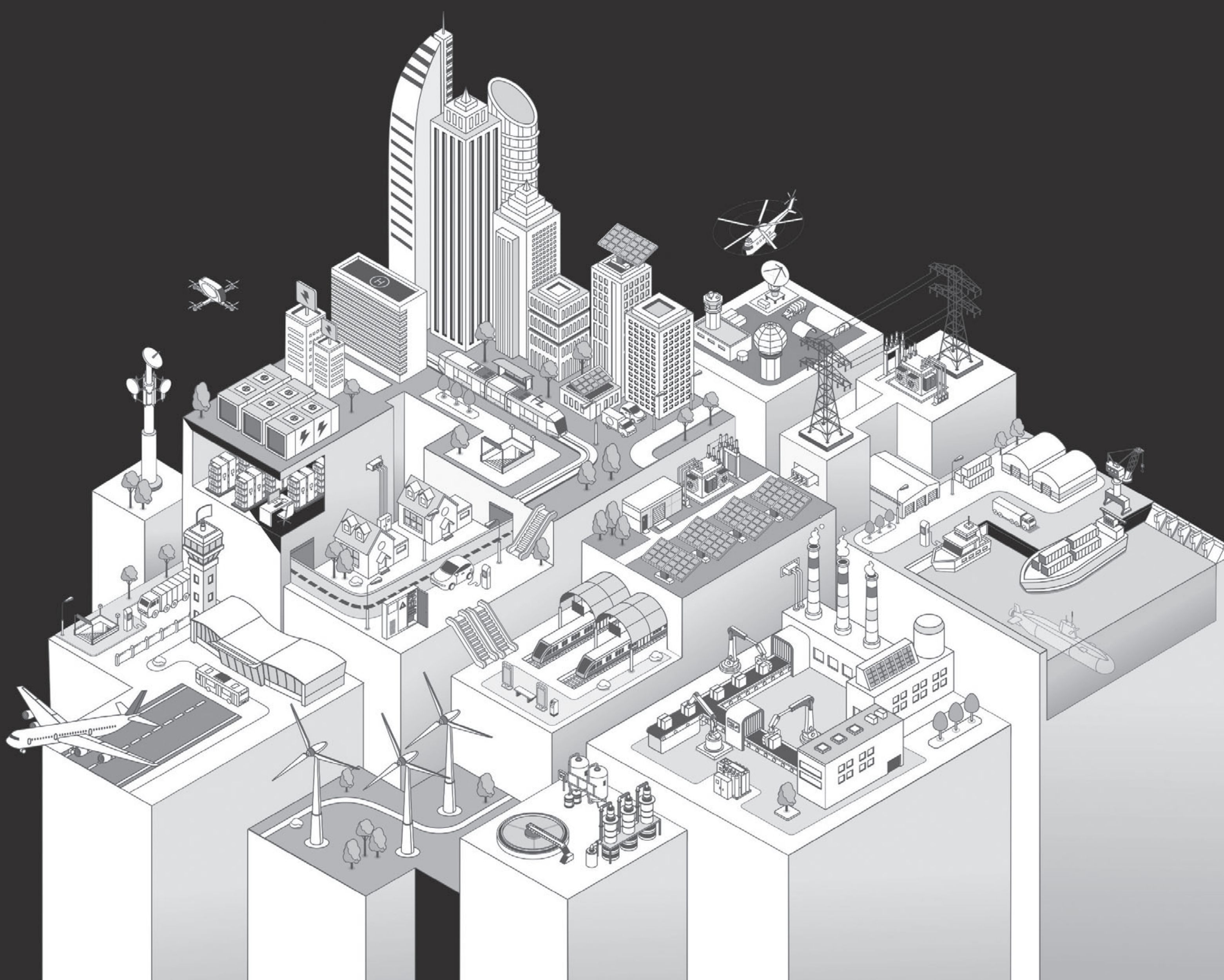
Expertise, our source of energy

2026 FIRST-HALF FINANCIAL REPORT



MERSEN

2026 first-half financial report

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1 MANAGEMENT REPORT

Introduction

Mersen delivered solid and dynamic performance in the first half of 2026, attesting to the quality of the Group's business model.

Consolidated sales amounted to €611 million in the first half, representing year-on-year organic growth of 3.9%, buoyed by strong business momentum in both North America and the Asia-Pacific region. This performance confirms the diversity of the Group's growth drivers: development trends in markets relating to electrical infrastructure, electrical distribution, data centers, silicon semiconductors, rail and aeronautics remained strong and partially offset the current weakness of the solar, SiC semiconductor and chemicals markets.

The Group maintained its margin at a good level, thanks to price increases absorbing significantly higher costs for certain raw materials (copper and silver) and by continuing its productivity measures. The Group successfully offset the exceptional effect related to the renegotiation of contracts with SiC semiconductor customers, which had boosted results in 2025.

Mersen generated operating cash flow after capital expenditure equivalent to that in the first half of 2025 and anticipates a gradual improvement in cash flows during the second half of the year.

In light of all these very positive developments, the Group has raised its full-year guidance for sales and EBITDA margin before non-recurring items toward the upper end of our initial range for the full year, and even higher for its operating margin before non-recurring items. Furthermore, it has lowered its capital expenditure forecast for the year.

Consolidated sales

Mersen's consolidated sales in the first half of 2026 totaled €611.5 million, up 3.9% at constant scope and exchange rates compared with the first half of 2025. Prices increased by around 2.5% over the period.

In millions of euros	H1 2026	H1 2025*	Organic growth	Scope effect	Currency effect	Reported growth
Advanced Materials	319.6	337.9	−1.9%		−3.6%	−5.4%
Electrical Power	291.9	272.5	+11.1%		−3.6%	+7.1%
North America	257.4	257.5	+6.3%		−6.0%	0.0%
Europe	199.3	203.3	−1.7%		−0.3%	−2.0%
Asia-Pacific	131.3	128.4	+7.6%		−4.9%	+2.2%
Rest of the world	23.6	21.2	+8.6%		+2.4%	+11.2%
GROUP	**611.5**	**610.4**	**+3.9%**		**−3.6%**	**+0.2%**

Performance by segment

The Group's performance in the first half confirmed the diversity of its growth drivers. Development trends in markets relating to electrical infrastructure, electrical distribution, data centers, Si semiconductors, rail and aeronautics remained strong and partially offset the current weakness of the solar, SiC semiconductor and chemicals markets.

Sales for the **Advanced Materials** segment amounted to €319.6 million, representing a limited decline of 1.9% on an organic basis. The solar market saw low business levels as expected, while other renewable energy markets (wind and hydropower) experienced growth. Transportation markets, and especially aeronautics and rail, continued to show good momentum. In the semiconductor market, slower growth for SiC semiconductors due to the non-recurring impact of the contract renegotiations in 2025, was largely offset by the very strong performance of Si semiconductors. However, the chemicals market is still in decline, due to the difficult situation in this industry.

Electrical Power sales totaled €291.9 million in the first half, up 11.1% on an organic basis. Most markets contributed equally to this performance, with electrical distribution in the United States recording especially strong growth, largely driven by the demand for data centers. Power electronics projects continued their upward trend. The electric vehicle market saw growth, thanks to the ramp-up of deliveries for ACC.

