

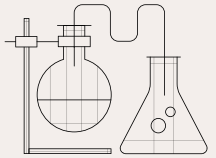


SEB Nordic Seminar 2024 Copenhagen

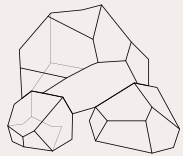
8 January 2024

We are Elkem

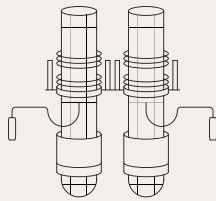
Advanced silicon-based materials shaping a better & more sustainable future



Silicones



Silicon Products



Carbon Solutions



Elkem celebrating its 120 years anniversary

- Elkem celebrates its 120 years anniversary in 2024, having grown from a Norwegian industrial start-up into a position as one of the world's leading providers of advanced silicon-based materials
- Elkem started as a Norwegian company founded in 1904 by Sam Eyde, representing strong industrial traditions and continuous improvement
- The chemical business in France was integrated in 2015 adding a strong culture for specialisation, innovation and R&D
- Our presence in China was significantly expanded in 2018, adding to the dynamic and agile business perspective, and positioning for the Asian market

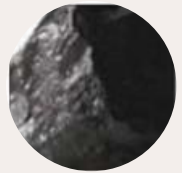


Sustainable business model – well positioned for the future

Low-cost sustainable input factors



Quartz



Coal



Biocarbon



Power

High temperature/chemical production processes



Silicones



Silicon, ferrosilicon, foundry products and microsilica



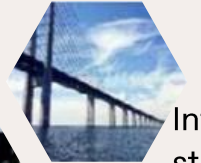
Carbon solutions

Examples of high value applications and markets

Wind turbines



Infrastructure



Airbags



Solar



Automotive EV



Electronics



Cooking, utensils



Release coating



Financial figures LTM September 2023



Total operating income

NOK 37.5 bn.



EBITDA

NOK 5.0 bn.



