



# Fourth quarter results 2025

# Agenda

Highlights

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# Highlights



**Helge Aasen**  
Chief Executive Officer



Elkem has reached a significant milestone to sell the Silicones division. This will enable a more focused, pure play metals and materials company with an enhanced financial profile.

Two of our employees tragically lost their lives following an explosion at Saint-Fons in France. We extend our sincere condolences to their families and loved ones.

## Highlights

# Weak markets mitigated by lower costs, sales agreement entered for Silicones division

- Elkem has entered a sales agreement for the Silicones division. The sales price will be settled with redemption of all of Bluestar's shares in Elkem
- Demand remains weak, but Elkem delivered a relatively strong 4Q-2025 result due to cost improvements and strong market positions
- Silicon Products was impacted by low sales prices, but ferrosilicon prices in EU are improving due to safeguard measures on imports of certain ferroalloys
- Carbon Solutions faced weak demand due to continued idling of steel and ferroalloy capacity across regions
- Silicones delivered further profitability improvements, due to higher sales prices and strong cost improvements
- The board has proposed not to distribute a dividend for 2025 as the share redemption impacts Elkem's equity position



### Elkem – continuing operations\*

Total operating income  
**MNOK 3 961**

EBITDA  
**MNOK 485**

EBITDA margin  
**12%**

### Elkem including Silicones

Total operating income  
**MNOK 7 284**

EBITDA  
**MNOK 890**

EBITDA margin  
**12%**

# Strong ESG performance

## Key events

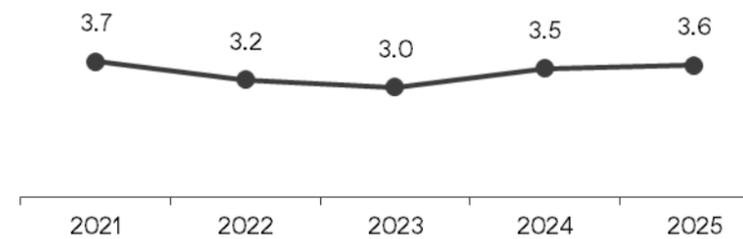
- Elkem supports the green transition through the supply of critical materials, and works systematically to cut emissions, waste, and reduce resource-use
- In the fourth quarter, Elkem received A rating from CDP on Forest and Water placing Elkem among the global leaders in sustainability reporting and action
- Elkem's corporate rating from ISS ESG has been upgraded to B- placing the company at Prime level, awarded to the top-performing companies
- On 22 December 2025, an explosion at Elkem Silicones in Saint-Fons, France injured four colleagues, of which two have lost their lives. Safety remains a top priority for Elkem, and internal and external investigations are underway



## Safety

### Ambition: Zero injuries

Total injury rate (per million working hours)



## Sustainability targets

**25%** Reduction in CO<sub>2</sub> emissions by 2030

**32%** Reduction in CO<sub>2</sub> product footprint by 2030



Net zero CO<sub>2</sub> emissions by 2050

## Rated among the world's leading companies



Forests



Climate Change



Water Security



EcoVadis: Gold for 2025, in the top 5%



Prime status – rating B-

# Trade barriers affecting market access

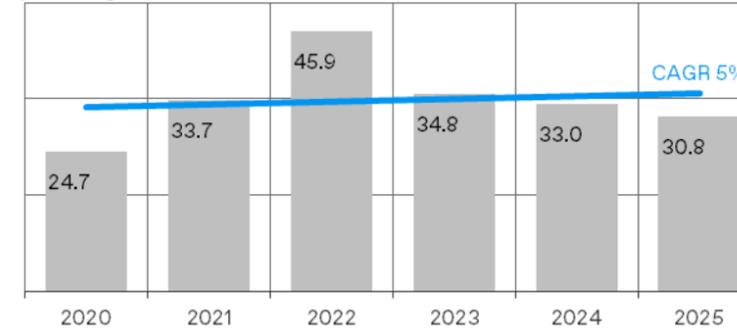
- EU implemented safeguard measures for ferrosilicon and foundry alloys on 18 November 2025. Silicon not included
  - Measures aimed at raising prices and protecting internal production within EU. Norway and Iceland not exempted
  - Specific quotas per product type, amounting to approx. 75% of historic sales
  - Ferrosilicon reference prices up ~20% since measures were introduced
- The US has imposed countervailing duties (CVD) and anti-dumping duties (ADD) on silicon imported from several countries, including Norway. The preliminary CVD rate is 16.87%, while the ADD rate is 3.94%. Total tariffs on exports from Norway to the US now amount to 41%. Final rates to be decided in June 2026
- Geopolitical and trade dynamics change rapidly. Elkem benefits from strong cost and market positions and a global business model, enabling effective adaptation to evolving market conditions

# Good results over the business cycle

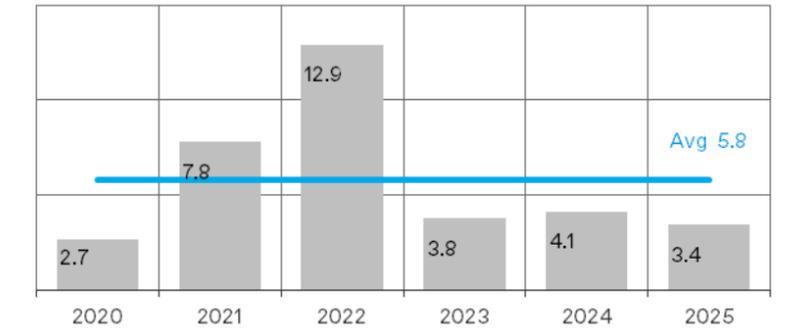
- Over the past three years, our industry has been marked by a prolonged downturn with lower economic activity, global overcapacity, and the reshaping of global trade
- Despite challenging conditions Elkem has met financial targets over the cycle due to its diversified business model, strong operational execution, and cost focus
  - ✓ Operating income CAGR 5% - in line with target
  - ✓ EBITDA margin 16% - within target of 15 - 20%
- Excluding Silicones, Elkem has exceeded these targets
  - ✓ Operating income CAGR 6%
  - ✓ EBITDA margin 21%