Performance by region

In **North America**, sales grew by 6.3% on an organic basis. Electrical distribution continued to drive sales in the region, due to sharply rising demand for data centers. Aeronautics and wind power also saw strong growth. However, the chemicals market was down slightly, whereas the buoyant Si semiconductor market offset the weaker SiC semiconductor market.

Sales in **Europe** saw a limited decline of 1.7% on an organic basis. Slower growth in chemicals held back performance significantly. Excluding this sector, the region would have seen a rise of more than 2%. Results also varied by country, with higher sales in France and Italy and lower sales in Germany and Spain.

Lastly, in **Asia**, the Group's sales were strong, growing by 7.6% on an organic basis. The main contributors to this performance were India and South Korea, driven respectively by the rail and Si semiconductor markets. In China, the slowdown in sales to solar cell manufacturers continued to weigh on results, and the chemicals market was also weak.

** The current collector product line was transferred from the Electrical Power segment to the Advanced Materials segment on January 1, 2026. Figures for 2025 have been restated.*

CONSOLIDATED RESULTS

EBITDA and operating income, both before non-recurring items

In millions of euros	**H1 2026**	**H1 2025**	***Change at comparable exchange rates***	***Change as reported***
EBITDA before non-recurring items	**97.4**	**97.8**	***+3.6%***	***−0.4%***
as a % of sales	*15.9%*	*16.0%*		
Depreciation and amortization	(40.9)	(40.0)	*+5.9%*	*+2.3%*
Operating income before non-recurring items	**56.5**	**57.8**	***+2.0%***	***−2.3%***
as a % of sales	*9.2%*	*9.5%*		

EBITDA before non-recurring items came to €97.4 million, close to the level in the year-earlier period (€97.8 million). It represented 15.9% of sales, as against 16.0% in the first half of 2025. At comparable exchange rates, it improved by 3.6%.

Depreciation and amortization amounted to €40.9 million (€40.0 million in the first half of 2025), up 5.9% at comparable exchange rates, related to the investments of the growth plan.

Operating income before non-recurring items was €56.5 million in the first half of 2026, corresponding to an operating margin before non-recurring items of 9.2%, slightly lower than in the first half of 2025. At comparable exchange rates, it grew by 2%.

The positive volume/mix effect largely offset the non-recurring effect related to the renegotiation of SiC semiconductor contracts in 2025. Price increases and productivity gains absorbed the rising costs of raw materials, energy and labor to a significant extent.

Advanced Materials segment

EBITDA before non-recurring items for the Advanced Materials segment was €52.9 million, compared with €63.4* million in the first half of 2025 (€60.9* million at comparable exchange rates). It represented 16.6% of sales, as against 18.8%* in the first half of 2025. This decline mainly reflects the non-recurrence in 2026 of the positive impact from contract renegotiation with SiC semiconductor customers in 2025. In addition, price increases and productivity gains during the period offset higher costs for raw materials and labor.

Operating income before non-recurring items for the Advanced Materials segment amounted to €25.3 million, corresponding to an operating margin before non-recurring items of 7.9%, compared with 10.5%* for the first half of 2025.

Electrical Power segment

EBITDA before non-recurring items for the Electrical Power segment was €54.7 million, compared with €43.3* million in the first half of 2025 (€40.8* million at comparable exchange rates). It represented 18.7% of sales, markedly higher than in the first half of 2025 (15.9%*), thanks to a strong volume effect. In addition, price increases and productivity measures largely offset higher costs for raw materials and labor in the first half. Further price increases are expected in the second half of the year to offset the remainder of the rise in costs for raw materials.

Operating income before non-recurring items for the Electrical Power segment amounted to €43.6 million, up 32% from the first-half 2025 figure of €33.1* million. This corresponds to an operating margin of 14.9%, a significant improvement on the first half of 2025 (12.2%*).

** The current collector product line was transferred from the Electrical Power segment to the Advanced Materials segment on January 1, 2026. Figures for 2025 have been restated.*

in millions of euros	**H1 2026**	**H1 2025**
Consolidated sales	**611.5**	**610.4**
Gross income	185.8	182.0
as a % of sales	*30.4%*	*29.8%*
Selling, marketing and other expenses	(42.6)	(42.0)
Administrative and research expenses	(85.8)	(81.3)
Amortization of revalued intangible assets	(0.9)	(0.8)
Operating income before non-recurring items	**56.5**	**57.8**
as a % of sales	*9.2%*	*9.5%*

Net income

Net income attributable to Mersen shareholders came to €30.8 million in the first half of 2026, compared with €29.3 million in the first half of 2025, an increase of 5%, or 10.3% at comparable exchange rates.

in millions of euros	**H1 2026**	**H1 2025**
Operating income before non-recurring items	**56.5**	**57.8**
Non-recurring income and expenses	(1.0)	(4.9)
Operating income	**55.5**	**52.9**
Net financial expense	(13.8)	(13.5)
Current and deferred income tax	(10.6)	(9.9)
Net income	**31.1**	**29.5**
Attributable to owners of the parent	30.8	29.3
Minority shareholders	0.4	0.1

Non-recurring expenses totaled €1 million, lower than in the first half of 2025 (€4.9 million).

The net financial expense was €13.8 million, in line with the first-half 2025 figure of €13.5 million.

The income tax expense was €10.6 million, corresponding to an effective tax rate of 25%, equal to the rate in the first half of 2025.

Cash flows

Condensated statement of cash flows

In millions of euros	H1 2026	H1 2025
Cash generated by operating activities before change in working capital requirement	91.1	93.1
Change in working capital requirement	(44.6)	(7.5)
Income tax paid	(10.8)	(6.9)
Net cash generated by operating activities	**35.7**	**78.7**
Capital expenditure	(21.9)	(64.1)
Disposals of assets and other	(0.3)	(0.1)
Net cash used in operating activities after capital expenditure, net of disposals	**13.5**	**14.5**
Investments in intangible and financial assets	(6.3)	(7.1)
Changes in scope of consolidation	(4.6)	0
Net cash used in operating and investing activities	**2.6**	**7.5**

The Group recorded net cash generated by operating activities in the amount of €35.7 million, compared with €78.7 million in the first half of 2025. This change was due to a significant increase in working capital requirement (€44.6 million, compared with €7.5 million in the first half of 2025).

The rise in working capital requirement during the first half was mainly due to three factors. First of all, high business volumes led to a considerable increase in inventories, accompanied by the impact of a high level of invoicing in the month of June for trade receivables. Secondly, the value of inventories rose due to rising prices for copper and silver. Lastly, the reimbursement of advance payments from a number of SiC semiconductor customers had an impact of about €7 million on working capital requirement in the first half. These items were partially offset by an increase in assigned receivables. The Group anticipates a gradual improvement in working capital requirement in the second half of the year.

The WCR ratio came to 20.2%, slightly higher than its level as of June 30, 2025 (19.2%).

Income tax paid was €10.8 million, higher than the figure as of June 30, 2025 (€6.9 million). The difference is due to accelerated tax depreciation in the United States in 2025, which reduced the amount of income tax paid.

Capital expenditure

In the first half of 2026, capital expenditure amounted to €21.9 million and related to growth projects, safety and environmental initiatives at Group sites, as well as plant and equipment maintenance, upkeep and modernization.

