

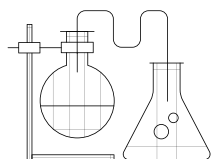


DNB - Nordic small and medium enterprises conference

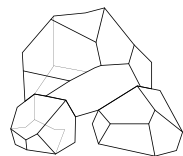
Oslo, 29 March 2023

We are Elkem

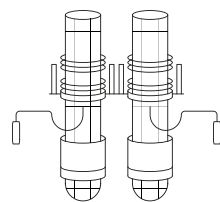
Advanced silicon-based materials shaping a better & more sustainable future



Silicones



Silicon Products



Carbon Solutions



Sustainable business model delivering record results in 2022

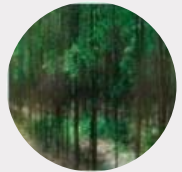
Low cost sustainable input factors



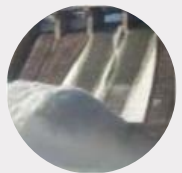
Quartz



Coal



Biocarbon

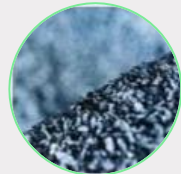


Power

High temperature/chemical production processes



Silicones



Silicon, ferrosilicon, foundry products and microsilica



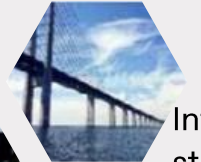
Carbon solutions

Examples of high value applications and markets

Wind turbines



Infrastructure



Airbags



Solar



Automotive EV



Electronics



Cooking, utensils



Release coating



Financial figures FY-2022



Total operating income

NOK 45.9 bn.



EBITDA

NOK 12.9 bn.



EBITDA margin

28%



Head office in Norway

30 plants worldwide



Employees worldwide

~ 7,300



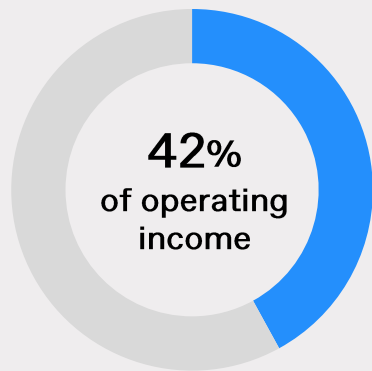
R&D centres in Norway, France and China

>550 R&D people

Elkem operates through three divisions: All with global scale, leadership positions and global footprint

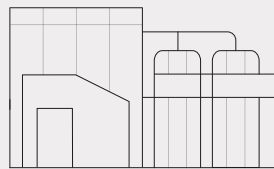
Silicones

Fully integrated silicones manufacturer with focus on specialties



End markets

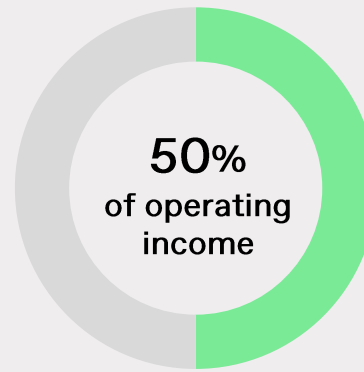
- Construction
- Automotive
- Chemical formulators
- Personal care
- Healthcare
- Paper & film release
- Silicone rubber
- Textile



14 main worldwide

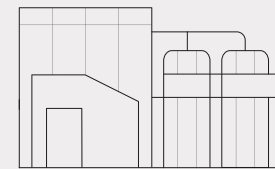
Silicon Products

Global producer and provider of silicon, ferrosilicon and specialties



End markets

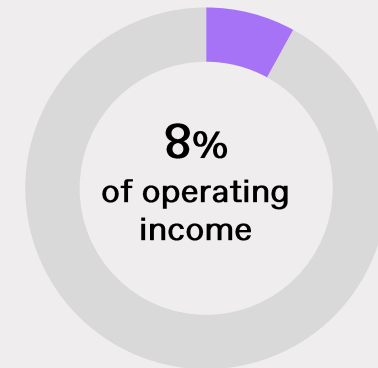
- Automotive
- Construction/industrial equipment
- Electronics
- Specialty steel
- Solar & wind turbines
- Refractories
- Oil & gas