EBITDA margin

13 %



Head office in Norway

31 plants worldwide



Employees worldwide

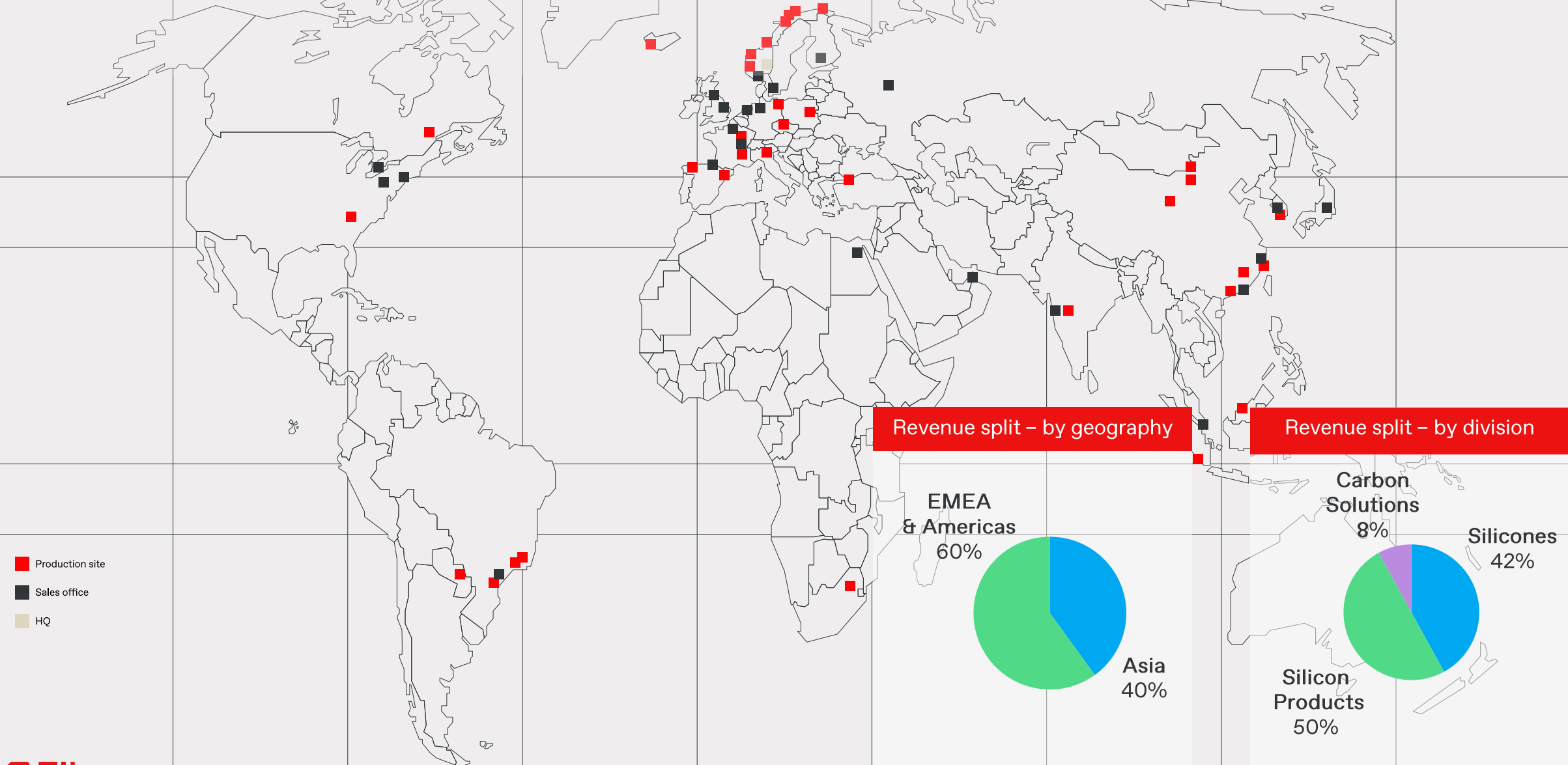
~ 7,300



R&D centres in Norway, France and China

>600 R&D people

Elkem's portfolio is well-balanced



Strategy remains firm - dual-play growth & green leadership

Profitable growth:
Top 3 in silicones worldwide
Number 1 in silicon products and carbon solutions in the West

Dual-play growth
→ Balanced between geographic regions (East & West)
→ Balanced across the value chain (Upstream & Downstream)



Green leadership
→ Strengthening position as best in the industry on low CO₂
→ Growing supplies to green transition & creating green ventures

Silicones

- Balanced geographical growth
- Improve cost position
- Higher degree of specialisation

Silicon Products

- Selective growth
- Secure leading cost positions
- Lower carbon emissions

Carbon Solutions

- Selective growth in West
- Sustainable low-cost position
- Preferred supplier with high quality

We are Elkem

Advanced silicon-based materials shaping a better & more sustainable future

Growth
>5% per year

EBITDA
>15% per year

Reduce CO₂
-28% 2020-31

Net zero
By 2050

Strong ESG focus and performance



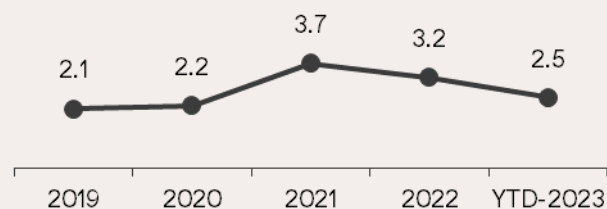
Green leadership

- Elkem's ESG report rated A+ by Position Green's assessment of the 100 largest companies on OSE. A+ is awarded to the top 5%
- S&P Global has ranked Elkem's ESG performance in the top 6% for 2023
- In August, Elkem issued its inaugural green bond loan of NOK 1,000 million
- Elkem is a key supplier to the green transition with silicon defined as a critical material in EU and the US