Investments in intangible assets, totaling €6.3 million, related to the plan to digitize and modernize information systems, as well as to capitalized costs for growth projects.

Financial structure

Net debt

Net debt as of June 30, 2026 stood at €399,7 million, slightly higher than the December 31, 2025 figure (€382,5 million) due to a significant increase in working capital requirement, offset by tight control over capital expenditure.

The Group maintained a sound financial structure over the period, with a leverage ratio of 2.3x (versus 2.2x as of December 31, 2025) and a gearing ratio of 48% (similar to the ratio as of December 31, 2025). The average maturity of the Group's financing is 5.4 years. In the first half, the Group redeemed the remaining balance of €68 million on a German Schuldschein private placement originally arranged in 2019, using cash from the US private placement (USPP) arranged in 2025.

	June 30, 2026	Dec. 31, 2025
Net debt *(in millions of euros)*	399.7	382.5
Leverage	2.28	2.19
Gearing	48%	47%

ROCE

The Group's return on capital employed (ROCE) was 8.3% in the first half of 2026, compared with 8.4% for full-year 2025.

in millions of euros	Average of the last three half-year periods	June 30, 26	Dec. 31, 25	June 30, 25
Goodwill	282.2	284.0	279.6	283.1
Other intangible assets	67.6	69.2	66.9	66.8
Land	38.3	38.6	38.2	38.0
Buildings	183.6	197.6	192.0	161.1
Machinery. equipment and other tangible assets	318.9	320.2	320.3	316.1
Property. plant and equipment in progress	177.8	161.9	161.1	210.4
Equity interests	2.3	2.3	2.4	2.1
Other financial assets	4.1	4.9	3.7	3.7
Long-term portion of current tax assets	8.1	8.6	8.0	7.8
Inventories	275.1	290.9	257.5	276.7
Trade receivables	170.8	180.6	158.6	173.2
Contract assets	4.6	5.5	3.9	4.5
Other operating receivables	33.0	34.7	33.2	31.0
Short-term portion of current tax assets	4.1	4.1	4.4	3.8
Current derivatives	4.4	4.3	5.0	3.9
CAPITAL EMPLOYED – ASSETS (A)	**1,574.8**	**1,607.5**	**1,534.8**	**1,582.2**
Trade payables	80.9	92.1	73.4	77.1
Contract liabilities	54.0	48.9	55.6	57.6
Other operating payables	116.6	116.6	116.8	116.3
Short-term portion of current tax liabilities	5.3	5.3	5.6	4.9
Miscellaneous liabilities	26.3	30.0	9.2	39.8
Current derivatives	2.0	2.0	0.2	3.7
CAPITAL EMPLOYED – LIABILITIES (B)	**285.0**	**294.9**	**260.7**	**299.4**
CAPITAL EMPLOYED ((C) = (A) – (B))	**1,289.8**	**1,312.6**	**1,274.2**	**1,282.8**

Operating income before non-recurring items (D)	**107.7**
ROCE = (D) / (C)	**8.3%**

2026 GUIDANCE

While keeping a close eye on developments in the global macroeconomic environment, the Group is raising its full-year guidance for 2026, namely:

- Organic sales growth between 4% and 6% (previously between 2% and 6%)
- EBITDA margin before non-recurring items between 16% and 16.5% of sales (previously between 15.5% and 16.5%)
- Operating margin before non-recurring items between 9.0% and 9.5% of sales (previously between 8.0% and 9.0%)
- Capital expenditure between €80 million and €90 million (previously between €90 million and €100 million)

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.

2 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

In millions of euros	Note	H1 2026	H1 2025
Sales	13	611.5	610.4
Cost of sales		(425.7)	(428.4)
Total gross margin		**185.8**	**182.0**
Selling and marketing expenses		(42.2)	(41.1)
Administrative and research expenses		(85.8)	(81.3)
Amortization of revalued intangible assets		(0.9)	(0.8)
Other operating income and expenses		(0.4)	(0.9)
Operating income before non-recurring items	**13**	**56.5**	**57.8**
Non-recurring expenses		(1.4)	(5.7)
Non-recurring income		0.4	0.8
Non-recurring income and expenses	**12**	**(1.0)**	**(4.9)**
Operating income	**13**	**55.5**	**52.9**
Financial expenses		(14.0)	(13.8)
Financial income		0.3	0.3
Net financial expense		**(13.8)**	**(13.5)**
Income before tax		**41.7**	**39.4**
Current and deferred tax	15	(10.6)	(9.9)
Net income		**31.1**	**29.5**
Attributable to:			
- Mersen shareholders		30.8	29.3
- Non-controlling interests		0.4	0.1
NET INCOME FOR THE PERIOD		**31.1**	**29.5**
Earnings per share	**16**		
Basic earnings per share *(in euros)*		1.27	1.21
Diluted earnings per share *(in euros)*		1.23	1.18

Condensed consolidated statement of comprehensive income

In millions of euros	Note	H1 2026	H1 2025
NET INCOME FOR THE PERIOD		**31.1**	**29.5**
Items that will not be subsequently reclassified to income			
Financial assets at fair value through other comprehensive income	10	(0.1)	(0.6)
Remeasurements of the net defined benefit liability (asset)	8	(0.4)	1.0
Tax impact on remeasurements of the net defined benefit liability (asset)		0.1	(0.3)
		(0.3)	**0.1**
Items that may subsequently be reclassified to income			
Change in translation adjustments		23.3	(69.8)
Change in fair value of hedging instruments		(4.0)	3.3
Tax impact on change in fair value of hedging instruments		0.8	(0.7)
		20.1	**(67.2)**
INCOME AND EXPENSES RECOGNIZED IN OTHER COMPREHENSIVE INCOME		**19.7**	**(67.1)**
TOTAL COMPREHENSIVE INCOME (EXPENSE)		**50.9**	**(37.6)**
Attributable to:			
- Mersen shareholders		49.2	(35.1)
- Non-controlling interests		1.6	(2.6)
TOTAL COMPREHENSIVE INCOME (EXPENSE)		**50.9**	**(37.6)**

Consolidated statement of financial position

ASSETS

In millions of euros	Note	June 30, 2026	Dec. 31, 2025
NON-CURRENT ASSETS			
Intangible assets	**4/5**		
Goodwill		284.0	279.6
Other intangible assets		69.2	66.9
Property, plant and equipment	**4/5**		
Land		38.6	38.2
Buildings		197.6	192.0
Machinery, equipment and other tangible assets		320.2	320.3
Property, plant and equipment in progress		161.9	161.1
Right-of-use assets	11	50.1	53.0
Non-current financial assets			
Equity interests		2.3	2.4
Other financial assets		4.9	3.7
Non-current tax assets			
Deferred tax assets		20.0	20.3
Long-term portion of current tax assets		8.6	8.0
TOTAL NON-CURRENT ASSETS		**1,157.4**	**1,145.6**
CURRENT ASSETS			
Inventories		290.9	257.5
Trade receivables		180.6	158.6
Contract assets		5.5	3.9
Other operating receivables		34.7	33.2
Short-term portion of current tax assets		4.1	4.4
Current financial assets	9	6.0	8.1
Current derivatives		4.3	5.0
Cash and cash equivalents	9	62.4	86.3
Assets held for sale		0.6	0.5
TOTAL CURRENT ASSETS		**589.0**	**557.5**
TOTAL ASSETS		**1,746.4**	**1,703.2**

