



RECSiLICON

# First Quarter 2025 Presentation

---

Kurt Levens, CEO  
Jack Yun, CFO

# Disclaimer

---

This presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. These statements and this presentation are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for REC Silicon ASA's (including subsidiaries and affiliates) lines of business. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for REC Silicon ASA's businesses, energy prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time in the presentation. Although REC Silicon ASA believes that its expectations and the presentation are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the presentation. REC Silicon ASA makes no representations or warranties, expressed or implied, as to the accuracy, reliability or completeness of the presentation, and neither REC Silicon ASA nor any of its directors, officers or employees will have any liability to you or any other persons resulting from your use.

Information contained herein will not be updated. The following slides should be read and considered in connection with the information given orally during the presentation.

REC Silicon ASA shares have not been registered under the U.S. Securities Act of 1933, as amended (the "Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Act.



A photograph of a large industrial facility, likely a refinery or chemical plant, at night. The scene is illuminated by numerous yellow industrial lights. In the foreground and middle ground, there are complex structures of pipes, valves, and metal frameworks. Several large, vertical cylindrical tanks or distillation columns are visible, some with platforms and ladders. The background is a dark blue night sky. A semi-transparent dark grey rectangular box is overlaid on the left side of the image, containing white text.

A SILICON MATERIALS COMPANY  
PROVIDING ENABLING MATERIALS  
FOR THE DIGITAL REVOLUTION AND  
ENERGY INDUSTRY

RECSiLICON



# Agenda

---

- › Highlights and Updates
- › Financial Review
- › Strategic Direction
- › Trade Policy Update
- › Summary



# HIGHLIGHTS AND UPDATES

---

# Highlights and Updates

---

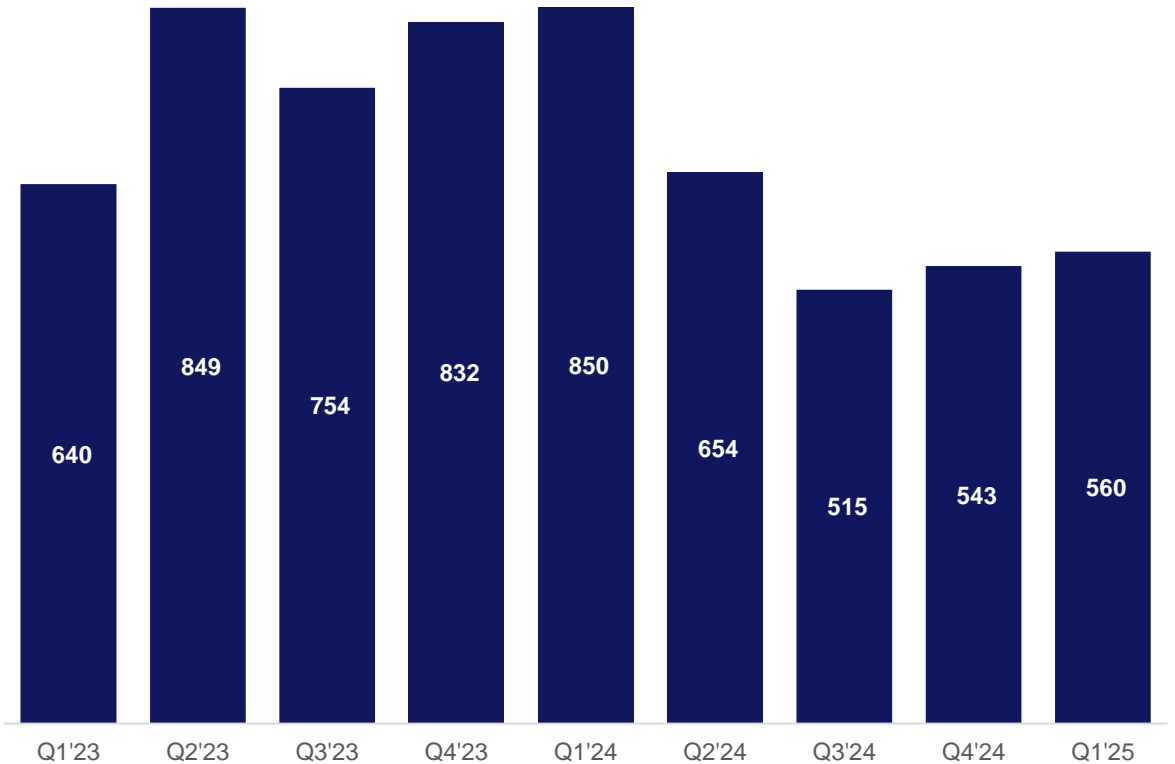
- › Major restructuring activities accomplished and ongoing
- › EBITDA loss from continuing operations of \$4.6M
- › Hanwha launched voluntary share purchase offer
- › Working on further financing options for restructuring
- › Trade actions, channel inventory and market softness continue to impact sales revenues