## Elkem including Silicones

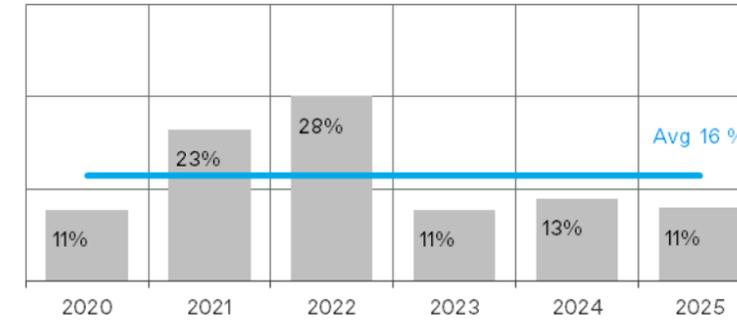
Operating income



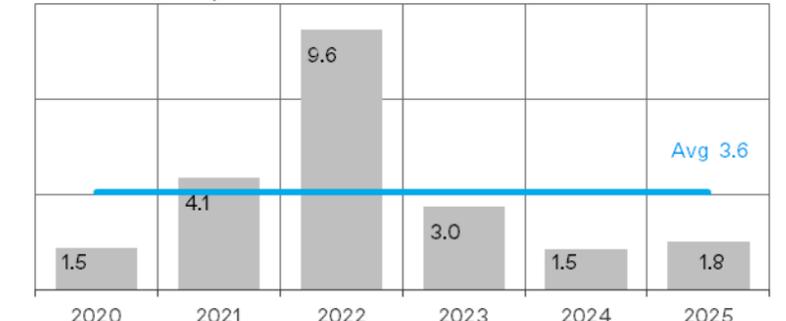
EBITDA



EBITDA margin

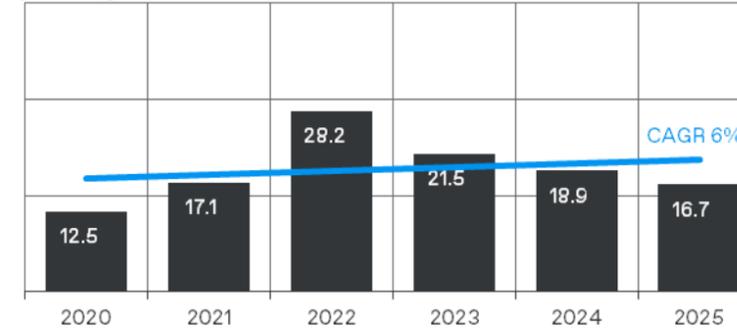


Cash flow from operations

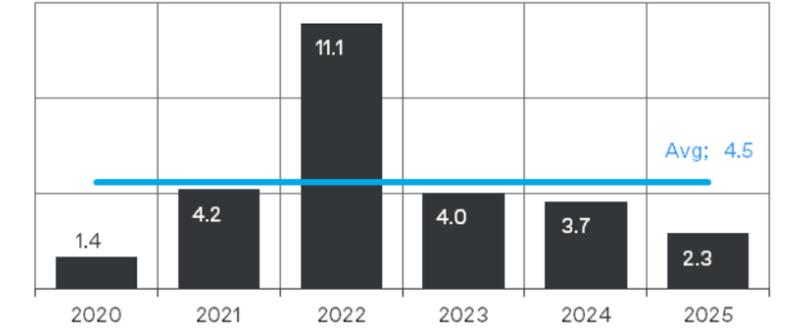


## Elkem excluding Silicones

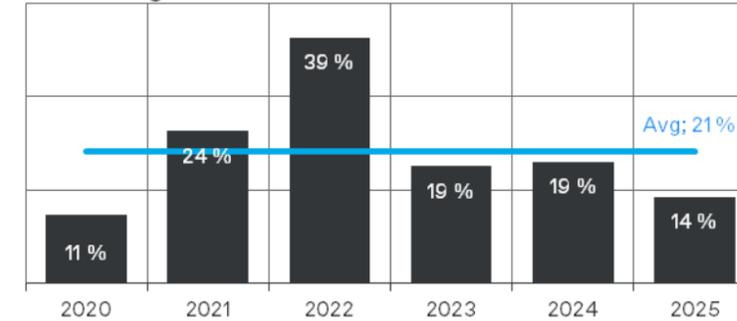
Operating income



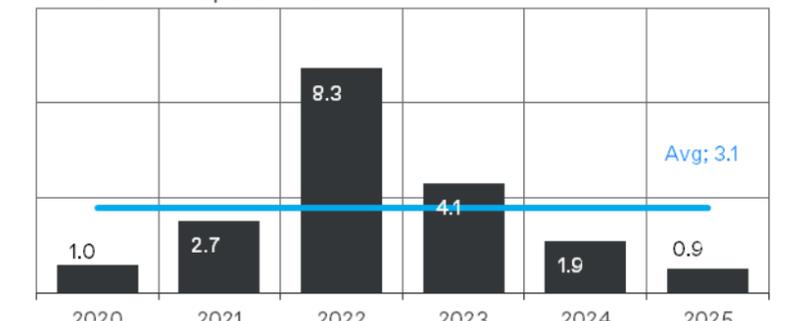
EBITDA



EBITDA margin



Cash flow from operations





# Market update & outlook

# Key market trends and indicators

## Automotive sector

- A key market for Elkem, as silicon is essential in electronics, batteries, and lightweight components
- Europe's outlook remains weak, with soft demand and rising Chinese import pressure, although the new minimum-price mechanism on imported Chinese EVs offer protection
- The US outlook for 2026 is soft, with sales slowing slightly as affordability pressures rise and EV demand weakens



## Construction market

- A key market, driven by strong demand for Elkem's silicon-based products which are essential for high-performance concrete, building materials and modern infrastructure
- After two years of decline, the construction sector in Europe is beginning a gradual recovery, with performance varying significantly across countries and segments
- The US industry faces overall softness, but data centers, power infrastructure, and institutional projects showing growth in 2026



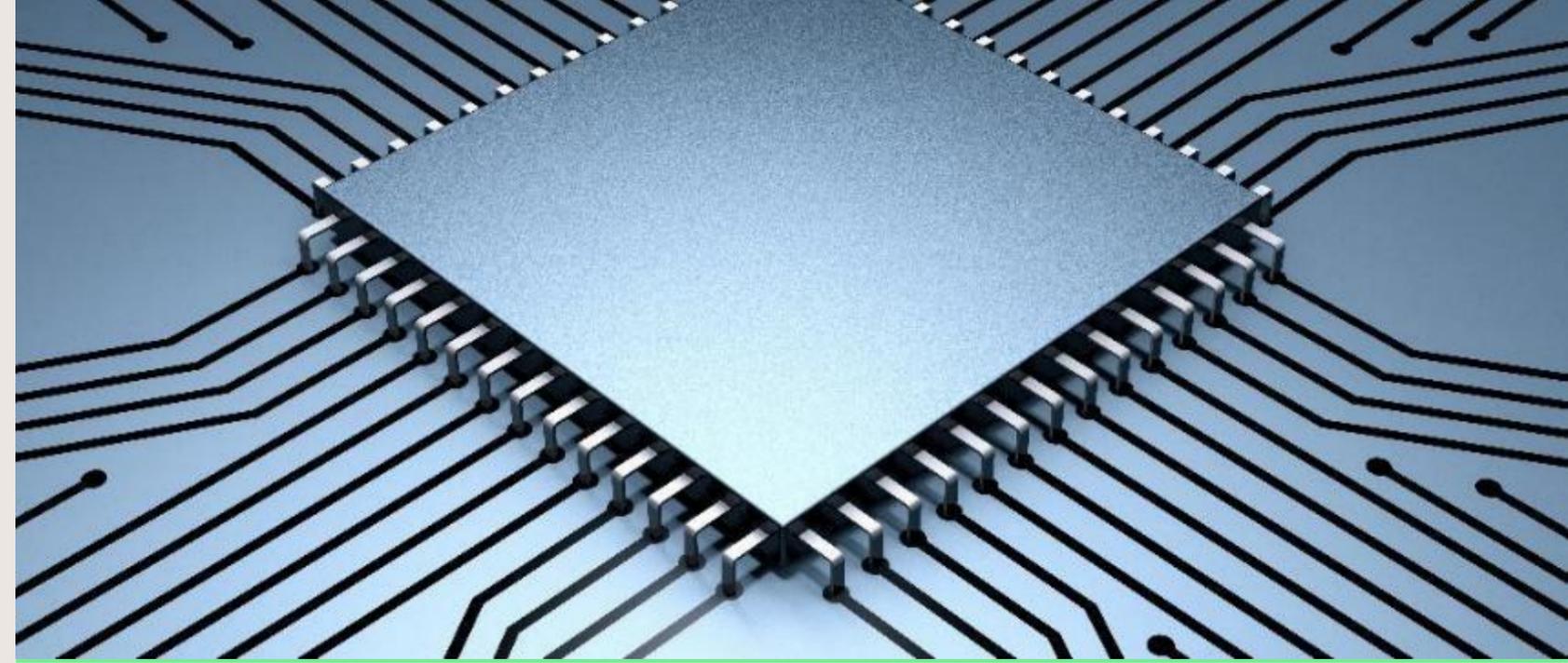
## PMI Index

- Global PMIs show a mixed but stabilising picture—manufacturing remains soft, but the downturn is easing with early signs of firmer output into 2026
- The US stays in mild expansion, supported by improving output, though underlying demand and export orders remain soft
- Europe is mixed but Germany continues to contract, keeping the broader Eurozone picture subdued



# Weak demand and low import prices to EU

- In EU, silicon reference prices remained low in the fourth quarter, influenced by weak demand and low import prices. YTD-November 2025, exports from China to Europe increased significantly compared to last year
- In the US, silicon prices increased slightly in the fourth quarter. Although demand is low, prices are expected to rise further in 2026 due to tariffs, anti-dumping duties, and tightening domestic supply
- In China, silicon producers are affected by challenging market conditions. Production curtailments expected due to increased power prices and low silicon prices