EQUITY AND LIABILITIES

In millions of euros	Note	June 30, 2026	Dec. 31, 2025
EQUITY			
Share capital	6	48.8	48.8
Retained earnings and other reserves		765.6	778.8
Net income for the period		30.8	14.1
Cumulative translation adjustments		(36.9)	(58.9)
EQUITY ATTRIBUTABLE TO MERSEN SHAREHOLDERS		**808.3**	**782.8**
Non-controlling interests		23.5	24.4
TOTAL EQUITY		**831.8**	**807.2**
NON-CURRENT LIABILITIES			
Non-current provisions	7	8.3	8.0
Employee benefit obligations	8	25.3	25.0
Deferred tax liabilities		52.7	52.7
Long- and medium-term borrowings	9	391.5	389.6
Non-current lease liabilities	11	38.9	42.3
TOTAL NON-CURRENT LIABILITIES		**516.7**	**517.7**
CURRENT LIABILITIES			
Trade payables		92.1	73.4
Contract liabilities		48.9	55.6
Other operating payables	7	116.6	116.8
Current provisions	7	10.8	15.1
Current lease liabilities	11	15.6	15.2
Short-term portion of current tax liabilities		5.3	5.6
Miscellaneous liabilities	7	30.0	9.2
Current financial liabilities	9	57.7	80.7
Current derivatives		2.0	0.2
Bank overdrafts	9	18.8	6.6
TOTAL CURRENT LIABILITIES		**397.9**	**378.3**
TOTAL EQUITY AND LIABILITIES		**1,746.4**	**1,703.2**

Consolidated statement of changes in equity

	Attributable to Mersen shareholders						
In millions of euros	Share capital	Additional paid-in capital, retained earnings and other reserves	Net income (loss) for the period	Cumulative translation adjustments	Total	Non-controlling interests	Total equity
BALANCE AS OF JANUARY 1, 2025	**48.8**	**732.6**	**59.0**	**9.8**	**850.2**	**32.2**	**882.4**
Prior-period net income (loss)		59.0	(59.0)		0.0		0.0
Net income for the period			29.3		29.3	0.1	29.5
Change in fair value of hedging derivatives, net of tax		2.6			2.6		2.6
Financial assets at fair value		(0.6)			(0.6)		(0.6)
Remeasurements of the net defined benefit liability (asset) after tax		0.7			0.7		0.7
Translation adjustments				(67.1)	(67.1)	(2.7)	(69.8)
TOTAL OTHER COMPREHENSIVE INCOME	**0.0**	**2.7**	**0.0**	**(67.1)**	**(64.4)**	**(2.7)**	**(67.1)**
COMPREHENSIVE INCOME FOR THE PERIOD	**0.0**	**2.7**	**29.3**	**(67.1)**	**(35.1)**	**(2.6)**	**(37.6)**
Dividends paid		(22.0)			(22.0)	(0.0)	(22.0)
Treasury shares		(3.2)			(3.2)		(3.2)
Stock options and free shares		1.8			1.8		1.8
Hyperinflation		0.4			0.4		0.4
BALANCE AS OF JUNE 30, 2025	**48.8**	**771.4**	**29.3**	**(57.3)**	**792.2**	**29.6**	**821.9**
BALANCE AS OF DECEMBER 31, 2025	**48.8**	**778.8**	**14.1**	**(58.9)**	**782.8**	**24.4**	**807.2**
Prior-period net income (loss)		14.1	(14.1)		0.0		0.0
Net income for the period			30.8		30.8	0.4	31.1
Change in fair value of hedging derivatives, net of tax		(3.2)			(3.2)		(3.2)
Financial assets at fair value		(0.1)			(0.1)		(0.1)
Remeasurements of the net defined benefit liability (asset) after tax		(0.3)			(0.3)		(0.3)
Translation adjustments				22.0	22.0	1.3	23.3
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	**0.0**	**(3.5)**	**0.0**	**22.0**	**18.5**	**1.3**	**19.7**
COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	**0.0**	**(3.5)**	**30.8**	**22.0**	**49.2**	**1.6**	**50.9**
Dividends paid		(21.9)			(21.9)	(2.5)	(24.4)
Treasury shares		(3.0)			(3.0)		(3.0)
Stock options and free shares		0.8			0.8		0.8
Hyperinflation		0.4			0.4		0.4
BALANCE AS OF JUNE 30, 2026	**48.8**	**765.6**	**30.8**	**(36.9)**	**808.3**	**23.5**	**831.8**

CONSOLIDATED STATEMENT OF CASH FLOWS

In millions of euros	Note	H1 2026	H1 2025
Operating activities			
Income before tax		41.7	39.4
Depreciation and amortization		40.9	40.0
Additions to (reversals of) provisions		(4.8)	(3.6)
Net financial expense		13.8	13.5
Other		(0.5)	3.7
Cash generated by operating activities before change in working capital requirement		**91.1**	**93.1**
Change in working capital requirement		(44.6)	(7.5)
Income tax paid		(10.8)	(6.9)
Net cash generated by operating activities		**35.7**	**78.7**
Investing activities			
Acquisitions of intangible assets		(6.3)	(7.1)
Acquisitions of property, plant and equipment	4	(21.9)	(64.1)
Changes in scope of consolidation		(4.6)	0.0
Disposals of assets and other movements		(0.3)	(0.1)
Net cash used in investing activities		**(33.1)**	**(71.3)**
Net cash generated by operating and investing activities		**2.6**	**7.5**
Financing activities			
Sales (purchases) of treasury shares		(2.9)	(3.2)
Dividends paid		(2.0)	(0.0)
Interest payments		(11.4)	(10.7)
Repayment of lease liabilities		(8.0)	(8.0)
Proceeds from borrowings and financial debt	9	134.6	311.1
Repayments of borrowings and financial debt	9	(141.2)	(183.0)
Net cash used in (generated by) financing activities		**(30.8)**	**106.2**
Change in cash and cash equivalents		**(28.2)**	**113.6**
Cash and cash equivalents at beginning of period	9	86.3	51.3
Impact of currency fluctuations on cash and cash equivalents held		4.2	(3.4)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**9**	**62.4**	**161.6**

3 NOTES

Notes to the consolidated financial statements

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Note 1 Compliance statement

In accordance with Regulation (EC) No. 1606/2002 of July 19, 2002, the consolidated financial statements of Mersen and its subsidiaries (the “Group”) have been prepared in accordance with IFRS (International Financial Reporting Standards).

The standards and interpretations effective for annual reporting periods beginning on or after January 1, 2026 are described in Note 3.

The accounting options selected by the Group are described in Note 2 to the 2025 consolidated financial statements presented in the 2025 Universal Registration Document.

The consolidated interim financial statements for the six months ended June 30, 2026 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. They do not include all the information required for a complete set of annual financial statements, and should be read in conjunction with the Group’s consolidated financial statements for the year ended December 31, 2025, available at www.mersen.com. They do include a selection of explanatory notes describing the major events and transactions to provide a better understanding of the changes that have occurred in the financial position and performance of the Group since the latest consolidated annual financial statements for the year ended December 31, 2025.

