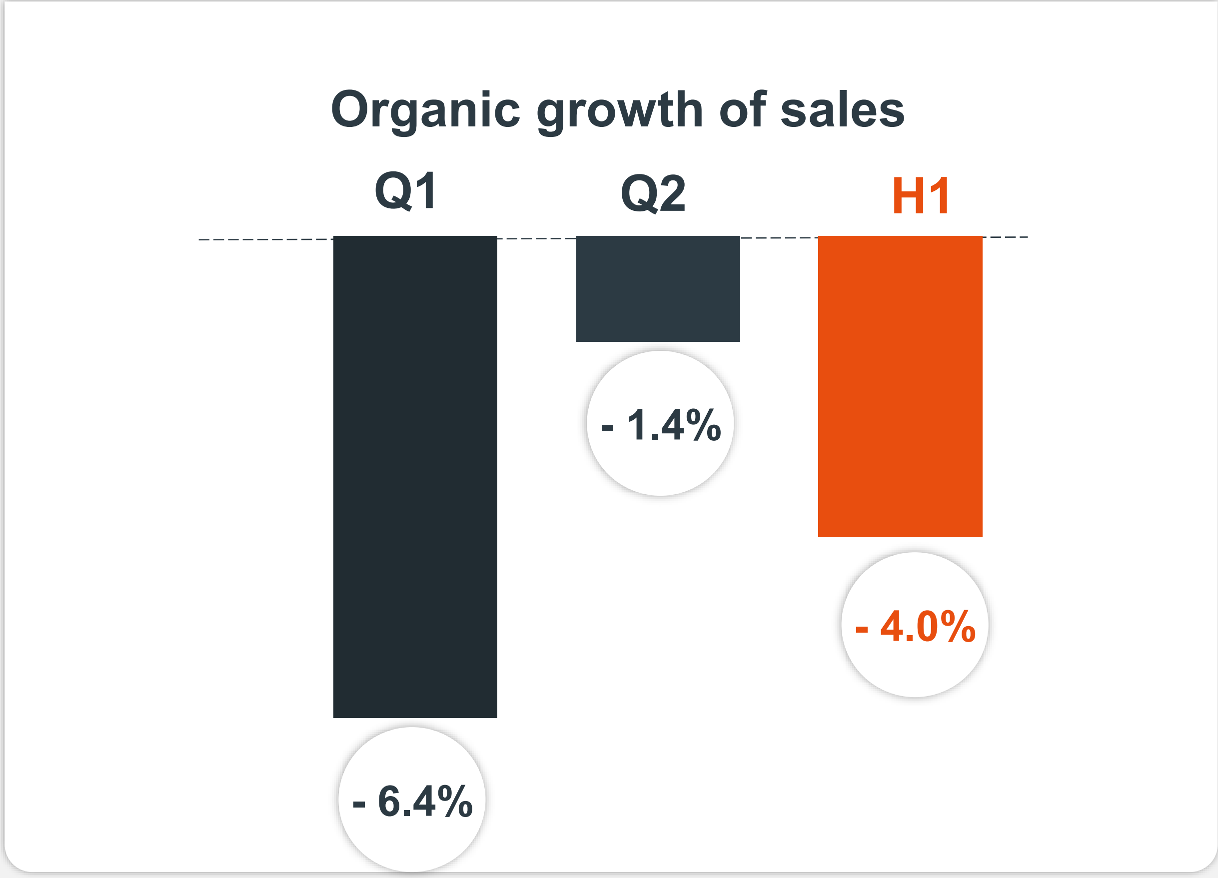
21%
ELECTRONICS
- -

Organic growth H1 2025 vs. H1 2024

++ +5% ; +10%   *+ + 0% ; +5%*   *- -5% ; 0%*   *- - -15% ; -5%*

*Estimated breakdown of H1 2025 revenue and organic growth trend vs. H1 2024

Improvement in business trends in the second quarter



Sequential organic growth (Q2 vs Q1) : **+4.7%**

Positive impact of contract renegotiations for SiC semiconductors

Electrical distribution momentum in the United States

On-going projects in power electronics, rail, and aerospace

Development of HVDC line projects worldwide

HVDC High-Voltage Direct Current

Power electronics technology for long-distance electricity transmission

Power conversion stations market

More than USD15bn by 2030

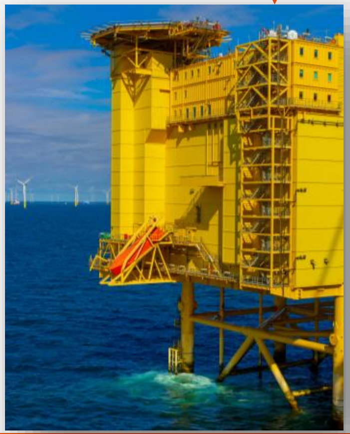
CAGR: 4.8% between 2025 and 2030*

Mersen

Cooling devices, busbars and fuses for the power electronics module

More than €35m in orders to be delivered over the next 2 years (€7m delivered in H1 2025)

** source: Grand View Research*



Rail market in India: a new product for a market currently being modernized

Rail market in India

Strong growth in electrification

Development of rail freight

Mersen

Development of a new product adapted to market’s needs

Pantograph HRP (High Reach Pantograph)

Several contracts for more than €8m to be delivered in 2025 and 2026

Pantograph

MERSEN

Recognized expertise to support the evolution of the civil and defense aerospace industry