10 main plants

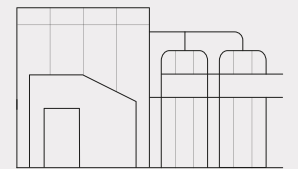
Carbon Solutions

Leading producer of electrode paste and specialty products



End markets

- Ferroalloys
- Silicon
- Aluminium
- Iron foundries



6 main plants

Dual-play growth & green leadership

Balanced strategy for changing markets

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

Elkem is committed to reduce emissions and contribute in line with Paris agreement aim of well below 2°C warming

We aim to contribute to a better climate through three key levers:



Reducing our emissions
Achieving fully climate neutral production throughout our value chain



- **By 2031:** Reducing absolute emissions* by **28%** from 2020-2031 while growing the business – delivering 39% improvement in product footprint**
- **By 2050:** Achieving fully carbon neutral production (zero fossil emissions) globally



Supplying to the transition
Providing the advanced material solutions required to enable the green transition



- **Grow supplies of advanced materials to green markets** such as better buildings, electric vehicles and renewable energy
- **Build new business in green markets** such as battery materials, biomass and energy recovery



Enabling circular economies
Enabling more circular activities in our operations, products and markets



- **Increase recycling** in our own operations
- **Increase recycling** with our customers
- **Develop the eco-design of innovative products**

* Total global fossil CO₂ emissions, scope 1 and 2

** Main products average fossil CO₂ emissions, scope 1-3

ESG – rated among the world’s leading companies



A clear focus on ESG

- Awarded double A- scores from CDP for the company’s efforts on climate and forests. Elkem also achieved a B score on water security
- Elkem has closed its first sustainability linked loan facility with KPIs on key sustainability goals
- World’s first carbon capture pilot for smelters inaugurated at Elkem in Rana, Norway



Climate Change 2022



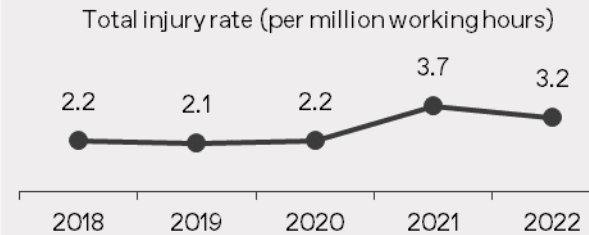
Forests 2022



Water Security 2022

Safety

Ambition: Zero injuries



Social

- Human rights impact assessment completed in 4Q-2022
- Launching of a new system to strengthen HSE work

Environmental

- Target to reduce product carbon footprint by 39% by 2031
- > 80% of electrical consumption from renewable energy

Governance

- 45% of revenue in 2022 defined as EU Taxonomy eligible
- Finalised physical climate risk assessment according to TCFD

Dual play growth & specialisation

Meet attractive customer growth in key geographies

- Landmark investments underway on upstream capacity on both Elkem's Eastern & Western silicone manufacturing chains
- Build a competitive upstream capacity supporting downstream expansion by 2024
- Upstream additional capacity consumed by downstream internal projects with a dynamic portfolio