These condensed consolidated interim financial statements were approved for issue by the Board of Directors on July 29, 2026.

Note 2 Highlights of the period

At its meeting of May 12, 2026, held immediately following the Annual General Meeting, the Board of Directors decided to appoint Salvador Lamas as the Group’s Chief Executive Officer, replacing Luc Themelin. It also decided to appoint Luc Themelin as Chairman of the Board of Directors, replacing Olivier Legrain. These changes are in keeping with the governance transition announced in July 2025 and are aimed at ensuring that it is implemented in a gradual, fluid and efficient manner, as planned.

The first half of the year unfolded against the backdrop of continuing tensions in the Middle East, which may involve repercussions for the global economy, and consequently for the Group and its customers. At this stage, Mersen has not identified any significant direct impacts on its business activities.

Note 3 Summary of significant accounting policies and methods

The accounting policies used to prepare these interim financial statements are the same as those used in preparing the Group's consolidated financial statements for the year ended December 31, 2025.

New standards, amendments to standards and interpretations effective from January 1, 2026

Several amendments to standards entered into effect on January 1, 2026, but they had no material impact on the Group's financial statements for the six months ended June 30, 2026:

- "Amendments to the Classification and Measurement of Financial Instruments" (Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures");
- "Contracts Referencing Nature-dependent Electricity" (Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures");
- "Annual Improvements to IFRS Accounting Standards" (Volume 11), relating to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

At the interim closing on June 30, 2026, the Group's assessment and implementation of the changes entailed by the application of IFRS 18 "Presentation and Disclosure in Financial Statements", which is mandatory for annual reporting periods beginning on or after January 1, 2027, was in progress. Work carried out to date has mainly involved the following aspects:

- the review of the Group's chart of accounts, in particular to ensure that it is consistent with the new classification rules for income and expenses within the income statement categories defined by the new standard, especially with regard to foreign exchange gains and losses and changes in the fair value of derivatives;
- the examination of the new principles for the aggregation and disaggregation of items and their anticipated effects on the presentation of the core financial statements and the accompanying notes;
- the identification of the indicators used by the Group meeting the definition of "management-defined performance measures" (MPMs) under the standard, and the additional disclosures required in this regard;
- the necessary adaptation of information systems to meet the new requirements;
- the eventual impact of this standard's application on financial statement items used in the Group's financing agreements.

Use of judgments and estimates

In preparing these interim financial statements, Management was required to exercise judgments, use estimates and make assumptions that affected the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual amounts may differ from the estimated values.

The critical judgments exercised by Management in applying the Group's accounting policies to the consolidated interim financial statements as well as the main sources of uncertainty are the same as those brought to bear in preparing the consolidated financial statements for the year ended December 31, 2025.

Note 4 Goodwill, other intangible assets and property, plant and equipment

Goodwill amounted to €284.0 million as of June 30, 2026, an increase of €4.4 million relative to December 31, 2025, due to currency effects and mainly as a result of the rise in the US dollar against the euro. As of June 30, 2026, no goodwill amounts were pending allocation.

Property, plant and equipment (excluding right-of-use assets) rose by €6.6 million, including the impact of capital expenditure in the period (€21.9 million).

Note 5 Asset impairment tests

In accordance with IAS 36, as there were no indications of impairment during the first-half period, no impairment tests were carried out as of June 30, 2026, with respect either to the Group's cash generating units, which also showed no indications of impairment at the last annual closing, or to the non-current assets involved in the development and manufacture of the polycrystalline silicon carbide substrate p-SIC®, for which an impairment charge of €34.9 million was recorded as of December 31, 2025. Cash-generating units will be tested for impairment again at the annual closing as of December 31, 2026, as will the assets involved in the p-SIC® activity, if there are any indications that the latter may be impaired as of that date.

Note 6 Equity

As of June 30, 2026, the Company's share capital amounted to €48,836,624 divided into 24,418,312 shares each with a par value of €2.

The theoretical number of voting rights as of that date, i.e., excluding treasury shares not carrying voting rights, was 27,139,112. Since April 3, 2016, a double voting right has been attached to all shares that meet both of the following conditions: (i) they have been held in registered form for at least two years; and (ii) they are fully paid up.

Number of shares (unless stated otherwise)	**Ordinary shares**
Number of shares as of January 1, 2026	24,418,312
Capital increase/reduction *(in millions of euros)*	
Number of shares in issue and fully paid-up during the period	
Number of shares as of June 30, 2026	24,418,312
Number of treasury shares canceled	
Number of shares in issue and not fully paid-up	
Par value of shares *(in euros)*	2
Number of shares held by the Company or by its subsidiaries and associates	113,814

Mersen's ownership structure as of June 30, 2026 was as follows:

- French institutional investors: 37.4%
- International institutional investors: 44.2%
- Private shareholders: 15.6%
- Employee shareholders: 2.3%
- Treasury shares: 0.5%

Stock options and free shares

For several years now, the Group has implemented a policy of granting free shares. These shares vest at the end of the vesting period, provided the beneficiary has remained with the Group. Share awards granted in this manner under the Group's executive and non-executive plans are also subject to performance conditions. However, Management decided not to attach performance conditions to the plan set up for high-potential employees (managers and experts), as these employees have little impact on the Group's major financial and CSR indicators.

As of June 30, 2026, a total of 782,751 new shares had the potential to vest (versus 730,260 new shares as of December 31, 2025), representing 3.2% of the Company's capital as of that date. This figure comprises 267,640 ordinary shares in new awards granted under the free share plans set up in 2026, of which 250,840 free shares are subject to performance conditions, including 17,640 shares granted to the Chief Executive Officer, Salvador Lamas.

In the first half, the Group bought back 174,138 shares at an average price of €22.7 per share to cover the free share plans set up by the Group.

A net expense of €0.8 million in respect of share-based payments was recognized in the first half of 2026, compared with a net expense of €1.8 million in the first half of 2025.

Note 7 Provisions, operating payables, miscellaneous liabilities and contingent liabilities

Provisions amounted to €19.1 million as of June 30, 2026, down €4.0 million compared with the December 31, 2025 figure of €23.1 million. This decrease was mainly due to the reversal of provisions for restructuring and for litigation and other expenses.

	June 30, 2026		Dec. 31, 2025	
In millions of euros	Non-current	Current	Non-current	Current
- provisions for restructuring	0.4	1.4	0.4	2.9
- provisions for environmental risks	2.5	0.4	2.5	0.4
- provisions for litigation and other expenses	5.3	9.1	5.1	11.8
TOTAL	**8.3**	**10.8**	**8.0**	**15.1**

Significant developments in ongoing litigation and proceedings

The Group regularly undergoes tax and customs audits carried out by the tax and customs authorities in the countries in which it operates. In the first half of 2026, certain tax and customs audits mentioned as of December 31, 2025 moved forward in a manner that led to the use of provisions set aside for the related risks (€1.3 million). There were no other significant developments in the first half of 2026 relating to litigation and proceedings that were ongoing as of December 31, 2025.