# Butte Silicon Gases

- › Silicon gas sales
  - 560 MT shipped in Q1'25 vs 543 MT in Q4'24
- › Silane shipments still range bound in Q1
  - SE Asia and China shipments remained limited
  - Some regions still have excess inventory
  - The main shipment regions in Q1 for all silicon gases were North America and Korea

**Silicon Gas**  
Sales Volumes (MT)



# FINANCIAL REVIEW

---



# Group Earnings

## › Revenues \$21.4M

- Silicon gas sales volume increased by 3.2% vs. Q4'24

## › EBITDA (\$4.6M)

### › Butte segment

- EBITDA of \$1.2M

### › Moses Lake segment

- Net expense of \$0.9M

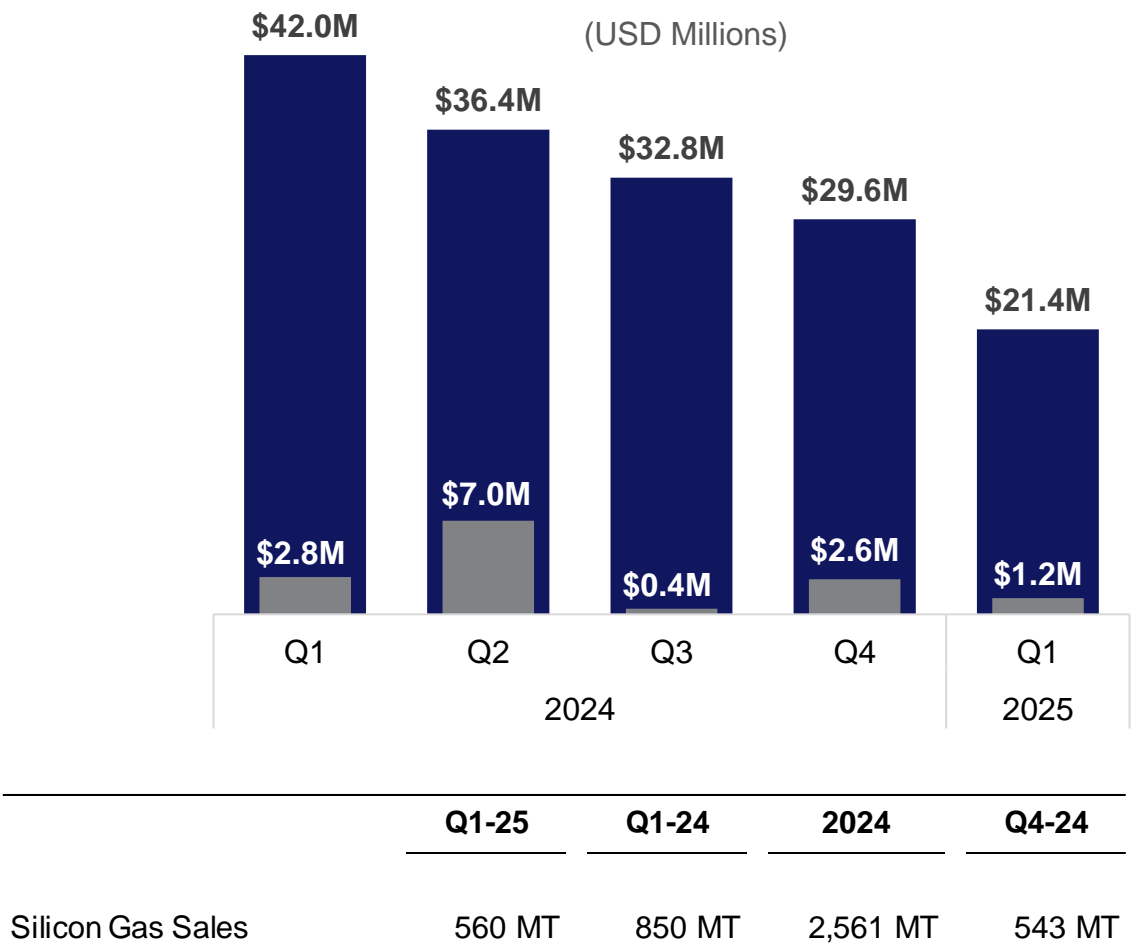
### › Other

- Net expense of \$4.9M

<i>(Millions USD)</i>	<b>Q1 2025</b>	<b>Q1 2024</b>	<b>YEAR 2024</b>	<b>Q4 2024</b>
Butte	\$ 21.4	\$ 42.0	\$ 140.7	\$ 29.6
Moses Lake				
Other	0.0	0.0	0.1	0.0