Safety

Ambition: Zero injuries

Total injury rate (per million working hours)



Sustainability targets

39% Reduction in CO₂ product footprint by 2031



Net zero CO₂ emissions by 2050

Rated among the world's leading companies



EcoVadis: Gold rating for 2023, in the 99th percentile



A- Climate Change

A- Forests

B Water Security



S&P Global CSA: Top 94th percentile



Rated A+ for ESG reporting in 2023

Challenging macro-economic environment affecting our markets

- **Weak macro-economic sentiment ...**
 - High inflation and interest rate hikes
 - Slower than expected recovery in China
 - Weak demand and destocking effects
 - Geopolitical uncertainties
- **... is significantly impacting Elkem's market conditions**
 - DMC prices in China reached 10-year low in August 2023
 - Silicon and ferrosilicon prices in EU have fallen approximately 60% since year-end 2021



Challenging markets, signs of recovery

- Silicones markets were generally weak in 4Q-2023, but signs of demand recovery in main regions, mainly for upstream products
- Demand for most specialty grades remain low in EU and the US, due to destocking and weak macro-economic sentiment
- In China, producers take measures to counter unsustainable low prices. Operating rate was low (~74%) in 4Q-2023, and new upstream projects being cancelled
- DMC prices increased by approx. 6% on average compared to 3Q-2023, mainly driven by the supply side



DMC reference price China (KCNY/mt)



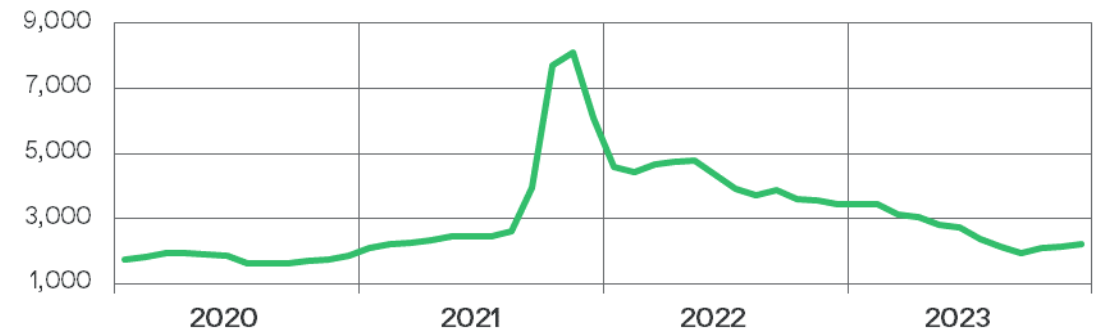
DMC reference prices are based on quotes incl. VAT and transportation. Quotes may not always reflect accurate sales prices.

Market prices bottoming out

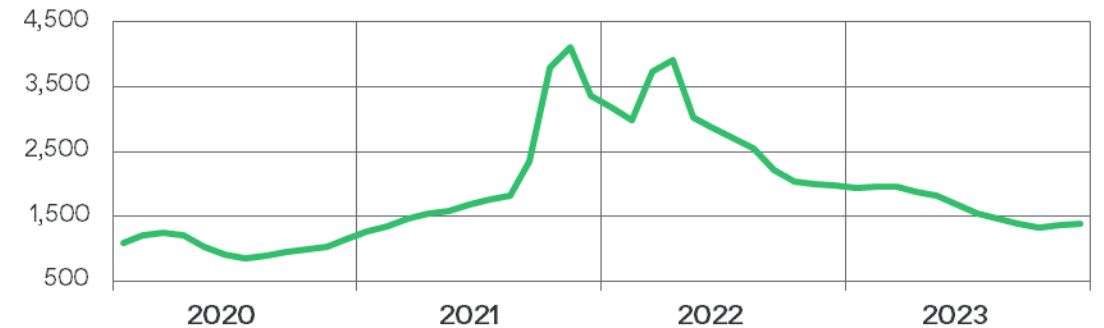
- Challenging silicon and ferrosilicon markets in EU
- Clear signs that prices have bottomed out, silicon and ferrosilicon prices in EU started to recover 4Q-2023
- In China, silicon prices were stable in 4Q-2023, but increasing towards the end of the quarter, partly due to rising power costs
- Silicon exports from Asia impacted by rising sea freight prices caused by disruptions in the Red Sea