Other operating payables, miscellaneous liabilities and contingent liabilities

Other operating payables (€116.6 million as of June 30, 2026) mainly comprised personnel and social security payables, VAT and other tax payables (excluding income tax), and prepaid income. Miscellaneous liabilities (€30.0 million as of June 30, 2026) mainly included dividends of €21.9 million to be paid following the Annual General Meeting of May 12, 2026, and amounts payable on property, plant and equipment.

No material contingent liabilities were identified by the Group as of June 30, 2026.

Note 8 Employee benefits

Mersen's main pension plans are defined benefit plans and are located in the United States (55% of obligations), the United Kingdom (17% of obligations), France (17% of obligations) and Germany (6% of obligations).

The Group's obligations were measured as of December 31, 2025 with the assistance of independent actuaries and in accordance with IAS 19. In measuring its obligations as of June 30, 2026, the Group took into account the sensitivity assumptions provided by its actuaries as of December 31, 2025, as well as the following changes in discount rates compared with that date:

Country	June 30, 2026	Dec. 31, 2025
France	4.00%	3.95%
Germany	4.00%	3.95%
United States	5.85%	5.60%
United Kingdom	6.05%	5.55%

Reconciliation between assets and liabilities recognized

In millions of euros	June 30, 2026	Dec. 31, 2025
Present value of defined benefit obligation	127.8	127.3
Fair value of plan assets	(102.5)	(102.3)
PROVISION BEFORE IMPACT OF MINIMUM FUNDING REQUIREMENT/ASSET CEILING	**25.3**	**25.0**
Impact of minimum funding requirement/asset ceiling		
PROVISION AFTER IMPACT OF MINIMUM FUNDING REQUIREMENT/ASSET CEILING (NET PROVISION RECOGNIZED)	**25.3**	**25.0**

As of June 30, 2026, the provision for employee benefits stood at €25.3 million. It remained stable relative to December 31, 2025, as currency effects on both gross obligations and plan assets offset changes in discount rates and the fair value of assets. The expense recognized as of June 30, 2026 in relation to employee benefit plans amounted to €2.2 million, compared with €2.1 million as of December 31, 2025.

Note 9 Net debt

Mersen has committed credit lines and borrowing facilities totaling €723.9 million, of which 55% had been drawn down as of June 30, 2026. Based on the amounts drawn down, the average maturity of these committed facilities was 5.4 years.

To meet the Group's general cash flow requirements, Mersen has entered into the following main committed financing agreements:

- A €320 million multi-currency syndicated loan (not drawn down as of June 30, 2026), set up in October 2022 and repayable at maturity in October 2029, following the exercise of extension options in 2023 and 2024, each for one year. The credit margin on the loan is indexed to ESG indicators. The loan bears interest at a floating rate plus a credit margin that varies mainly according to the leverage covenant and, to a lesser extent, ESG indicators.
- Two five-year bilateral loans granted by Bpifrance for a total amount of €30 million, set up in October 2022 and January 2024 respectively, and repayable in equal installments. The loans bear interest at a floating rate based on Euribor plus a credit margin.
- A bilateral bank loan arranged at the end of 2019 amounting to RMB 50 million (not drawn down as of June 30, 2026), due to mature in December 2026 following the exercise of an extension option in 2023. This loan is intended to finance the Group's operations in China.
- Two US private placements (USPPs), each offered to a pool of North American investors. The first, comprising a USD 60 million tranche maturing in 2031 and a €30 million tranche maturing in 2028, is redeemable at maturity. This private placement was arranged in May 2021 and the funds became available in October 2021. The holders of the notes issued under the USPP receive interest at a fixed rate. The second private placement, comprising a USD 100 million tranche maturing in 2035, and a €90 million tranche maturing in 2032, is also redeemable at maturity. This private placement was arranged in February 2025 and the funds became available in April 2025. The holders of the notes issued under the USPP receive interest at a fixed rate.
- A German Schuldschein private placement for an amount of €100 million, which was arranged in March 2024, with a pool of European and Asian investors, and is redeemable at maturity in January 2030. Investors receive interest at a fixed rate on a nominal amount of €23 million and interest at a floating rate based on Euribor plus a credit margin on a nominal amount of €77 million.

  The €130 million German Schuldschein private placement originally arranged in April 2019 was reduced to €68 million following two partial early redemptions in 2022 and 2025, and the remaining balance was redeemed in April 2026.

In addition, as part of its policy to diversify its sources of financing, in March 2016 and May 2020, respectively, Mersen launched an NEU CP program and an NEU MTN program, whose maximum amounts were each increased to €300 million in 2023. As of June 30, 2026, the Group had used €50 million of the NEU CP program. Any commercial paper issued under this program has a maturity of less than one year and may be replaced at its maturity by drawdowns on the Group's syndicated loan. As of the same date, the Group had used €25 million of the NEU MTN program for maturities in 2027 and 2028.

Maturity schedule of committed credit lines and borrowings

				Maturity		
In millions of euros	Amount	Drawdown as of June 30, 2026	Utilization rate as of June 30, 2026	Less than 1 year	From 1 to 5 years	More than 5 years
Syndicated loan (Group)	320.0	0.0	0%	0.0	320.0	0.0
NEU MTN	25.0	25.0	100%	0.0	25.0	0.0
Bpifrance loans	12.0	12.0	100%	6.0	6.0	0.0
Committed credit line (China)	6.5	0.0	0%	6.5	0.0	0.0
German private placement	100.0	100.0	100%	0.0	100.0	0.0
US private placements	260.4	260.4	100%	0.0	30.0	230.4
TOTAL	**723.9**	**397.4**	**55%**	**12.5**	**481.0**	**230.4**
AVERAGE MATURITY (YEARS)	**4.5** (1)	**5.4** (2)				

(1) Maturity calculated on the basis of authorized amounts.
(2) Maturity calculated on the basis of drawdown amounts.

Analysis of net debt

In millions of euros	June 30, 2026	Dec. 31, 2025
Long- and medium-term borrowings	391.5	389.6
Current financial liabilities	57.7	80.7
Bank overdrafts	18.8	6.6
GROSS DEBT	**468.1**	**476.9**
Current financial assets*	(6.0)	(8.1)
Cash and cash equivalents	(62.4)	(86.3)
NET DEBT	**399.7**	**382.5**

** Including €4.5 million in good quality Chinese bank drafts. Poor quality bank drafts are classified under other operating receivables.*

Net debt as of June 30, 2026 amounted to €399.7 million, compared with €382.5 million as of December 31, 2025.

Proceeds from borrowings and financial debt recorded in the statement of cash flows for the period in the amount of €134.6 million mainly relate to NEU CP issuance for €120.0 million. Repayments of borrowings and financial debt recorded in the statement of cash flows for the period in the amount of €141.2 million comprise NEU CP redemptions for €70.0 million, the redemption of the German Schuldschein private placement of April 2019 for €68.0 million and repayments of Bpifrance loans for €3.0 million.

Of the €468.1 million in gross debt, €397.4 million stemmed from the use of committed loans and borrowings and the remainder chiefly from the use of uncommitted financing (NEU CP, bank overdrafts and other credit lines).

Current financial liabilities in the amount of €57.7 million corresponded mainly to the use of the NEU CP program in the amount of €50 million. These current financial liabilities were more than counterbalanced by €62.4 million in available cash and by the €320 million in available financing lines from the Group's syndicated loan.