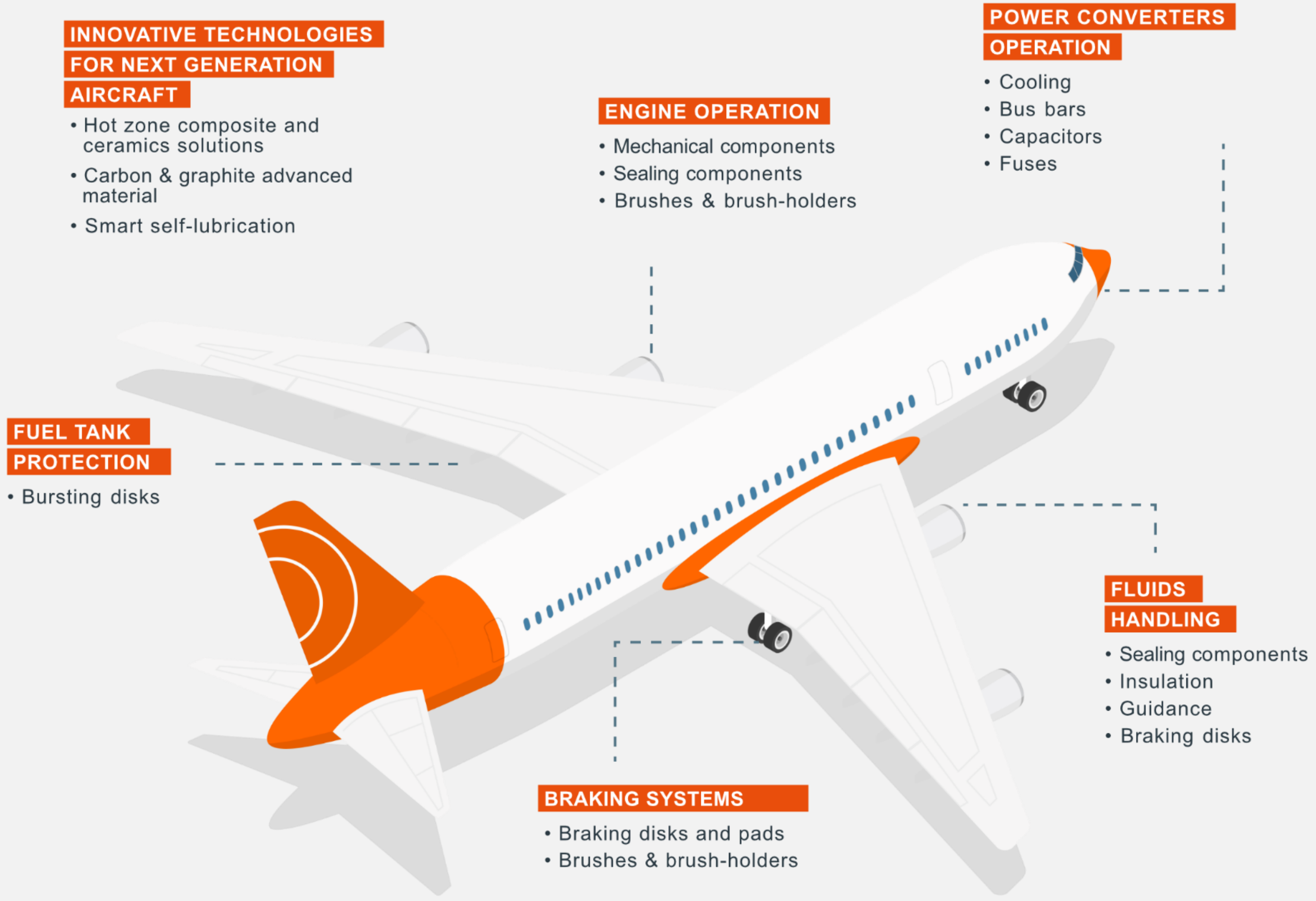
Aeronautics market

CAGR: 6 % by 2033*

Mersen

€65m in 2024
CAGR +15% since 2021

Expected growth in 2025 **~+10%**



* source: Business Research Insights – Aerospace and Defense market

Market trends for the second half

Energy

Slight rebound expectd in **solar** in H2

Good momentum in **wind**

Electronics

Si Semiconductor market growing

SiC semiconductors: H2 expected above H1

Ongoing projects in **power conversion** for electricity transmission (HVDC)

Transportation

Ongoing positive trends in **rail** and **aeronautics**

Increasing deliveries for ACC in **EV**

Chemicals

Expected to decline on a full-year basis

Process Industries

In line with macroeconomics trends

02

First-Half 2025 financial results

Thomas Baumgartner
CFO

Sustaining a strong EBITDA margin

en millions d'€	H1 2024	H1 2025
EBITDA before non-recurring items	**105.5**	**97.8**
Recurring EBITDA margin	*16.9%*	*16.0%*
Depreciation and amortization	**(35.4)**	**(40.0)**
Operating income before non-recurring items	**70.1**	**57.8**
Operating margin before non-recurring items	***11.2%***	***9.5%***

- Negative volume effect partly compensated by the adaptation plan
- Increase in D&A linked to capex plan

Adaptation plan and productivity measures helped protect our margins

in % points

H1 2024 Operating margin before non-recurring items	**11.2%**
Volume/mix effect	-2.6
Adaptation Plan	+1.6
Price Effect	+1.1
Raw material/energy Inflation	-0.9
Wage Inflation	-0.8
Productivity gains	+0.8
D&A	-0.9
Exchange rate effect	-0.2
Perimeter and other	+0.2
H1 2025 Operating margin before non-recurring items	**9.5%**

+ 0.2pt

→ **High-tech customized products** with limited cost versus total cost

→ **+2.5%** on average over the year

→ **Operational Excellence**
Purchasing Optimization

Benefits from our cost and cash optimization measures

Structural **optimization** and **adaptation** measures accelerated at the end of 2024