CRU silicon 99 price EU (EUR/mt)



CRU ferrosilicon 75 price EU (EUR/mt)



Results 3Q-2023 - Weak profitability due to weak markets and one-offs

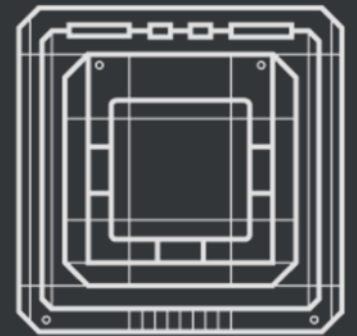
- Elkem's EBITDA was NOK 535 million in the third quarter 2023
- Still weak results for Silicones, due to depressed commodity prices and low demand in all regions
- The result for Silicon Products was negatively impacted by NOK 220 million related CO₂ compensation and inventory write downs
- Carbon Solutions delivered a good result despite of lower demand
- Elkem is taking action to address the current weak market conditions and is well positioned for demand recovery based on attractive market positions and a strong asset base



Total operating income
MNOK 7,917

EBITDA
MNOK 535

EBITDA margin
7%



Comprehensive programme for cost and capex reductions

- Elkem has introduced a comprehensive programme to counter the current challenging market conditions, particularly in Silicones
- Immediate short-term initiatives organised along several dimensions:
 - freezing new hires, organisation optimisation, reduce third party services, lowering logistics and warehousing costs
 - working capital improvements to improve cash flow
 - focus on operational efficiencies and capacity optimisation
 - review of investment plans to significantly reduce capital expenditures



2024 targets

Strategic capex reductions
More than BNOK 2.0

Ongoing and new cost
improvement programmes
BNOK ~1.5



Expanding production and improving the cost position in Silicones

- The Silicones expansion projects in France and China are expected to be finalised in 2024, according to plan
- The projects will increase the capacity in France and China by 25% and 50% respectively, consisting of high-quality siloxane for downstream specialisation
- In addition, the projects will improve the plants' cost positions, mainly through lower energy and raw material consumption
- The new production line in China is expected to be on level with the current lowest cost producers