Financial covenants as of June 30, 2026

In connection with its various committed borrowings at Group level and in China, Mersen is required to comply with a number of obligations, which are customary for these types of lending arrangements, as presented below. Should it fail to comply with some of these obligations, the banks or investors (for the US private placements) may require Mersen to repay the relevant borrowings ahead of schedule. Under the cross-default clauses, early repayment of one significant loan may trigger an obligation for the Group to repay other loans and borrowings.

Mersen must be in compliance with the following financial covenants on June 30 and December 31 each year:

	Leverage*			***Gearing***		
Committed credit lines and borrowings	Ratio to be observed	June 30, 2026	Dec. 31, 2025	Ratio to be observed	June 30, 2026	Dec. 31, 2025
US private placements Syndicated loan (Group) Committed credit line (China)	< 3.5	2.28	2.19	< 1.3	0.48	0.47
German private placement	< 3.5	2.28	2.19	N/A	N/A	N/A

** In calculating the leverage ratio, covenant EBITDA corresponds to EBITDA before non-recurring items for the last 12-month period prior to application of IFRS 16, it being specified that EBITDA before non-recurring items is equal to operating income before non-recurring items, depreciation and amortization.*

The interest rate on the German Schuldschein private placement notes is indexed to the leverage ratio, which must be less than 3.5. Exceeding this cap would not constitute an event of default but the applicable margin would be increased. The Group complies with all of its financial covenants. As of June 30, 2026, there were no material credit lines or borrowings secured by assets or guaranteed by third parties.

Note 10 Financial instruments

The following tables show the fair value of the Group's financial assets and liabilities and their carrying amount in the statement of financial position, as well as their ranking in the fair value hierarchy for instruments measured at fair value. They do not provide information about the fair value of financial assets and liabilities, measured at their carrying amount, insofar as the latter corresponds to a reasonable approximation of their fair value.

Classification of financial instruments measured at fair value

June 30, 2026 *In millions of euros*	Carrying amount						Fair value			
Statement of financial position headings and classes of instrument	**Note**	**Fair value of hedging instruments**	**Fair value through other comprehensive income**	**Financial assets at amortized cost**	**Other financial liabilities**	**Total carrying amount**	**Level 1**	**Level 2**	**Level 3**	**TOTAL**
Financial assets measured at fair value										
Unlisted equity interests			2.3			2.3			2.3	2.3
Derivatives held as current and non-current assets		4.3				4.3		4.3		4.3
		4.3	**2.3**	**0.0**	**0.0**	**6.7**	**0.0**	**4.3**	**2.3**	**6.7**
Financial assets not measured at fair value										
Current and non-current financial assets	9			10.9		10.9				
Trade receivables				180.6		180.6				
Cash and cash equivalents	9			62.4		62.4				
		0.0	**0.0**	**253.8**	**0.0**	**253.8**				
Financial liabilities measured at fair value										
Derivatives held as current and non-current liabilities		(2.0)				(2.0)		(2.0)		(2.0)
		(2.0)	**0.0**	**0.0**	**0.0**	**(2.0)**	**0.0**	**(2.0)**	**0.0**	**(2.0)**
Financial liabilities not measured at fair value										
Bank borrowings	9				(391.5)	(391.5)		(378.9)		
Bank overdrafts	9				(18.8)	(18.8)				
Current financial liabilities	9				(57.7)	(57.7)				
Trade payables					(92.1)	(92.1)				
		0.0	**0.0**	**0.0**	**(560.2)**	**(560.2)**	**0.0**	**(378.9)**	**0.0**	**0.0**
TOTAL		**2.3**	**2.3**	**253.8**	**(560.2)**	**(301.7)**	**0.0**	**(376.5)**	**2.3**	**4.6**

December 31, 2025 *In millions of euros*		Carrying amount					Fair value			
Statement of financial position headings and classes of instrument	Note	Fair value of hedging instruments	Fair value through other comprehensive income	Financial assets at amortized cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	TOTAL
Financial assets measured at fair value										
Unlisted equity interests			2.4			2.4			2.4	2.4
Derivatives held as current and non-current assets		5.0				5.0		5.0		5.0
		5.0	**2.4**	**0.0**	**0.0**	**7.4**	**0.0**	**5.0**	**2.4**	**7.4**
Financial assets not measured at fair value										
Current and non-current financial assets	9			11.8		11.8				
Trade receivables				158.6		158.6				
Cash and cash equivalents	9			86.3		86.3				
		0.0	**0.0**	**256.7**	**0.0**	**256.7**				
Financial liabilities measured at fair value										
Derivatives held as current and non-current liabilities		(0.2)				(0.2)		(0.2)		(0.2)
		(0.2)	**0.0**	**0.0**	**0.0**	**(0.2)**	**0.0**	**(0.2)**	**0.0**	**(0.2)**
Financial liabilities not measured at fair value										
Bank borrowings	9				(389.6)	(389.6)		(380.1)		
Bank overdrafts	9				(6.6)	(6.6)				
Current financial liabilities	9				(80.7)	(80.7)				
Trade payables					(73.4)	(73.4)				
		0.0	**0.0**	**0.0**	**(550.3)**	**(550.3)**	**0.0**	**(380.1)**	**0.0**	**0.0**
TOTAL		**4.8**	**2.4**	**256.7**	**(550.3)**	**(286.4)**	**0.0**	**(375.3)**	**2.4**	**7.2**

Financial risk management

Credit risk

The Group has set up a Coface commercial credit insurance program that covers its main Chinese, Korean, US and Western European companies against the risk of non-payment for financial or political reasons. Coverage under this program corresponds to 95% of the amount of eligible and covered receivables invoiced.

In the first half of 2026, the Group continued its programs for the assignment of receivables involving various French subsidiaries and one of its main US subsidiaries, which give rise to assigned (and unconsolidated) receivables amounting to €31.3 million as of June 30, 2026, compared with €18.0 million as of December 31, 2025.

Currency, interest rate and commodity risks

There were no material changes in currency risk management between December 31, 2025 and June 30, 2026.

With regard to the management of interest rate risks, the €68 million tranche at fixed rate (annual coupon of 1.582%) of the German private placement set up in 2019 was redeemed at its final maturity in April 2026. As of June 30, 2026, gross debt broke down as 66% at fixed rates and 34% at floating rates.

Regarding commodity risk, a portion of the copper and silver tonnage provided for in the 2026 budget had been hedged as of December 31, 2025, and a portion of that provided for in the 2027 budget had been hedged as of June 30, 2026. Higher commodity prices were partially offset by selling price increases.

Note 11 Right-of-use assets and lease liabilities

Right-of-use assets totaled €50.1 million as of June 30, 2026, down €2.9 million compared with the December 31, 2025 figure. This decline was mainly due to a depreciation expense of €6.3 million, partially offset by a positive currency effect of €1.3 million and by an increase in right-of-use assets linked to the signing of new contracts for €2.1 million.

Lease liabilities totaled €54.5 million, down €3.0 million compared with December 31, 2025, including €8.0 million in lease payments.