Reinforced action plan on **inventory management**

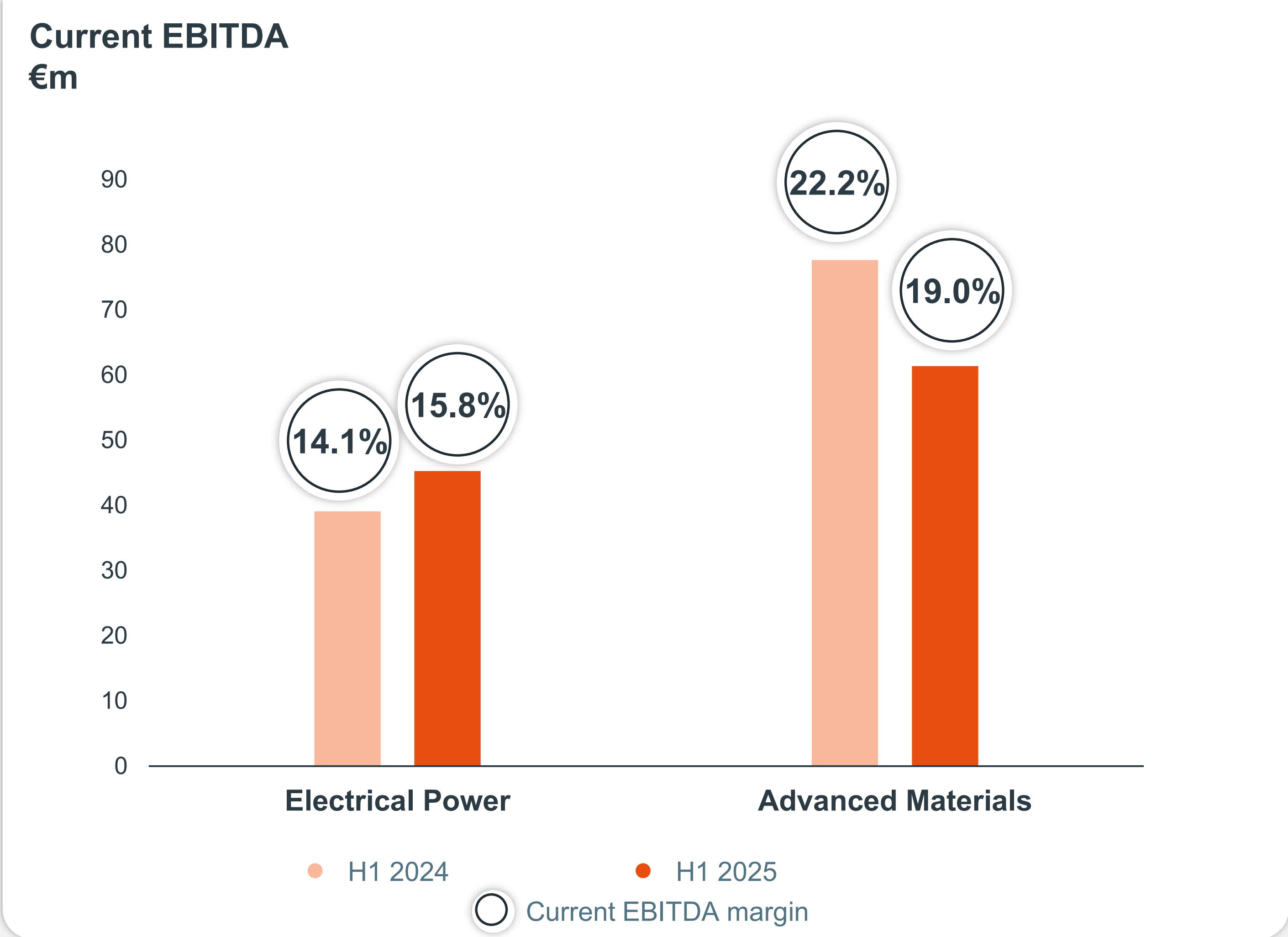
Gain
€10m for H1 2025

Inventory reduction

- **€32m***
since the beginning of the plan

* At constant perimeter and exchange rates

Improvement in Electrical Power segment
Profitability of the Advanced Materials segment impacted by volume



Electrical Power

Higher profitability thanks to price increases and adaptation plan

Current Operating result: 34,8M€

Current Operating Margin: 12.1%

Advanced Materials

Profitability impacted by negative mix and volume

Current Operating result: 33,8M€

Current Operating Margin: 10.5%

Resilient net income

€m	H1 2024	H1 2025
Operating income before non-recurring items	**70.1**	**57.8**
Non-recurring income and expenses	(5.4)	(4.9)
Net financial expense	(10.3)	(13.5)
Income tax	(13.0)	(9.9)
Net income	**41.3**	**29.5**
Attributable to Mersen shareholders	***38.9***	***29.3***