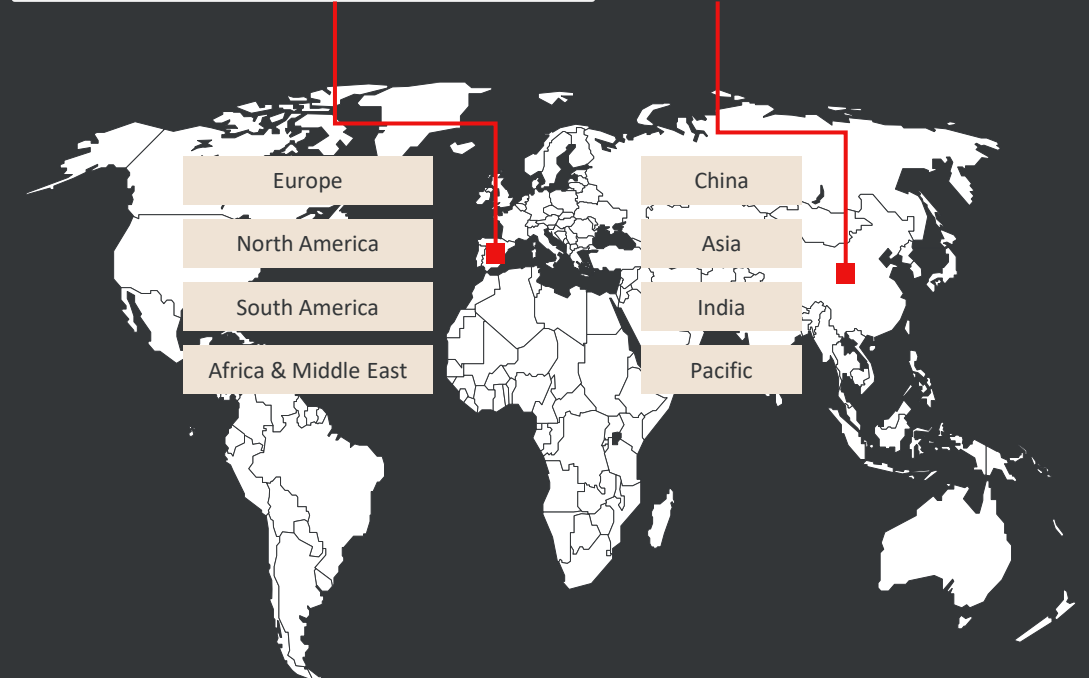
Silicones project in France

Capacity increase: +25% / +20 ktpa
Total capacity: 100ktpa
Start-up: 2H-2024
Investment ≈400 MNOK



Silicones project in China

Capacity increase: +50% / +120 ktpa
Total capacity: 360 ktpa
Start-up: 1H-2024
Investment ≈4,000 MNOK



Accelerated maintenance and improvements in Iceland

- Elkem has accelerated maintenance and improvements at the ferrosilicon plant in Iceland in the fourth quarter 2023
- One of the plant's three furnaces was out during the fourth quarter, utilising a period of low market demand to bring forward maintenance and improvement work and position for the future
- The start-up has been postponed until end of January 2024 following a notice from the national power company about the need for electricity curtailments due to low water levels in key hydropower reservoirs
- The maintenance stop was estimated to have a negative EBITDA impact of NOK 50 million in the fourth quarter



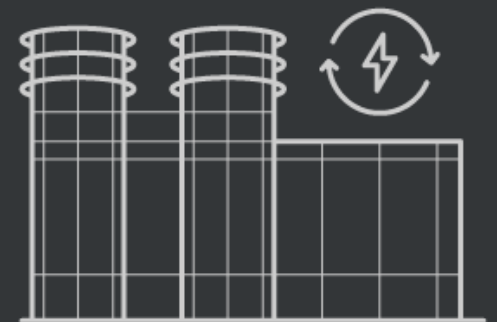
Iceland - maintenance and improvement project

Total investment amount

~MNOK 100

One furnace out

Until end of January 2024



Fire at the Salten plant

- The Salten plant in Norway was hit by a fire on 10 December 2023
- The fire started in a building housing raw materials, including carbon materials
- The fire was under control and mostly extinguished within 24 hours. No people were seriously injured
- Elkem has adequate insurance cover for property damage and business interruption



Elkem Salten, Norway

Silicon production capacity
80,000 t/pa

Production temporarily idled
Until further notice



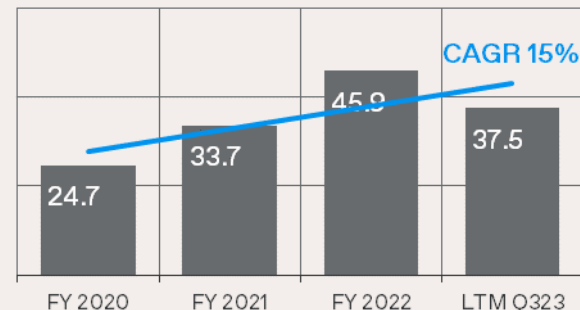
Strong results over the business cycle

- Elkem is exposed to cyclical markets such as construction and automotive. In addition, parts of the product portfolio is exposed commodity dynamics
- Operating income and results will therefore show variation through the business cycle
- Elkem's profitability is strong over the business cycle, delivering on financial targets
 - Operating income CAGR 15% vs target of >5% per year
 - EBITDA margin 19% vs target of 15 - 20%
 - Leverage ratio 1.4x vs target of 1.0 - 2.0x