CRU silicon 99 price EU and US (EUR/mt)



# Safeguard supporting price recovery for ferrosilicon

- Ferrosilicon prices in EU have increased around 20% following the implementation of safeguard measures in November 2025
- Market sentiment still characterised by weak demand. Stricter safeguard measures for steel in EU may increase the production and positively impact the demand for ferroalloys
- In the US, ferrosilicon prices were marginally down in the fourth quarter due to weak demand
- In China, ferrosilicon prices remained low despite further production cuts to address overcapacity



CRU ferrosilicon 75 price EU and US (EUR/mt)

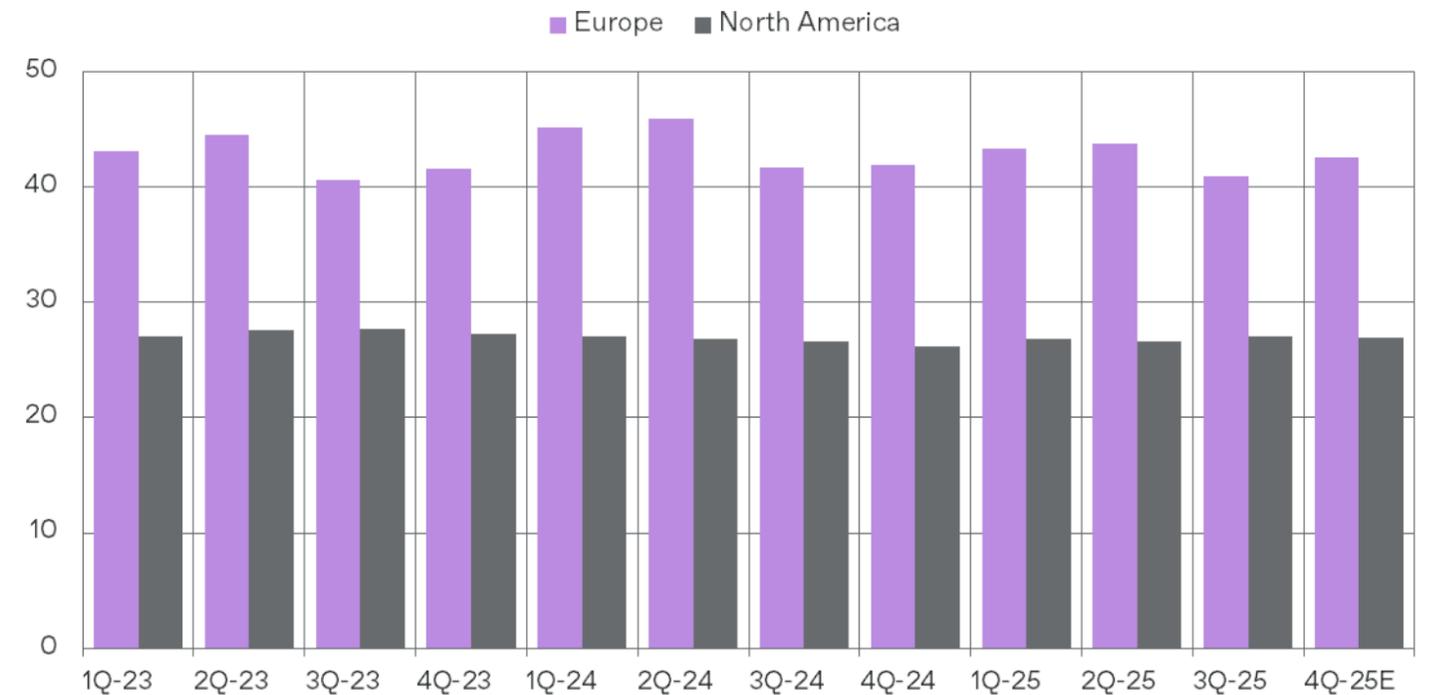


# Reduced demand influenced by macroeconomic challenges

- Demand for carbon products differs by region, influenced by steel, ferroalloys, and aluminium industries
- Global crude steel production declined by 3% in 4Q-2025 vs 4Q-2024, primarily driven by lower activity in China where output decreased by 9%. In Europe production increased by 4%, while North America remained stable
- The steel and ferroalloys markets continue to face challenges. Carbon Solutions' specialised product offering and wide geographic presence provide resilience and stability



Crude steel production (million mt)



# Reduced supply driving price recovery in China

- The DMC price in China rose by about 23% from CNY 11 050 per tonne by the end of third quarter to CNY 13 600 by the end of fourth quarter
- The price increase was driven by measures aimed at curbing overproduction
- Demand within China remains weak, particularly in the construction sector
- In the EU and US, the demand for commodity silicones was low, impacted by shifting tariff policies



DMC reference price China (CNY/mt)



Source: China Ferroalloy.net.

# Outlook for the first quarter 2026

- Trade regulations and protective measures are likely to continue affecting Elkem's markets, contributing to ongoing uncertainty. However, Elkem is well positioned due to its geographic presence and strong market and cost positions
- Silicon Products is still facing subdued demand and is temporarily reducing capacity in Norway to manage inventory levels. EBITDA effect is expected to be somewhat negative, whereas the cash flow effect will be positive
- Carbon Solutions expecting a slight improvement in sales volume, but the overall demand remains weak
- Silicones prices in China have increased due to reduced supply, while fundamental demand remains weak. The division will benefit if these higher sales prices could be maintained

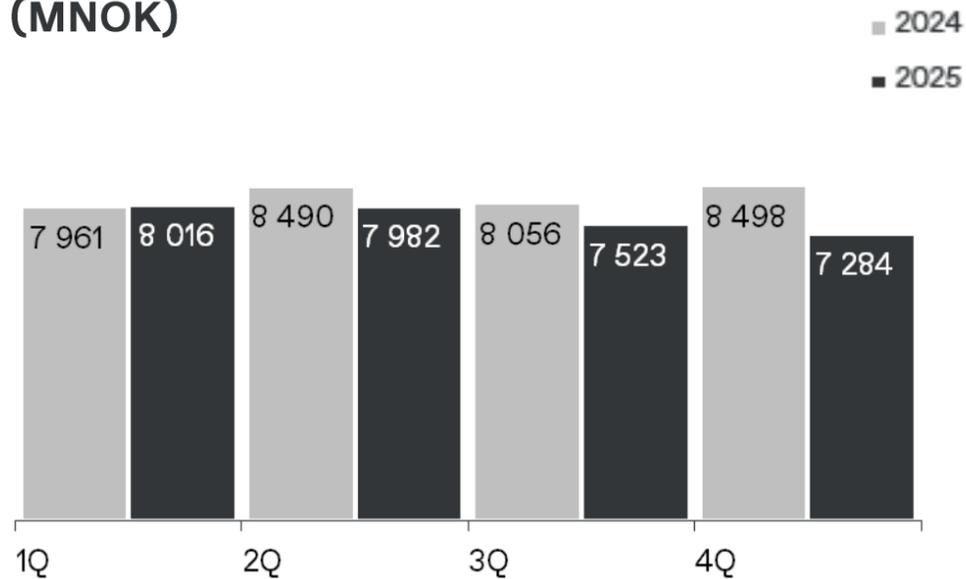


# Financial performance

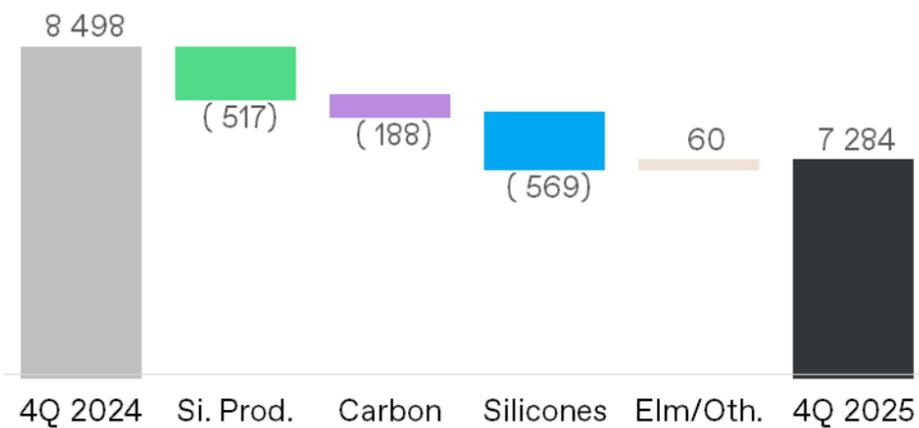
# Lower sales prices largely countered by cost improvements