Revenues	<u>\$ 21.4</u>	<u>\$ 42.0</u>	<u>\$ 140.8</u>	<u>\$ 29.7</u>
Butte	\$ 1.2	\$ 2.8	\$ 12.9	\$ 2.6
Moses Lake	(0.9)			
Other	(4.9)	(7.5)	(30.8)	(7.9)
EBITDA	<u>\$ (4.6)</u>	<u>\$ (4.7)</u>	<u>\$ (17.9)</u>	<u>\$ (5.3)</u>
EBITDA Margin	(21.7%)	(11.2%)	(12.7%)	(17.7%)

# Butte Operations

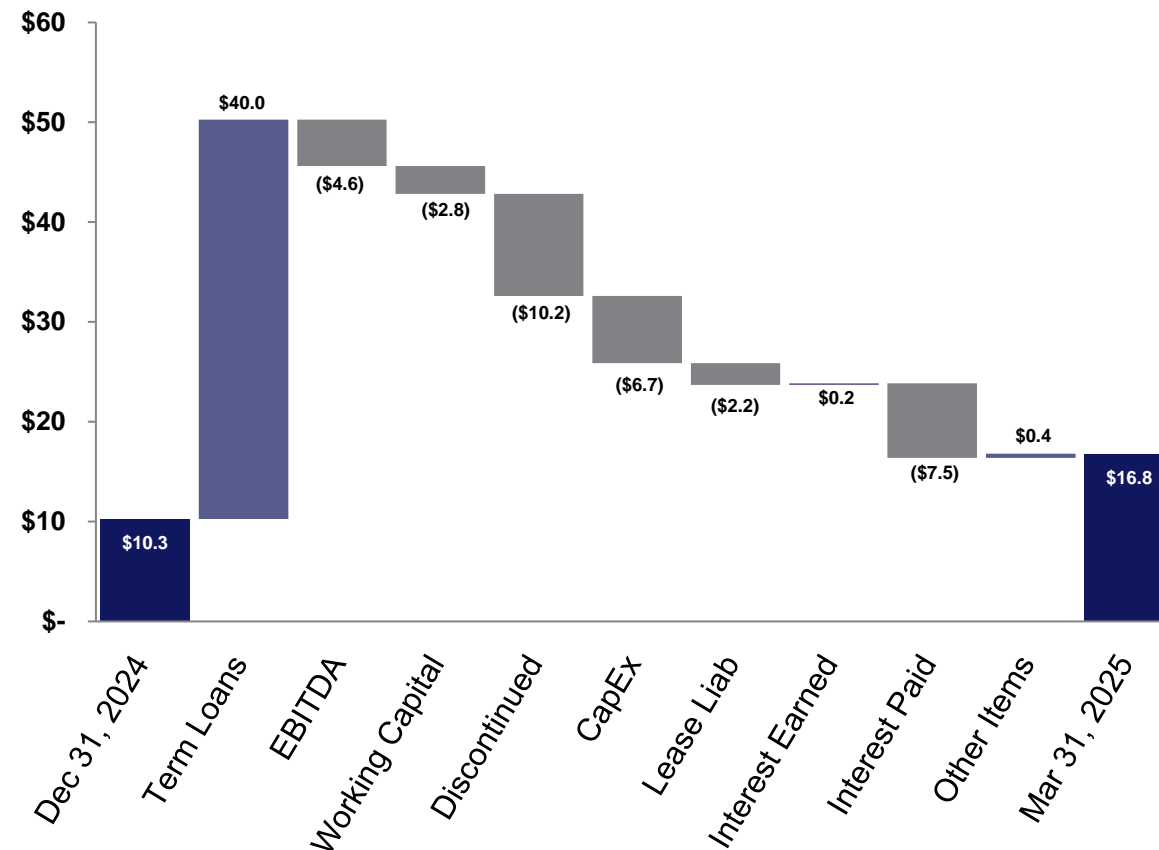
- › Revenues \$21.4M
  - 27.9% decrease in revenues vs. Q4'24
  - Silicon gas sales volume – 3.2% increase vs. Q4'24
  - Silicon gas sales price – 8.4% decrease vs. Q4'24
- › EBITDA contribution \$1.2M
  - \$1.4M decrease to EBITDA contributed vs. Q4'24
- › Completion of a fixed-price supply agreement for major raw materials in 2025 before the onset of tariff issues
  - Indirect potential tariff impacts through suppliers' supply chain partnerships, with most materials sourced domestically