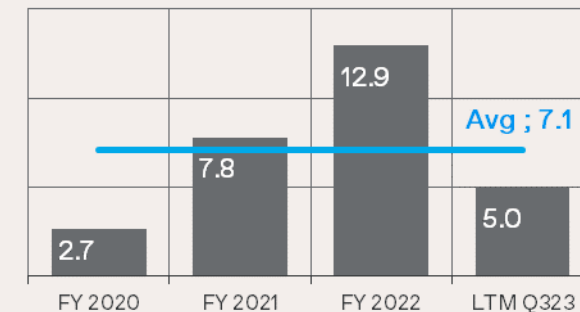


Figures in NOK billion unless otherwise stated

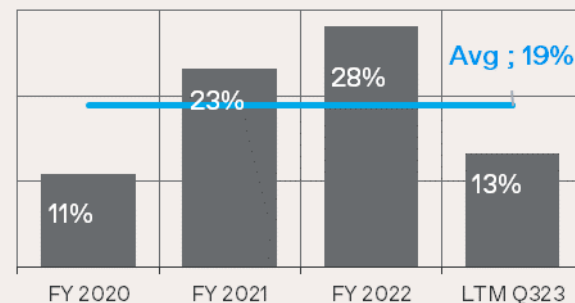
Operating income



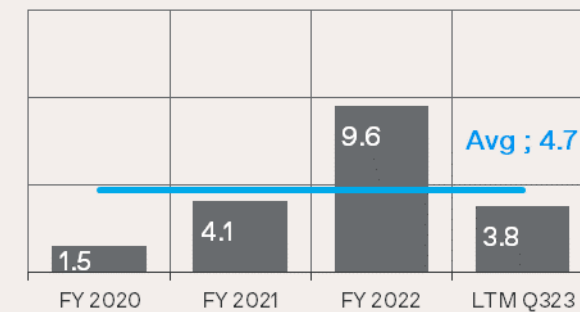
EBITDA



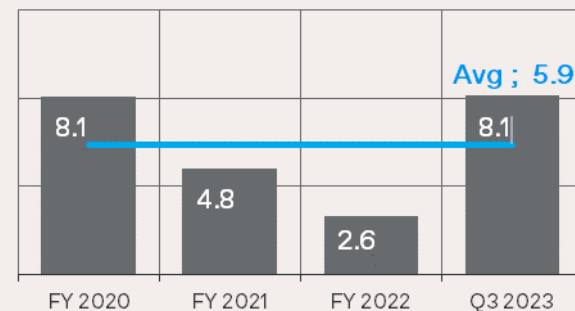
EBITDA margin



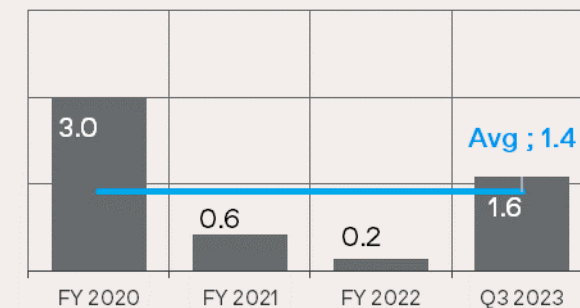
Cash flow from operations



NIBD



Leverage ratio



Summary & why invest in Elkem

- Leading global player within advanced silicon-based materials
- Strong ESG focus and performance
- Exposure to regions and end markets with strong growth prospects
- Leading cost positions
- Good financial position with solid equity and investment grade rating affirmed



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.

No representation or warranty is given as to the completeness or accuracy of any forward-looking statement contained in this presentation or the accuracy of any of the underlying assumptions. Nothing contained herein shall constitute any representation or warranty as to the future performance of the company, any financial instrument, credit, currency rate or other market or economic measure.

Information about past performance given in this presentation should not be relied upon as, and is not, an indication of future performance.





Delivering your potential