## Total operating income (MNOK)

Total operating income down 14% compared to 4Q-2024

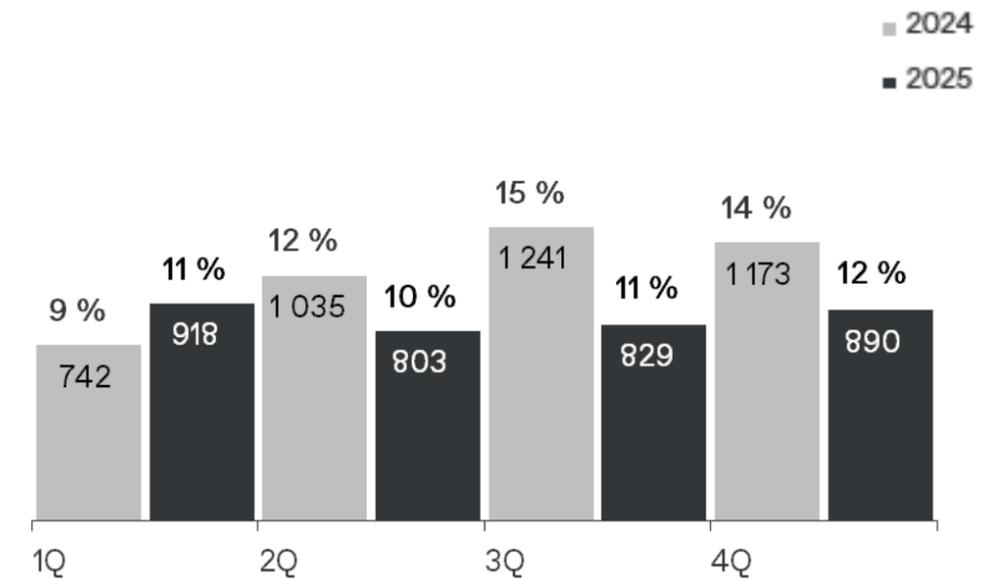


Lower operating income across all three divisions

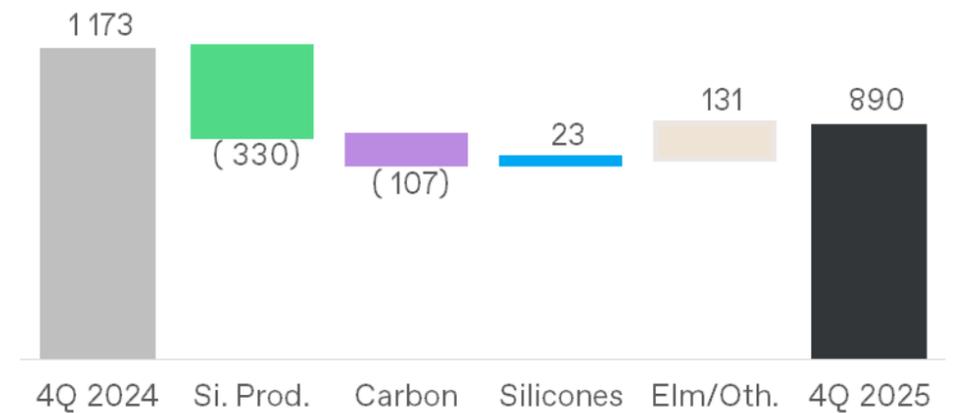


## EBITDA (MNOK)

EBITDA down 24% compared to 4Q-2024



Lower EBITDA mainly explained by lower sales prices



# Overview financial ratios

The Silicones division is classified as discontinued operations and assets held for sale. The financial figures below refer to Elkem group including Silicones

- EBITDA MNOK 890
  - Segment Other included realised derivative effects of MNOK (21)
- Other items MNOK (68)
  - Consisting of gains on power and currency derivatives MNOK 97, restructuring expenses MNOK (20), and other MNOK (144)
- Net finance income (expenses) MNOK (192)
  - Consisting of net interest expenses MNOK (130), currency losses of MNOK (48), and net other financial items of MNOK (15)
- Income tax MNOK 6
  - Income tax was positive in the quarter due to tax deductions and changes in tax losses carried forward

## Consolidated key figures

	Elkem Group incl. Silicones				Elkem - Continuing operations			
	4Q 2025	4Q 2024	YTD 2025	YTD 2024	4Q 2025	4Q 2024	YTD 2025	YTD 2024
<i>(NOK million, except where specified)</i>								
Total operating income	7 284	8 498	30 806	33 004	3 961	4 595	16 727	18 870
EBITDA	890	1 173	3 440	4 191	485	800	2 328	3 675
EBIT <sup>(1)</sup>	148	372	699	1 339	198	508	1 314	2 576
Other items	(68)	(159)	91	(460)	61	(121)	258	(316)
Net finance income (expenses)	(192)	(69)	(905)	(522)	(156)	(15)	(772)	(424)
Profit (loss) before income tax	(167)	97	(381)	47	48	324	534	1 526
Income tax	6	(104)	(203)	530	20	(77)	(149)	588
Profit (loss) for the period	(161)	(7)	(584)	577	68	247	385	2 115
<b>Key ratios</b>								
EPS (NOK per share)	(0.28)	(0.03)	(1.05)	0.77				
Equity ratio (%)	51 %	49 %	51 %	49 %				
Net interest bearing debt (NIBD) <sup>(2)</sup>	11 883	10 327	11 883	10 327				
Leverage ratio	3.5	2.5	3.5	2.5				
Reinvestments % of D&A	75 %	122 %	58 %	77 %				
ROCE (annualised) (%)	2 %	4 %	2 %	4 %				

(1) Operating profit before other items and derivative adjustments

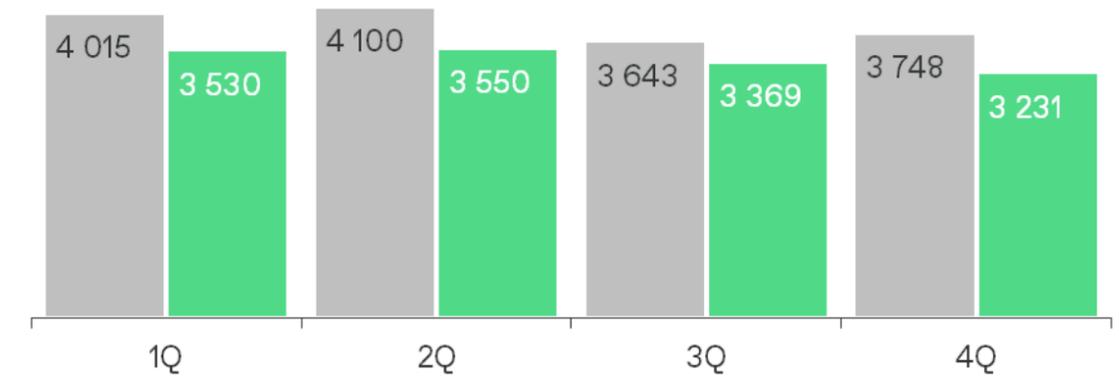
(2) Excluding non-current restricted deposits and interest-bearing financial assets

# Low sales prices for silicon and ferrosilicon

- Total operating income amounted to MNOK 3 231, a reduction of 14% compared to the fourth quarter last year
  - Lower operating income was largely due to lower sales prices for silicon and ferrosilicon
- EBITDA of MNOK 294, down 53% from the fourth quarter last year
  - The decrease was primarily driven by lower sales prices, partly balanced by lower raw material costs and higher sales volume
  - Specialty segments maintained strong performance
- Sales volume increased by 8% compared to fourth quarter last year, with higher sales across all products lines