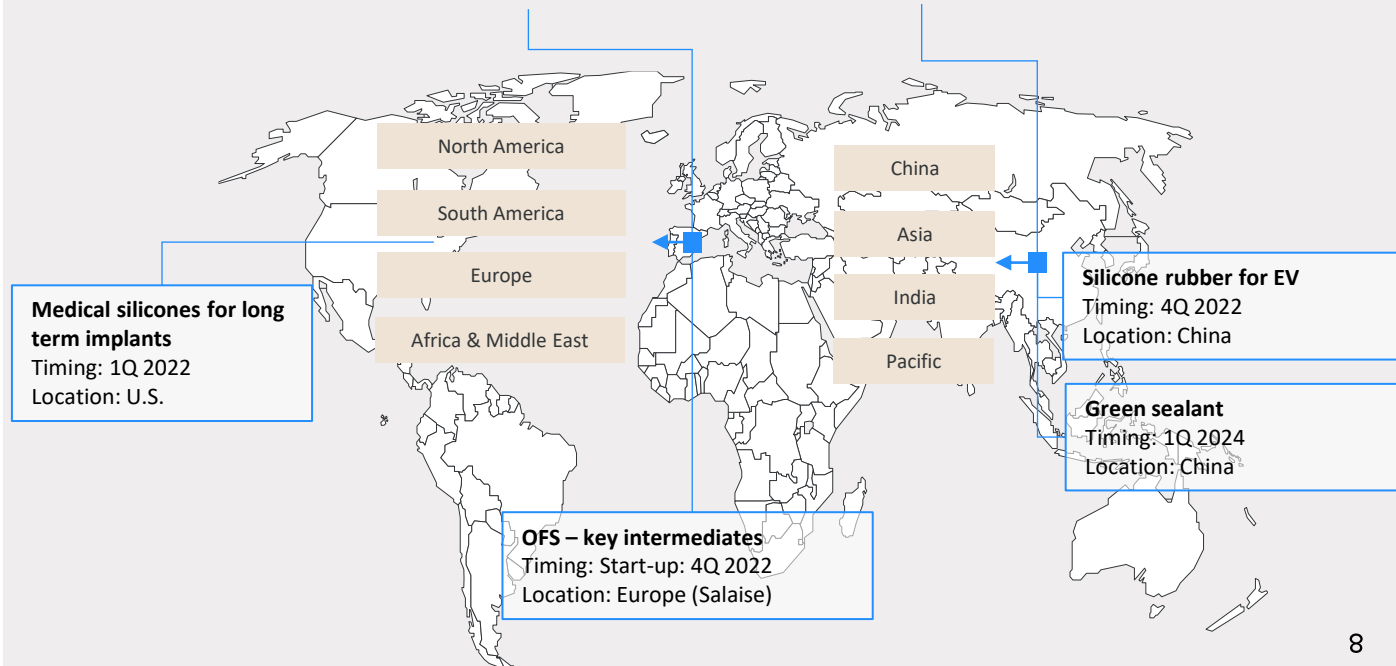
Roussillon capacity increase

Capacity increase: +25% / +20 kt pa
Start-up: H2 2023
2025: 100 kt pa (full capacity)
≈360 MNOK
EBITDA Margin >20%



Xinghuo capacity increase

Capacity increase: +50% / +117 kt pa
Start-up: H1 2024
2026: >350 kt pa (full capacity)
≈3,800 MNOK
EBITDA Margin >35%



Dual play growth & specialisation

Serving attractive end-markets with advanced technologies



Dual play growth & specialisation

Investing in Brazil to expand attractive business

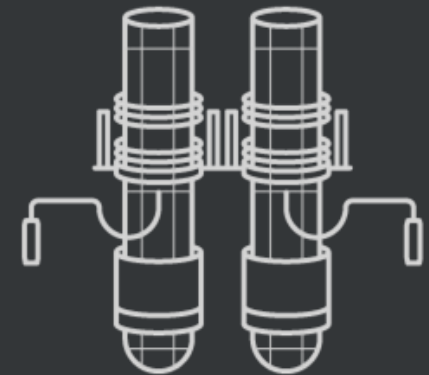
- Elkem will expand its production capacity for pitch in Brazil
- This is an example of Elkem's dual strategy with focus on diversified geographical growth across the value chain
- Pitch is based on by-products from the steel industry and is both a raw material in the electrode paste production and an end-product sold to external customers, mainly to the aluminium industry
- The increased production of high-quality pitch will mostly be supplied to a major customer on a long-term contract



Investment amount
MNOK 200

Capacity increase
40%

Additional annual sales
> MNOK 300



Competitive edge due to low cost and superior customer offering



Raw materials

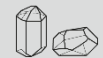
EBITDA cost



Power
(~35%)

→ Low cost hydro power

→ Captive quartz mines



Quartz
(~10%)

