

News Release

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Merck to Acquire Chemical Business of Mecaro

- **Acquisition supports “Level Up” growth ambition of Merck’s Electronics business to further expand its regional capabilities and global capacity**
- **Strong technology position of chemical business of Mecaro further strengthens Merck’s ability to address the fast-growing global Semiconductor Solutions market**
- **Targeted acquisition to drive innovation in Semiconductor Solutions, one of Merck’s “Big 3” growth engines**

Darmstadt, Germany, August 17, 2022 – Merck, a leading science and technology company, has signed a definitive agreement to acquire the chemical business of Mecaro Co. Ltd. (Mecaro), a Korea-based and publicly listed manufacturer of heater blocks and chemical precursors for semiconductors. The acquisition is part of the Level Up growth program of Merck’s Electronics business sector, which includes investments of significantly more than € 3 billion from 2021 to 2025 in innovation and capacities and focuses on four, mutually reinforcing key priorities: scale, technology, portfolio, as well as capabilities.

The chemical business of Mecaro comprises approximately 100 highly dedicated employees and primarily develops and produces precursors used in Thin Film deposition.

“In acquiring this portion of Mecaro’s business, we will continue to expand a key segment of our Semiconductor Solutions portfolio. Simultaneously, we are building on our localization efforts and gaining a state-of-the art production facility in



Eumseong and an R&D lab in Daejeon, both supporting our capacity expansion plans. These turnkey spaces will be one of the crucial elements in executing our Level Up investments in Korea,” said Kai Beckmann, Member of the Executive Board of Merck and CEO Electronics.

The acquisition of Mecaro’s chemical business is another milestone to accelerate innovation in Merck’s Semiconductor Solutions business unit, one of the company’s three growth engines (“Big 3”), through targeted smaller to medium-sized acquisitions with high impact.

“In Merck we have found a partner who not only shares the same values as Mecaro but also has the necessary scale to successfully drive this business to the next level, for the benefit of our customers and employees,” said JaeJung Lee, President and CEO of Mecaro Co. Ltd.

“The offering of Mecaro’s chemical business very nicely complements our broad Semiconductor Solutions portfolio. The combination of Mecaro’s Thin Films technology competences and our global footprint will provide our customers with an additional value add,” said Kai Beckmann.

The transaction consideration comprises an upfront cash payment of € 75 million, plus contingent milestone payments of up to € 35 million, totalling an aggregate transaction value of up to € 110 million. The transaction is expected to be closed in Q4 2022 and is subject to regulatory clearance as well as the satisfaction of other customary closing conditions.

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About Merck

Merck, a leading science and technology company, operates across life science, healthcare and electronics. More than 60,000 employees work to make a positive difference to millions of people’s lives every day by creating more joyful and sustainable ways to live. From advancing gene editing technologies and discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2021, Merck generated sales of € 19.7 billion in 66 countries.

Scientific exploration and responsible entrepreneurship have been key to Merck’s technological and scientific advances. This is how Merck has thrived since its founding in 1668. The founding family remains the majority owner of the publicly listed company. Merck holds the global rights to the Merck name and



brand. The only exceptions are the United States and Canada, where the business sectors of Merck operate as MilliporeSigma in life science, EMD Serono in healthcare, and EMD Electronics in electronics.

About Mecaro

Mecaro, a company specializing in materials and components for semiconductors, has been operating in the precursor and heater block business for over 20 years. The company is comprised of around 300 team members dedicated to its corporate philosophy, “continually pursuing happiness”, with products, services, and people for customers, stakeholders, and ultimately mankind. Mecaro’s development of unique technologies in precursors and heater blocks places the company at the forefront of the advanced semiconductor industry.