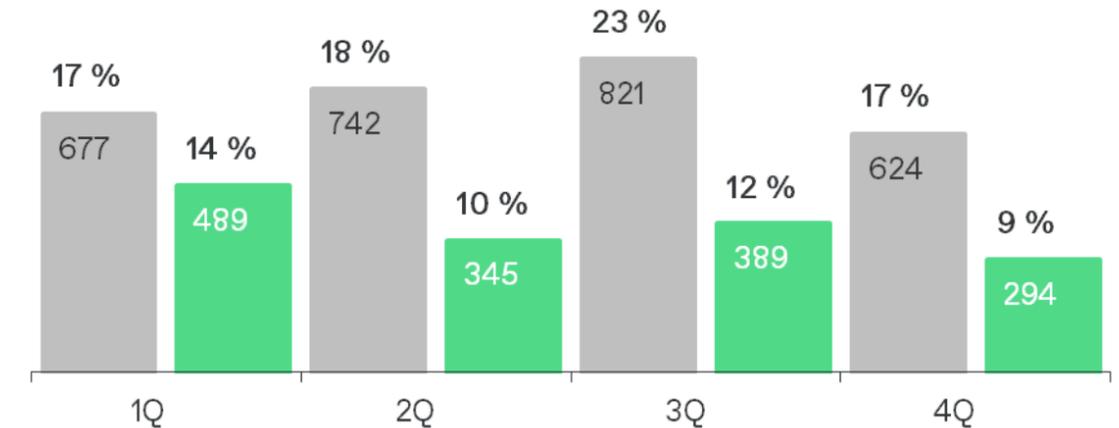
## Total operating income

NOK million



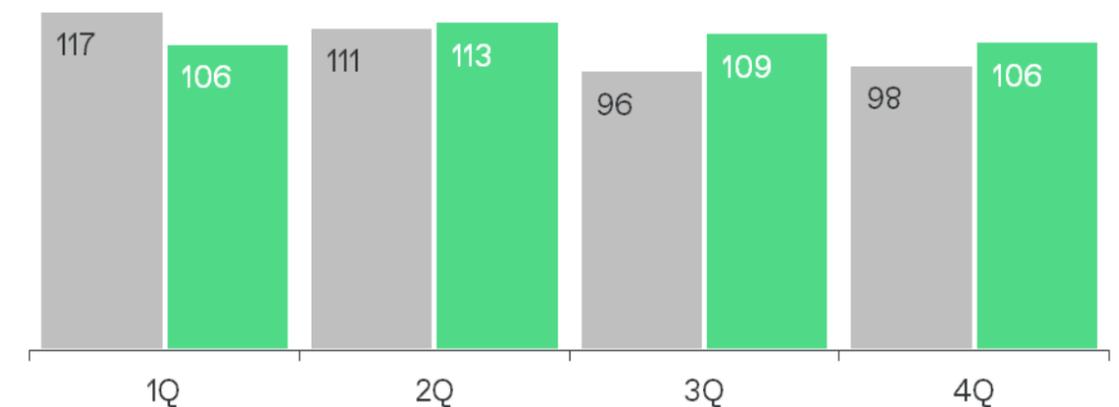
## EBITDA and margin

NOK million and %



## Sales volume

In 1,000 mt



■ 2024

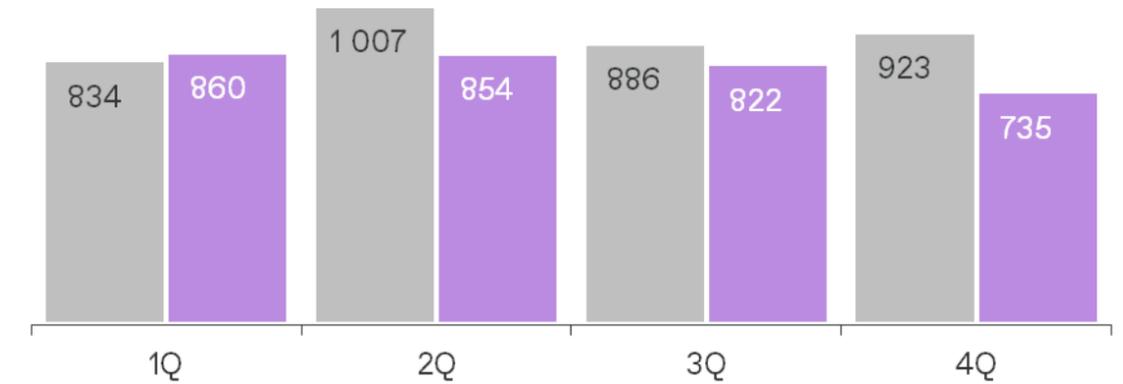
■ 2025

# Result affected by low sales volume

- Total operating income MNOK 735, down 20% from the fourth quarter last year
  - Lower operating income mainly explained by lower sales volume
- EBITDA of MNOK 174, down 38% from the fourth quarter last year
  - The reduction was mainly explained by lower sales volume
  - The impact of reduced sales prices was offset by cost improvements
- Sales volume was down 11% compared to fourth quarter last year due to continued idling of customers' capacity