Note 12 Other non-recurring income and expenses

Other non-recurring income and expenses break down as follows:

In millions of euros	H1 2026	H1 2025
Litigation and other costs	(0.3)	(1.3)
Restructuring costs	(0.7)	(3.3)
Acquisition-related costs		(0.2)
Asset disposals and impairment		(0.1)
TOTAL	**(1.0)**	**(4.9)**

In the first half of 2026, other non-recurring income and expenses represented a net expense of €1.0 million, primarily comprised of:

- optimization expenses (€0.7 million);
- litigation costs (€0.3 million).

In the first half of 2025, other non-recurring income and expenses represented a net expense of €4.9 million, primarily comprised of:

- optimization expenses (€3.3 million);
- provisions for litigation (€1.3 million).

Note 13 Segment reporting

At the end of 2025, the Group decided to carry out a minor reorganization of its internal reporting system with effect from January 1, 2026, by transferring one of its product lines from the Electrical Power segment to the Advanced Materials segment. This product line contributed €29.5 million to the Group's external sales in 2025. This change was justified by the aim on the part of the chief operating decision-maker to simplify the organization and unlock synergies with other product lines of the Advanced Materials segment targeting the same final market. Restated comparative information is presented below for the first half of 2025 in respect of this segment change.

	H1 2026				H1 2025 (restated)			
In millions of euros	Advanced Materials (AM)	Electrical Power (EP)	Unallocated - Holding company costs	GROUP TOTAL	Advanced Materials (AM)	Electrical Power (EP)	Unallocated - Holding company costs	GROUP TOTAL
Sales	319.6	291.9		**611.5**	337.9	272.5		**610.4**
Percentage of total sales	52.3%	47.7%		**100.0%**	55.4%	44.6%		**100.0%**
EBITDA before non-recurring items*	**52.9**	**54.7**	**(10.2)**	**97.4**	**63.4**	**43.3**	**(8.9)**	**97.8**
EBITDA margin before non-recurring items	*16.6%*	*18.7%*		***15.9%***	*18.8%*	*15.9%*		***16.0%***
Depreciation and amortization	(27.6)	(11.1)	(2.2)	**(40.9)**	(27.9)	(10.2)	(1.9)	**(40.0)**
Operating income before non-recurring items	**25.3**	**43.6**	**(12.5)**	**56.5**	**35.5**	**33.1**	**(10.8)**	**57.8**
Operating margin before non-recurring items	*7.9%*	*14.9%*		***9.2%***	*10.5%*	*12.2%*		***9.5%***
Non-recurring income and expenses	(0.2)	(0.7)	(0.1)	**(1.0)**	(2.8)	(2.1)	(0.1)	**(4.9)**
Operating income	**25.2**	**42.9**	**(12.6)**	**55.5**	**32.7**	**31.1**	**(10.9)**	**52.9**
Operating margin	*7.9%*	*14.7%*		***9.1%***	*9.7%*	*11.4%*		***8.7%***
Net financial expense			(13.8)	**(13.8)**			(13.5)	**(13.5)**
Current and deferred tax			(10.6)	**(10.6)**			(9.9)	**(9.9)**
Net income				**31.1**				**29.5**

** EBITDA before non-recurring items is equal to operating income before non-recurring items, depreciation and amortization.*

The Group's activities are not subject to any significant seasonal variations.

Note 14 Payroll costs and headcount

Group payroll costs (including social security contributions, provisions for pension obligations and retirement benefits) came to €221.8 million in the first half of 2026, compared with €211.1 million in the first half of 2025.

At constant scope and exchange rates, payroll costs (including those related to temporary staff) rose by 7.9%, with 3.3 percentage points of the increase due to higher labor costs and the remainder to the rise in the number of new hires in line with business growth.

Headcount of consolidated companies at end of period by geographical area

Geographical area	June 30, 2026	%	June 30, 2025	%
France	1,474	19%	1,483	20%
Rest of Europe	1,340	18%	1,322	18%
North America	2,647	35%	2,388	33%
Asia	1,569	21%	1,568	21%
Rest of the world	545	7%	536	7%
TOTAL	**7,575**	**100%**	**7,297**	**100%**

Note 15 Tax

In millions of euros	H1 2026	H1 2025
Current income tax	(10.1)	(7.6)
Deferred tax	0.2	(1.4)
Withholding tax	(0.7)	(0.9)
ACTUAL INCOME TAX BENEFIT (EXPENSE) RECOGNIZED	**(10.6)**	**(9.9)**

The Mersen group has consolidated tax groups in France, Germany, Italy, the United Kingdom (group relief) and the United States. The effective tax rate in the first half of 2026 was 25.4%, as against 25.2% in the first half of 2025.

Note 16 Earnings per share

Basic and diluted earnings per share are presented below:

	H1 2026	H1 2025
Net income attributable to Mersen shareholders *(in millions of euros)*	30.8	29.3
Weighted average number of ordinary shares* used to calculate basic earnings per share	24,274,503	24,218,590
Maximum effect of dilutive potential ordinary shares	657,732	659,865
Weighted average number of ordinary shares* used to calculate diluted earnings per share	24,932,235	24,878,455
Basic earnings per share *(in euros)*	1.27	1.21
Diluted earnings per share *(in euros)*	1.23	1.18

** Excluding treasury shares.*

Note 17 Dividends

At the Annual General Meeting of May 12, 2026, shareholders approved a dividend payment of €0.90 per share in respect of 2025.

The dividend was paid in cash in July 2026 and represented a total payout of €21.9 million.

Note 18 Off-balance sheet commitments

Off-balance sheet commitments decreased by €8.6 million between December 31, 2025 and June 30, 2026, mainly due to the withdrawal of advance payment guarantees on certain business contracts and equipment purchase contracts.

Note 19 Subsequent events

Between June 30, 2026 and the date the interim financial statements were approved for issue, no events occurred that would require any changes in the value of assets and liabilities or any additional disclosures.

4 STATUTORY AUDITORS' REVIEW REPORT ON THE INTERIM FINANCIAL INFORMATION

For the six months ended June 30, 2026

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (Code monétaire et financier), we hereby report to you on:

- the limited review of the accompanying condensed consolidated interim financial statements of Mersen for the six months ended June 30, 2026;
- the verification of the information contained in the interim management report.

These condensed consolidated interim financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our limited review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A limited review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially smaller in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with IAS 34, the IFRS accounting standard as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the interim management report on the condensed consolidated interim financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed consolidated interim financial statements.

Paris-La Défense, July 30, 2026

The Statutory Auditors

French original signed by

KPMG S.A.

Bertrand Pruvost

Ernst & Young Audit

Pierre Bourgeois

5 STATEMENT OF THE OFFICER

I certify that, to the best of my knowledge, these condensed interim financial statements have been prepared in accordance with the relevant accounting standards and give a true and fair view of the assets and liabilities, financial position and the results of operations of the Company and of all the entities included in the consolidation, and that the attached interim business report presets a fair view of the major events that occurred during the six months of the interim period and their impact on the financial statements, the principal transactions between related parties, as well as a description of the principal risks and principal uncertainties concerning the remaining six months of the fiscal year.

Paris La Défense, July 30, 2026

Salvador Lamas

Chief Executive Officer

Expertise, our source of energy

GLOBAL EXPERT
IN ELECTRICAL POWER
& ADVANCED MATERIALS

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