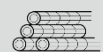
→ In-house biocarbon development



Reduction agents
(~20%)

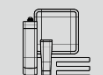
→ CO₂ quotas covering 75% of ETS

→ Captive electrodes



Electrode
(~10%)

→ Long term relationships and broad supplier base



Other
(~25%)

→ Global sourcing team with strong presence in China



Plants

→ Operational excellence and economies of scale

→ Low carbon footprint

→ Energy recovery (up to 30% of where installed)

→ Attractive product mix and high value microsilica

→ Attractive locations/ logistics

→ Market access/ proximity



Customers

→ Strong brand and long-term relationships

→ Deep application knowledge, patents and technical Customer Support

→ Security of supply and ability to complement with external sourcing

→ # 1 markets positions in foundry alloys, microsilica and high purity grades



End markets

→ Well positioned to benefit from higher sustainability requirements

→ Delivering high quality materials to the green transition

→ Reliable producer serving demanding customer requirements

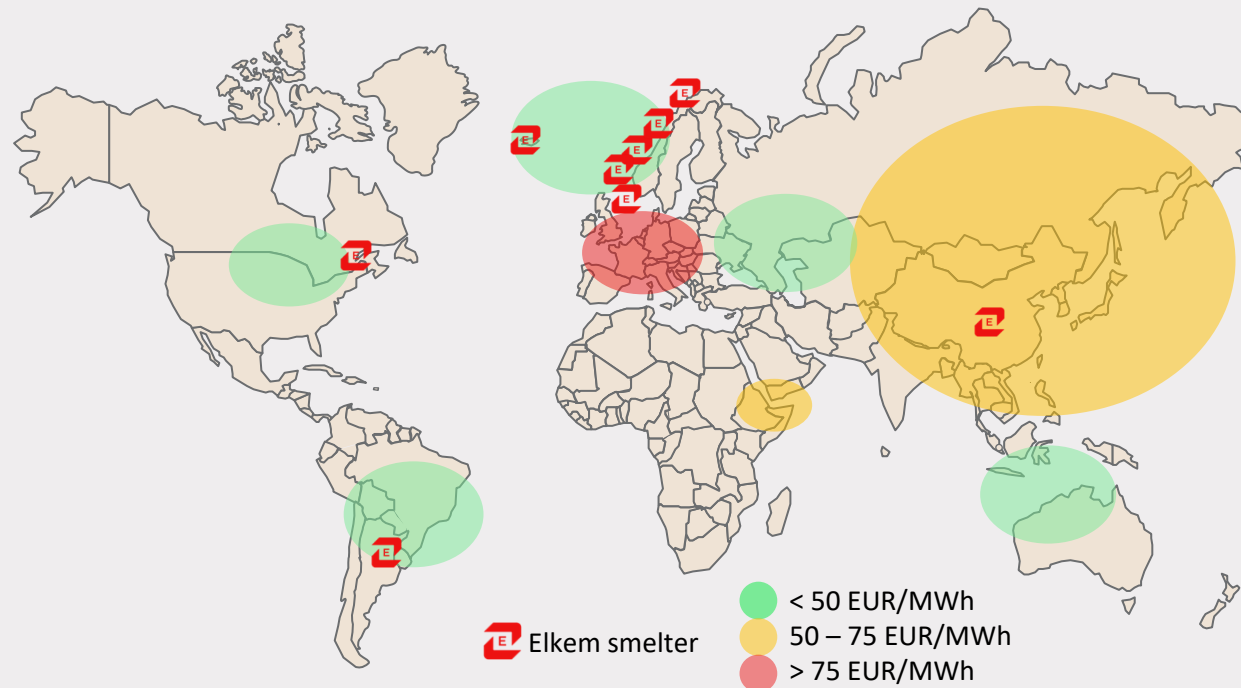
→ Strong long-term relationships with leading industry players