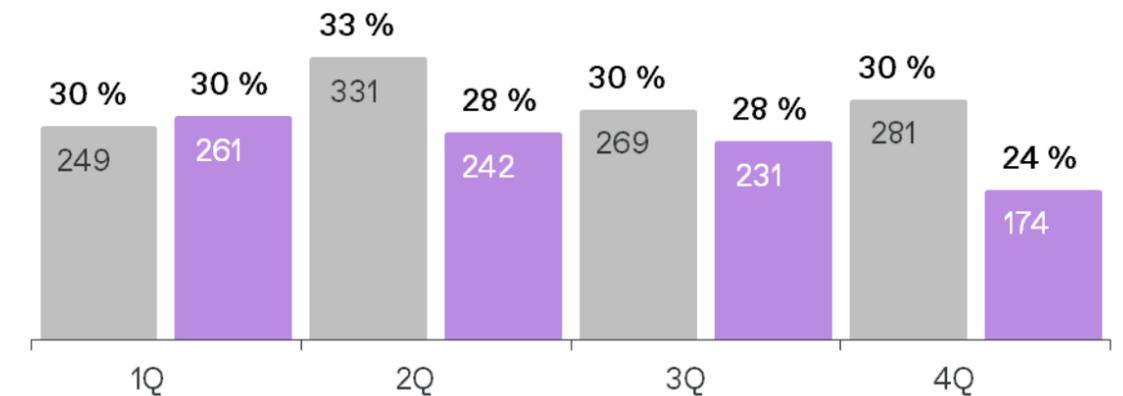
## Total operating income

NOK million



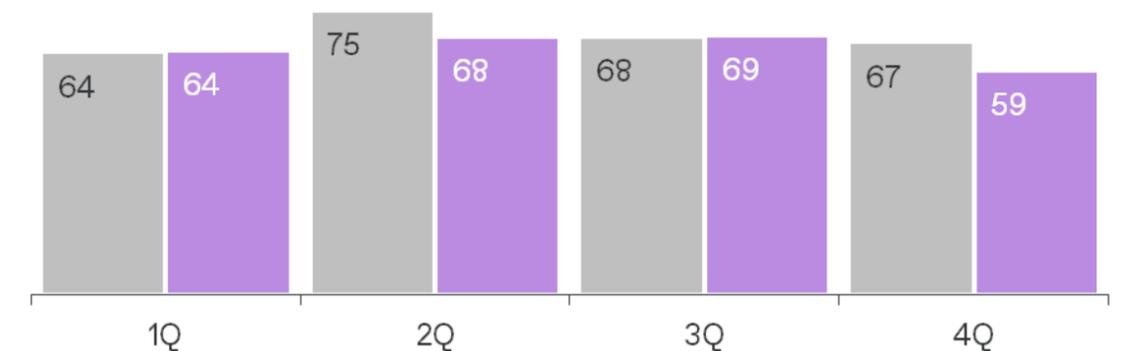
## EBITDA and margin

NOK million and %



## Sales volume

In 1,000 mt



■ 2024

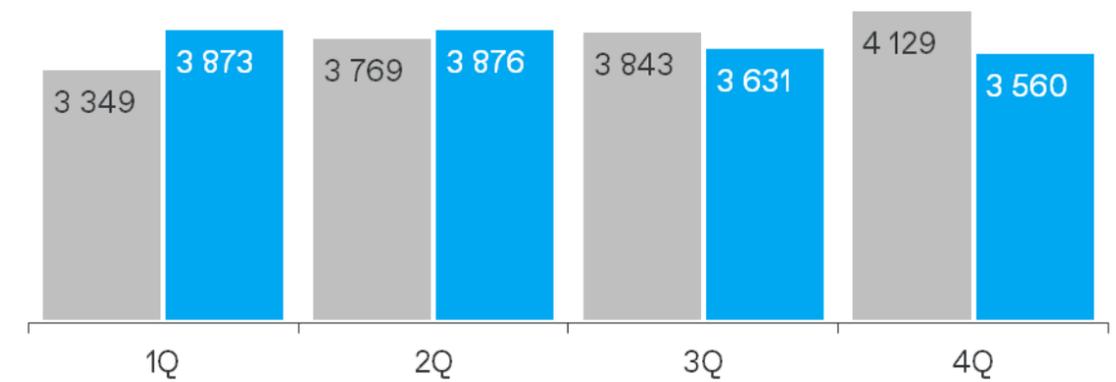
■ 2025

# Improved result due to lower costs

- Total operating income of MNOK 3 560 down 14% from the fourth quarter last year
  - The decline in operating income was primarily due to lower commodity sales prices
- EBITDA of MNOK 399, which was 6% higher than last year
  - The decline in sales prices and sales volume, was more than offset by cost reductions and lower raw material costs
- Sales volume down 3% compared to the fourth quarter last year, mainly due lower commodity sales across all regions

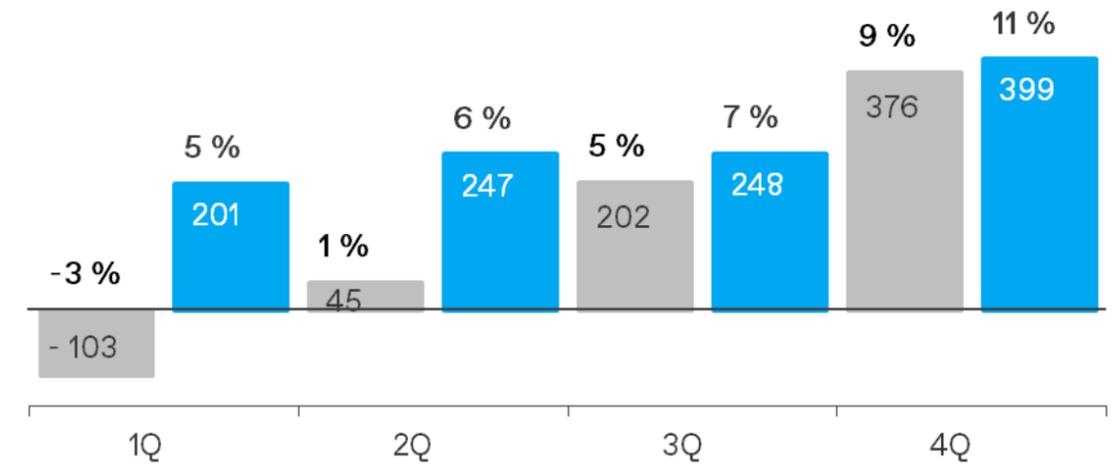
## Total operating income

NOK million



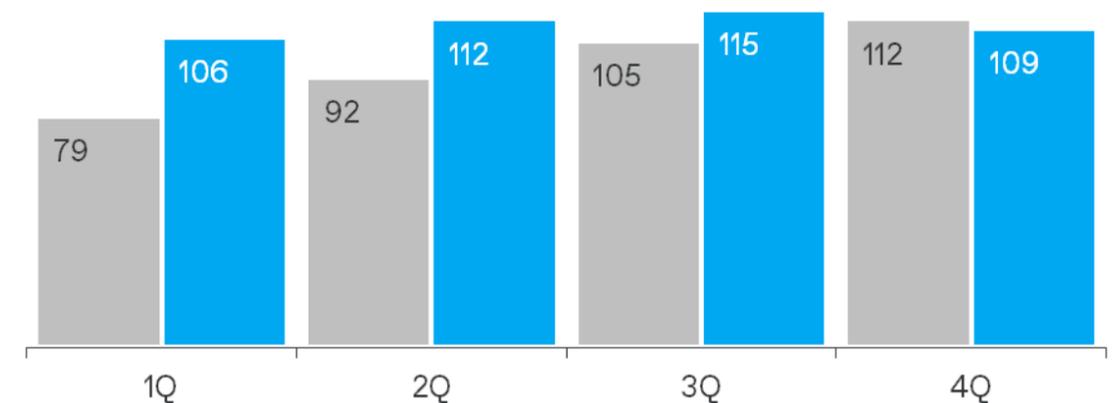
## EBITDA and margin

NOK million and %



## Sales volume

In 1,000 mt



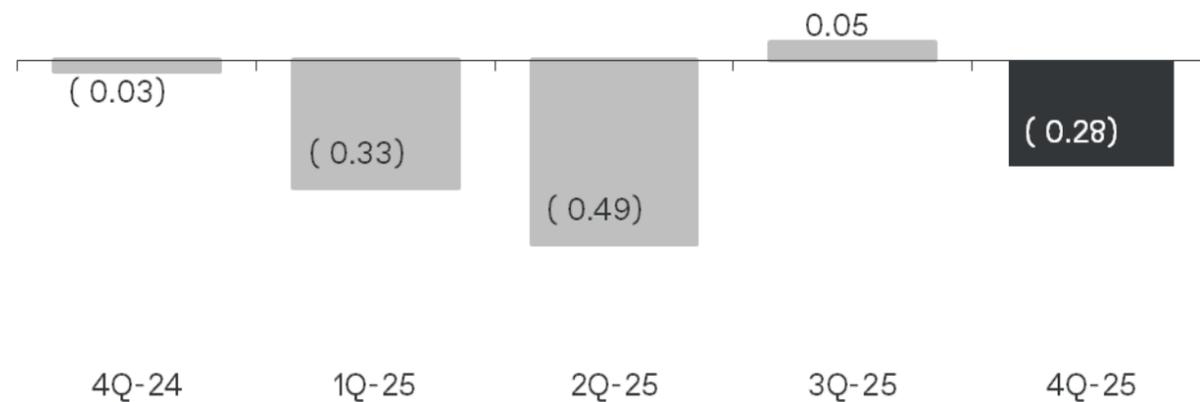
■ 2024  
■ 2025

# Weak EPS – no dividend for 2025

- Earnings per share (EPS) amounted to NOK (0.28) in the fourth quarter and NOK (1.05) year to date
  - EPS was impacted by losses in Silicones (under strategic review)
  - EPS excluding Silicones was NOK 0.61 YTD-2025
- Total equity amounted to BNOK 24.0 as at 31 December 2025, down BNOK 2.0 from year-end 2024
  - Equity to total assets (equity ratio) was 51%