2025

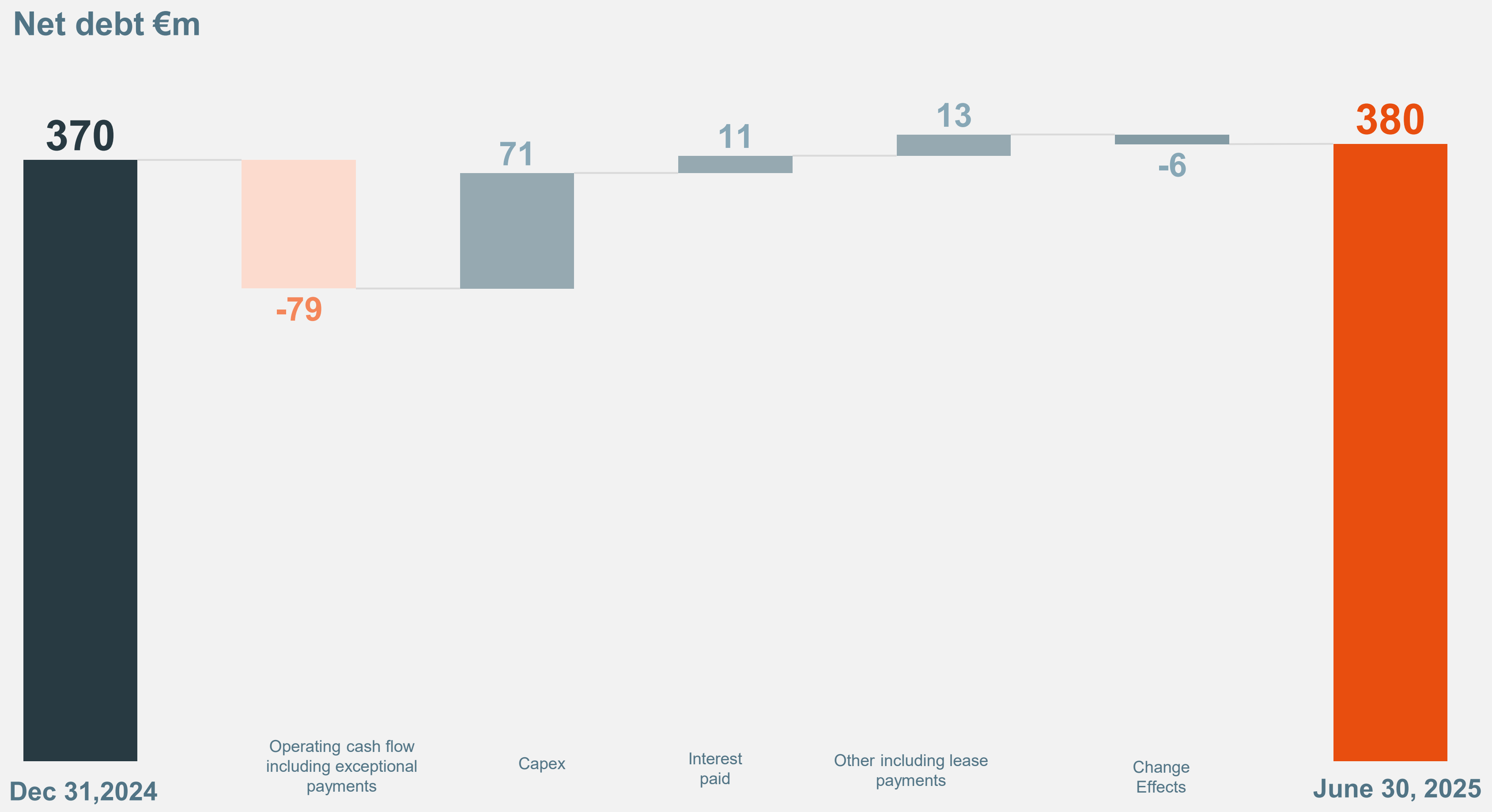
- Adaptation plan, litigation
- Increase in average gross debt
- Effective tax rate: 25%

Growth of over 40% in operating cash flow

€m	H1 2024	H1 2025
Operating cash flow before change in WCR	**101.3**	**93,1**
Change in WCR	*(40.5)*	*(7.5)*
o/w change in inventories	*(22.3)*	*10.8*
Income tax paid	*(6.3)*	*(6.9)*
Operating cash flow	**54.5**	**78.7**

WCR ratio: **19.2 %**
(vs 21.8 % at June 30, 2024)

Net debt virtually unchanged that includes adaptation plan costs and still significant capex