# Cash Flows

- › March 31, 2025 cash balance \$16.8M
  - \$6.5M increase in cash during Q1'25
- › Cash flows from operating activities (\$24.7M)
  - (\$4.6M) EBITDA
    - \$1.3M decrease in inventories
    - \$9.5M change in receivables/prepayments
    - (\$8.0M) decrease in payables
    - (\$5.6M) decrease in provisions
  - (\$10.2) impact of discontinued operations
  - (\$8.3M) interest items
    - (\$7.5M) interest paid
    - \$0.2M interest received
  - \$0.4M other items
- › Cash flows from investing activities (\$6.6M)
  - (\$6.7M) capital expenditures
  - \$0.2M other
- › Cash flows from financing activities \$21.7M
  - \$40M proceeds from borrowing
  - (\$2.2M) payment of lease liabilities

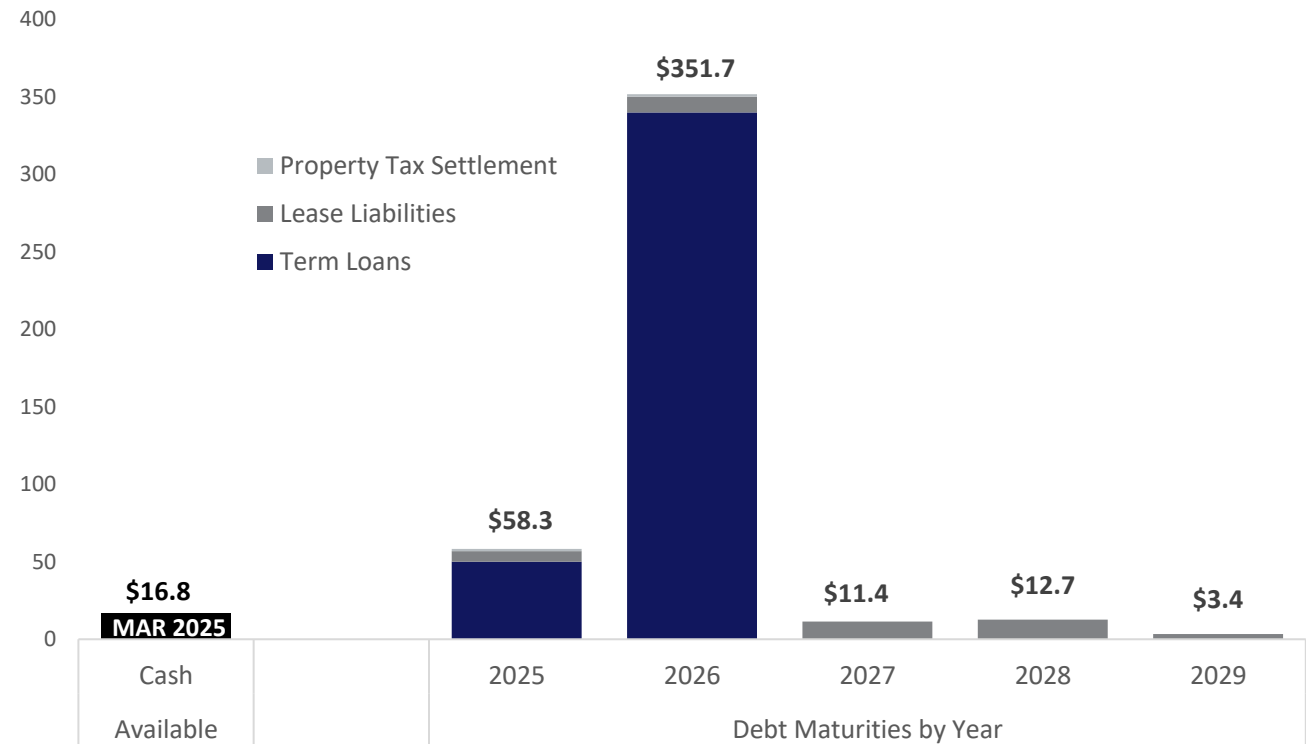
## Cash Flows (USD Million)