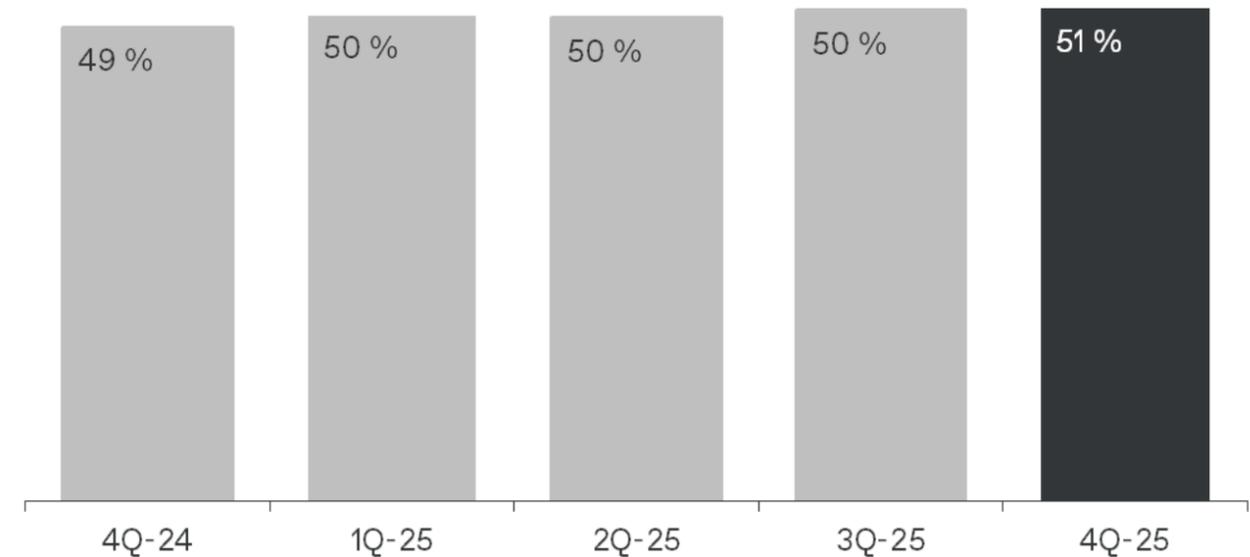
## Earnings per share (EPS)

NOK per share



## Equity ratio

In percent of total assets

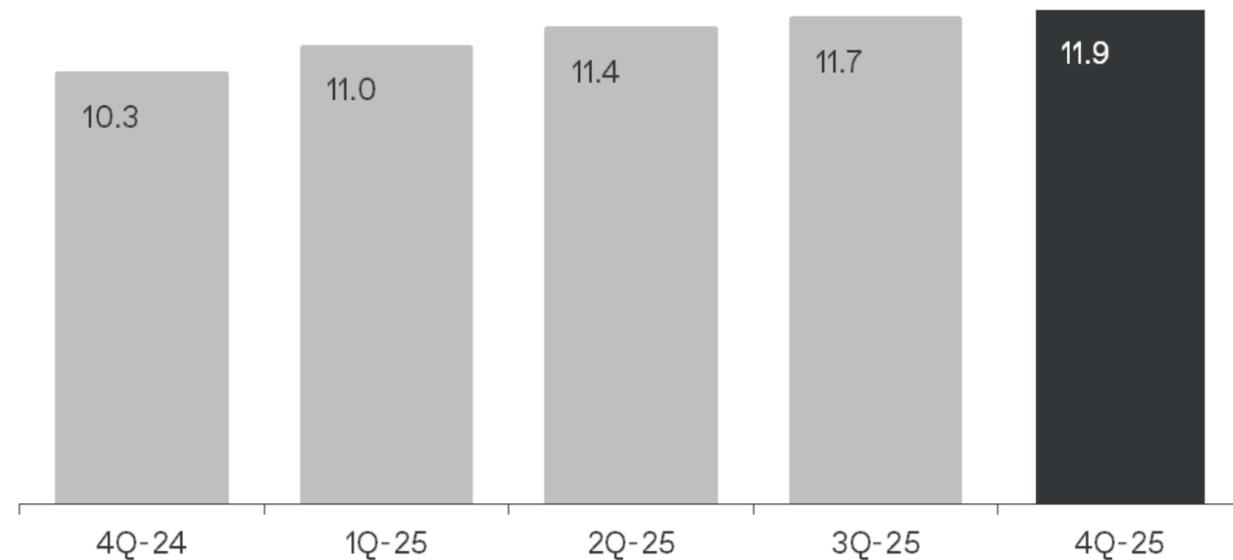


# Deleveraging and refinancing plan after Silicones divestment

- Net interest-bearing debt (NIBD) BNOK 11.9 as at 31 December 2025
  - Leverage ratio of 3.5x based on LTM EBITDA of BNOK 3.4
- Good financing position, with plan for deleveraging and refinancing after completion of the sale of the Silicones division
  - Interest cover ratio of 6.1x by end of fourth quarter 2025

Net interest-bearing debt (NIBD)