LEVERAGE : 2.2x

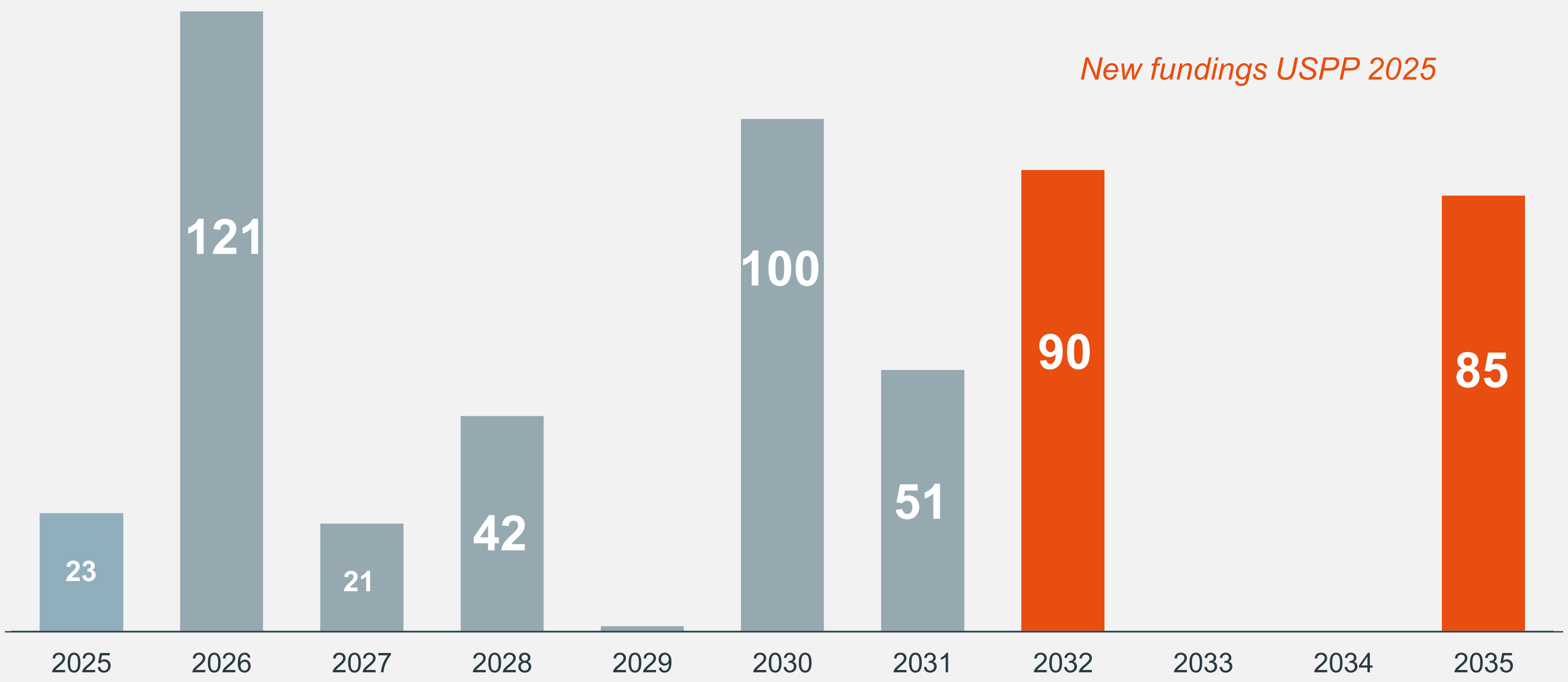
(1.8x at Dec 31, 2024)

Does not include lease liabilities
€58m
(vs. €64m as at Dec 31, 2024)

and pension obligations
€31m
(vs. €32m as at Dec 31, 2024)

Strong liquidity strengthened to cover medium-term repayments

Situation as of June 30, 2025
(Credit lines drawn in €m)



AVAILABLE LIQUIDITY

~ €320m
(undrawn Group syndicated loan)
~ €162m
Cash

Maturity*
4.9 ans

Fixed rate
~ 71 %
Of gross debt

** Average maturity on committed financing utilization*

2025 guidance confirmed

Sales

- **Reported sales stable to positive on the basis of a EUR/USD exchange rate of 1.05 and EUR/RMB of 7.65**
- **Implies organic growth of between -5% and 0**

Profitability

- **EBITDA margin between 16% and 16.5%**
- **Operating margin before non-recurring items between 9% and 9.5%,** including strong growth in depreciation and amortization

Industrial capex

- **€160-170m**

  includes normative capex and growth capex

QUESTIONS

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