# Financial Position

- › Nominal debt \$456.9M
  - \$38.9M increase during Q1'25
    - \$40.0M increase in term loans
    - (\$1.1M) changes in lease liabilities
- › Nominal net debt \$440.1M
  - \$32.3M increase during Q1'25
    - \$6.5M increase in cash
    - \$38.9M change in nominal debt
- › Long term financing efforts underway
  - Term loans
  - Debt extension
  - Asset sales

## Debt Maturity Profile (USD Million)



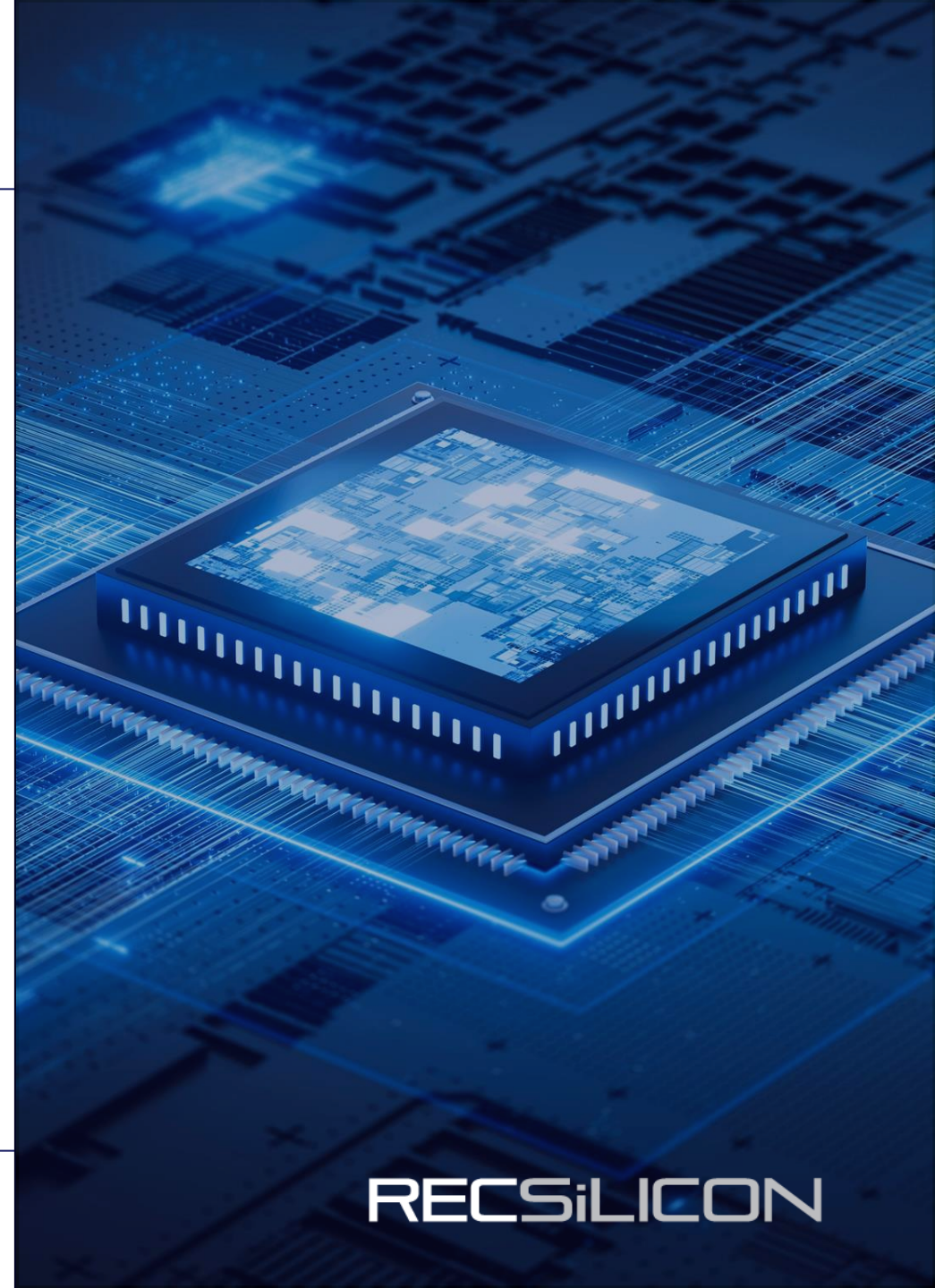


# STRATEGIC DIRECTION

---

# Update on 2025 Initiatives

- › Most reshoring projects are experiencing delays
  - Trade action, policy uncertainty and market concerns
  - New SEMI Fab startups pushed out
  - New construction and startup of PV Cell Fabs delayed
  - Startup and ramp-up of Silicon Anode material makers delayed
- › Activity and targets
  - Clean-out work in Moses Lake completed March 2025 with an actual cost of \$10.2M as a discontinued operation and the severance payment of \$5.6M in Q1
  - Workforce end of 2024 – 468; End of 2025 estimate - 245
  - Moses Lake's target EBITDA -\$13.0M in 2025
  - Silicon gas shipment target 580MT in Q2 compared with 560MT in Q1
  - SG&A target \$20M in 2025 compared with \$32M in 2024



# Voluntary Cash Offer to Acquire All Shares of REC Silicon

---

## The Offer

---

- › Anchor AS (offeror) is a newly formed Norwegian limited liability company established by the two largest shareholders, Hanwha Corporation and Hanwha Solutions Corporation, for the purposes of the Offer.
- › Offer price of NOK 2.20 per share, representing an aggregate equity value of the Company of approximately NOK 925 million (based on 420,625,659 shares outstanding).
- › Anchor AS has received pre-commitments to accept the Offer from Hanwha Corporation and Hanwha Solutions Corporation, who together hold Shares representing approximately 33.33% of the Shares as at the date.
- › The board of directors (excluding its members having a conflict of interest) has unanimously resolved that it recommends the shareholders to accept the Offer.

## Rationale

---

- › In order to safeguard the future of the Company and retain remaining Shareholder values, the best viable path for the Company is to be taken into private ownership through a delisting from the Oslo Stock Exchange.
- › In order to provide the other Shareholders with an opportunity to exit their investment, the Offer will allow the Shareholders to tender their shares at a premium to recent trading prices.