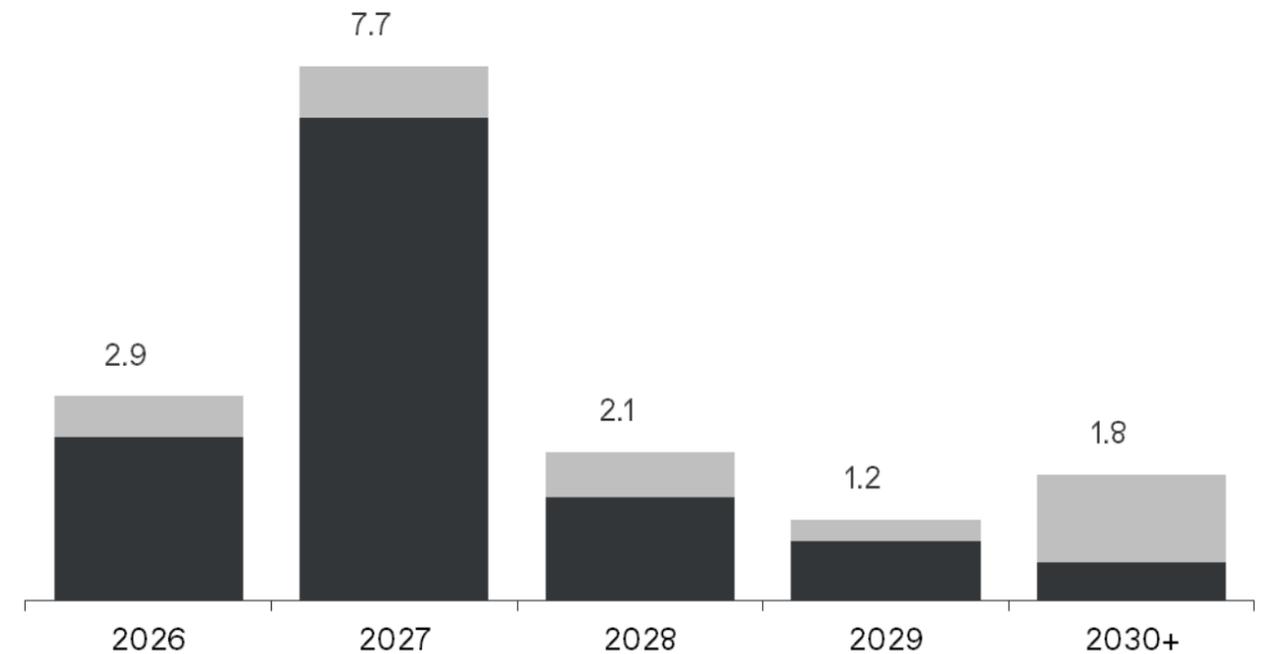
NOK billion



Maturity profile

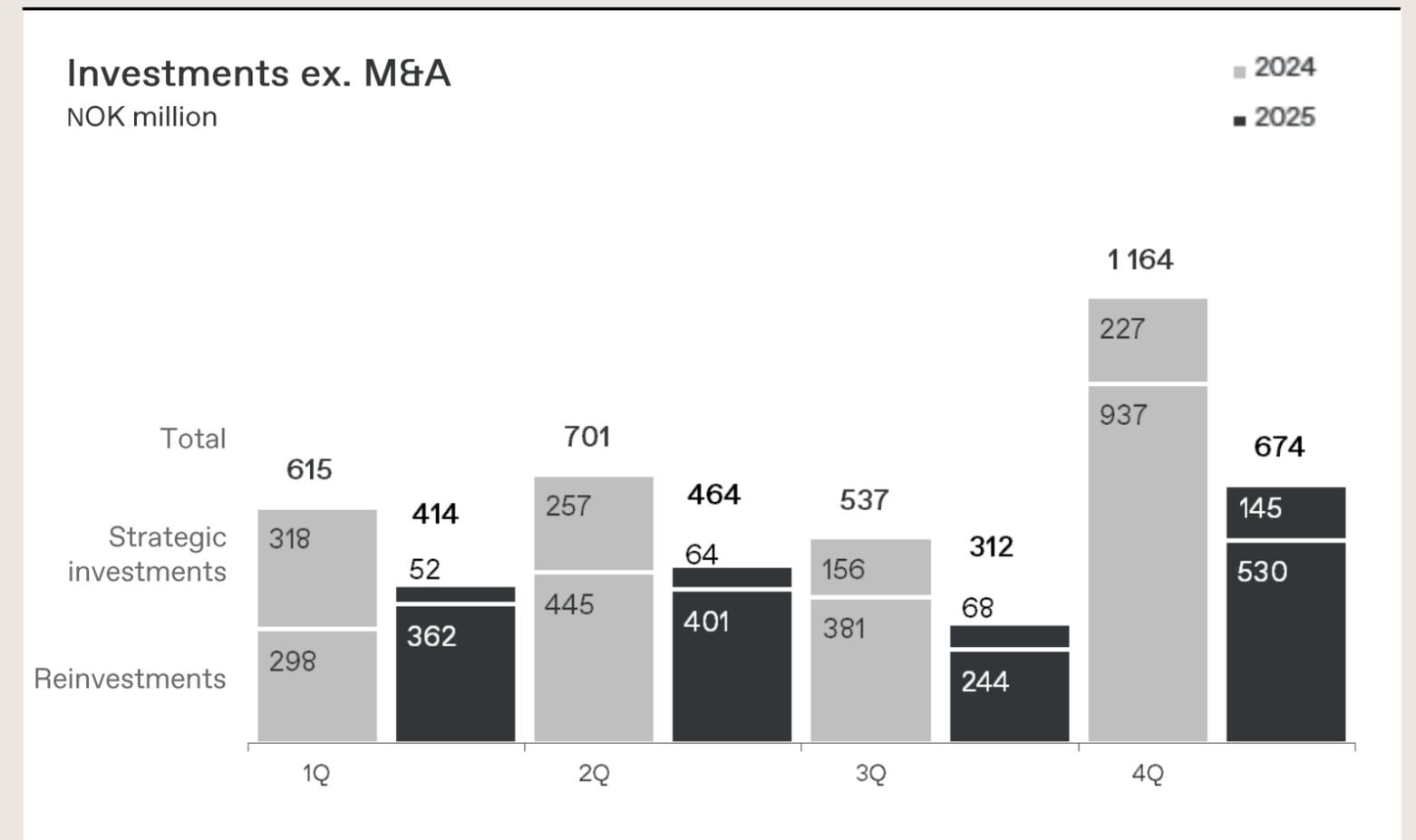
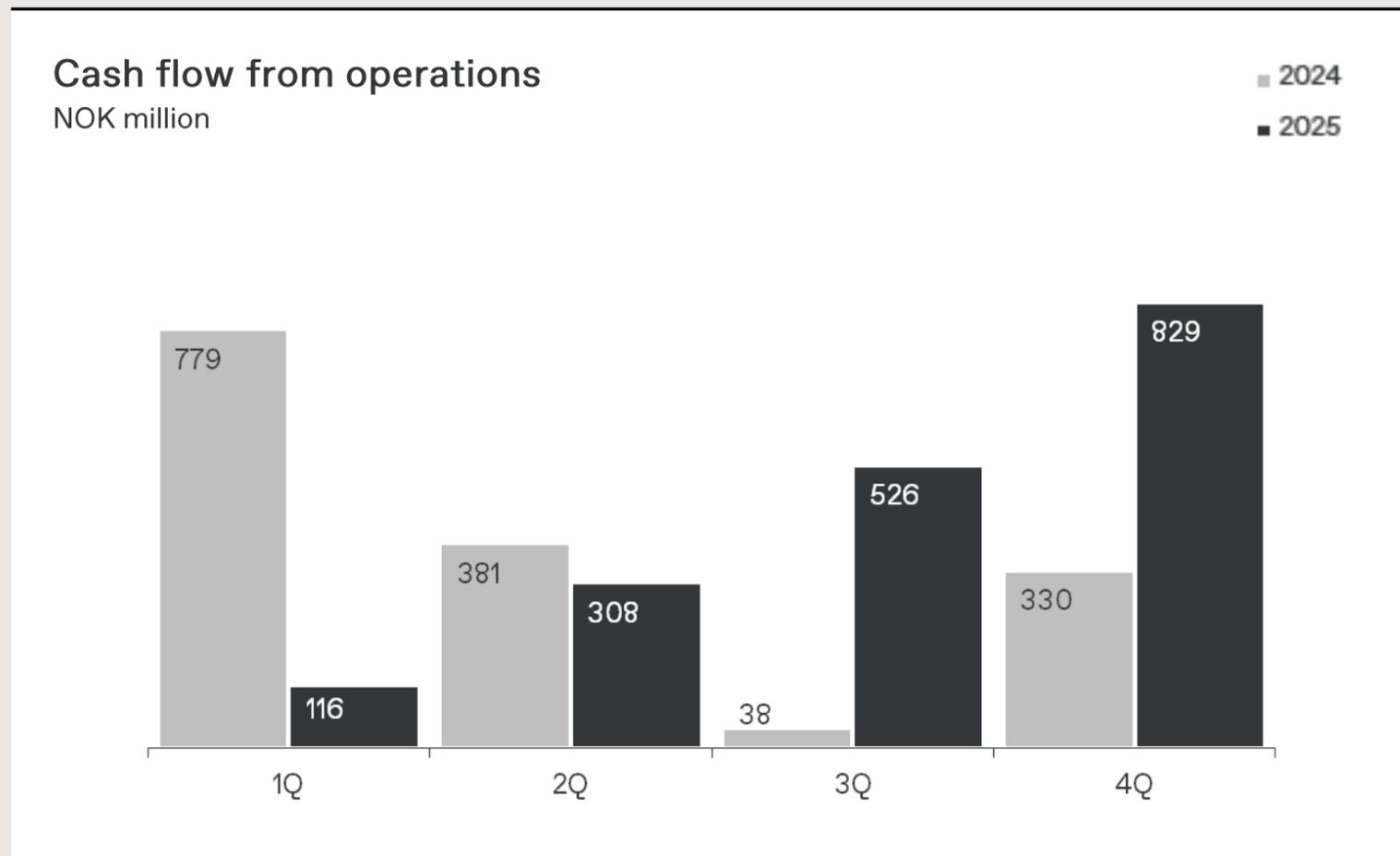
NOK billion

■ Group level ■ China loans



# Improved cash flow generation, low investment levels

- Cash flow from operations<sup>(1)</sup> was MNOK 829 in the fourth quarter 2025
  - Improved cash flow explained by lower reinvestments and positive working capital changes
- Investments ex. M&A of MNOK 674 in the fourth quarter 2025
  - Reinvestments MNOK 530, amounting to 75% of D&A
  - Strategic investments MNOK 145, related various smaller projects



# Key take-aways

- Trade regulations and protective measures are likely to continue affecting Elkem's markets. Elkem well positioned due to strong market and cost positions
- Silicon Products still facing subdued demand, but the division is benefitting from cost improvements and higher ferrosilicon prices after the implemented safeguard measures
- Carbon Solutions benefits from good cost positions and a geographically diverse customer base and is excellently positioned when market demand recovers
- Silicones delivered further profitability improvements in the fourth quarter, and is well positioned if current price levels are maintained
- The board has proposed not to distribute dividend for 2025 as the share redemption impacts Elkem's equity position

# Important notice

Any statement, estimate or projection included in this presentation (or upon which any of the conclusions contained herein are based) with respect to anticipated future performance (including, without limitation, any statement, estimate or projection with respect to the condition (financial or otherwise), prospects, business strategy, plans or objectives of the company and/or any of its affiliates) may prove not to be correct.

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