

MERSEN REPORTS SALES GROWTH OF 18% IN FIRST-QUARTER 2023

- RECORD QUARTERLY SALES OF €302 MILLION
- SALES DOUBLED IN THE SIC SEMICONDUCTOR MARKET
- 2023 GUIDANCE CONFIRMED

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

PARIS, APRIL 18, 2023 – Mersen (Euronext FR0000039620 – MRN), a global expert in electrical power and advanced materials, today announced consolidated sales of €302 million for the first quarter of 2023, representing reported sales growth of over 18% year on year. The overall currency effect for the period was flat, with the appreciation of the US dollar offsetting the depreciation of the Chinese renminbi, in particular. Price increases accounted for approximately 5% of quarterly growth.

In millions of euros	Q1 2023	Q1 2022	Organic growth	Scope effect	Currency effect	Reported growth
Advanced Materials	165.2	141.1	17.5%		-0.4%	17.1%
Electrical Power	136.6	114.3	19.2%		0.2%	19.5%
Europe	101.4	88.4	16.3%		-1.4%	14.7%
Asia-Pacific	75.9	74.0	5.6%		-2.8%	2.6%
North America	115.2	84.2	31.8%		3.7%	36.8%
Rest of the World	9.3	8.7	6.7%		-0.7%	6.0%
Group	301.7	255.3	18.3%	0.0%	-0.1%	18.2%

Unaudited figures

See glossary on the last page

Luc Themelin, Mersen’s Chief Executive Officer, said: *“Mersen delivered an excellent performance in the first quarter, setting a new quarterly sales record. Demand remained strong with a steady inflow of orders, particularly in the semiconductor market. These results are in line with our expectations for the year and allow us to confirm our 2023 guidance. We have already started implementing our recently announced 2027 plan, which will see us make significant investments to serve our high-growth markets – mainly semiconductors and electric vehicles – and take Mersen to a new dimension.”*

PERFORMANCE BY SEGMENT

Advanced Materials sales amounted to €165 million in the first quarter of 2023, up 17.5% year-on-year on an organic basis. The semiconductor market grew vigorously as expected, driven by rising demand. This led sales in the SiC segment to more than double during the quarter. Momentum was also strong in the aeronautics market, and process industries continued to record double-digit growth.

Electrical Power sales reached €137 million for the quarter, an organic rise of 19.2%. This growth was mainly driven by process industries – with electrical distribution booming in the United States – and renewable energies. Electric vehicle sales also rose steadily, while the rail market was less dynamic.

PERFORMANCE BY REGION

In **Europe**, organic growth was over 16%, led by France and Germany. Sales in renewable energies were fueled by the quickening pace of the energy transition. Aeronautics and SiC semiconductors also experienced robust growth.

In **Asia**, Group sales rose by nearly 6% year on year. Momentum was strong in chemicals and semiconductors but remained sluggish in rail. As expected, solar sales leveled off after a record year in 2022.

Lastly, in **North America**, sales grew by 32% on an organic basis. All activities in the United States contributed to this performance, particularly sales to the electrical distribution market, which benefited in part from a favorable price trend. Momentum was also driven by high business levels in the semiconductor market.

2023 TARGET CONFIRMED

Based on its first-quarter performance, the Group is confident that it will achieve its objectives for full-year 2023, namely:

- organic sales growth of between 5% and 10%;
- operating margin before non-recurring items of between 10.5% and 11% of sales, taking into account the impact of higher depreciation and amortization expense and the expansion of the electric vehicle teams.

Within the framework of its 2027 plan, the Group's capital expenditure is expected to come in between €150 million and €200 million in 2023.

GLOSSARY

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.

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

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

CONFERENCE CALL

The Group is holding a conference call on April 18, 2023 at 10:00am CET. Dial one of the following numbers and specify that you wish to connect to the English call:

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

FINANCIAL CALENDAR: *First-half 2023 results: July 27, 2023 after the markets close*

ABOUT MERSEN

Mersen is a **global expert in electrical specialties and advanced materials** for high-tech industries. With more than 50 industrial sites and 18 R&D centers in 34 countries around the world, Mersen develops **custom-built solutions** and delivers key products for clients in order to meet the new technological challenges shaping tomorrow's world. **For over 130 years, Mersen's teams have focused tirelessly on innovation** to accompany its clients and meet their needs. Be it in solar power, electronics, electric vehicles, aerospace or other sectors, wherever technology is progressing, you will always find a bit of Mersen. We work to constantly contribute to progress, striving daily to improve people's lives and protect the planet. This **corporate commitment** has been recognized by external rating agencies, EcoVadis (Gold Medal) and MSCI (AA rating).

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

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