- › The main objective is to seek the continuation of the Company's business operations. Anchor AS and the Hanwha group will strive to develop the business, and at the same time combine and integrate the business into the Hanwha group's existing business structure.
- › The Hanwha group has confirmed its intention to financially support the Company's operations, which may include an extension of existing shareholder loans or a new bridge loan.

# TRADE POLICY UPDATE

---



# Tariff and Trade Impacts

- › Primary countries purchasing silicon gases
  - United States – Incremental growth but need big projects online
  - Europe – Currently stable
  - Taiwan – Thus far minimal impact
  - South Korea – Thus far minimal impact
  - Southeast Asia – Was already impacted due to AD/CVD cases; now limited
  - China – Materially reduced for our products at this time
- › Ongoing trade reviews
  - Semiconductors
  - Critical minerals
  - Solar
  - Batteries/Graphite
- › Overall expected impact is slower growth in key markets, including the US



# SUMMARY

---

# Summary

- › Significant progress made towards cost reduction and restructuring efforts
  - Moses Lake now in safe and recoverable mode
  - Work continues towards reducing legacy cost
- › Q2 silicon gases shipment target 580 MT
  - Includes estimated adjustment for tariff effects
- › Direction and opportunity remain in place however timing becomes more uncertain
  - Project delays affect contract awards, qualification and first deliveries
- › Long term financing options are still in progress







Thank you.

---

MADE IN USA

DOT-SP 14453  
DOT-SP 14977

REC Silicon ASA  
Q2 2025  
August 7, 2025



RECSiLICON



**REC Silicon ASA**

Lysaker Torg 5, 3 etg.  
PO Box 63 1324 Lysaker  
Norway

Phone +47 407 24 086

**About REC Silicon**

REC Silicon is a global leader in silane based high purity silicon materials. We combine 40 years experience and best-in-class proprietary technology to deliver on customer expectations. Our two U.S. based plants have a combined production capacity of more than 30,000 MT of high purity silane gas. Our Signature Silane® based products are used in everyday quality of life technologies, emerging technologies, cutting edge power and memory devices, high-voltage transmission, as well as renewables. REC Silicon is headquartered in Lysaker, Norway and listed on the Oslo stock exchange under the ticker: RECSI.

For more information, go to: [www.recsilicon.com](http://www.recsilicon.com)