Silicon Products – secure leading cost positions

Competitive advantage with its unique geographic footprint

- European energy prices have come down over the past month, but forward prices still at a high level in a historical context
- A majority of the global production takes place in regions with medium to high energy price levels
- Elkem benefits of its unique global footprint and renewable energy exposure
- Elkem is well-positioned with long-term power contracts securing electricity supply in Norway at competitive rates

Heat map – estimated power prices



Production volumes for silicon and ferrosilicon in 2022 (% of total)

Regions	Silicon	Ferrosilicon
EU	3.9 %	1.8 %
Norway & Iceland	6.6 %	3.6 %
North America	4.5 %	2.3 %
South America	5.9 %	4.5 %
China	74.5 %	72.5 %
Asia Pacific	3.5 %	5.0 %
Russia & Central Asia	1.0 %	7.9 %
Rest of the world	0.1 %	2.4 %
SUM	100.0 %	100.0 %

Weak silicones markets

- Market sentiment for silicones still weak
- Demand and prices for certain speciality grades e.g. EV, healthcare and consumer products holding up quite well
- Challenging market conditions for construction and other commodity grades
- Chinese silicones market improved after Chinese New Year, but demand increase not sufficient to support a price recovery



DMC reference price China (CNY/mt)



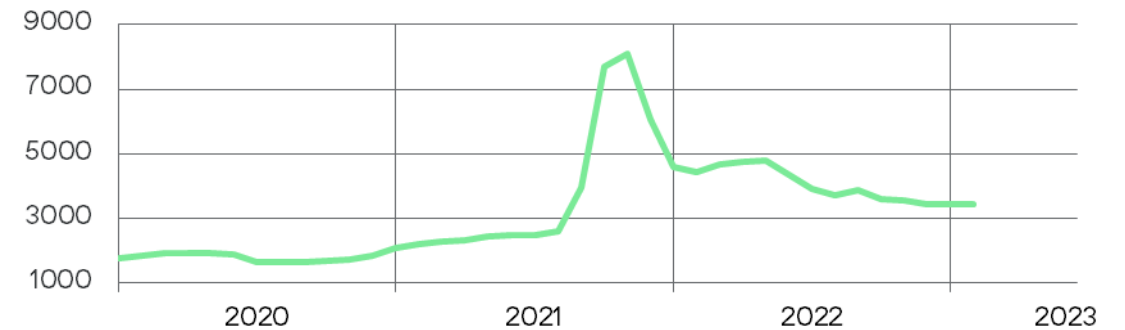
DMC reference prices are based on quotes incl. VAT and transportation. Quotes may not always reflect accurate sales prices.

Still high price levels, but slightly decreasing

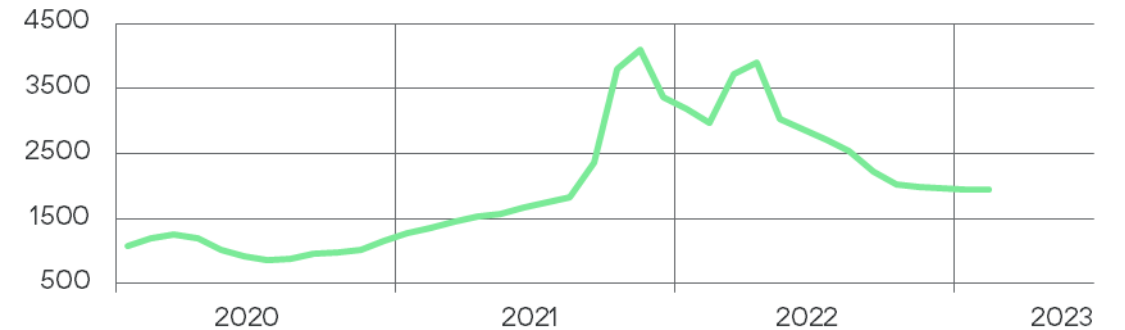
- Market prices for silicon and ferrosilicon have decreased slightly but remain at high levels
- Slow demand during the latter part of 2022 has carried over into early 2023
- Significant production capacity taken out in Europe due to energy situation



CRU silicon 99 price EU (EUR/mt)



CRU ferrosilicon 75 price EU (EUR/mt)

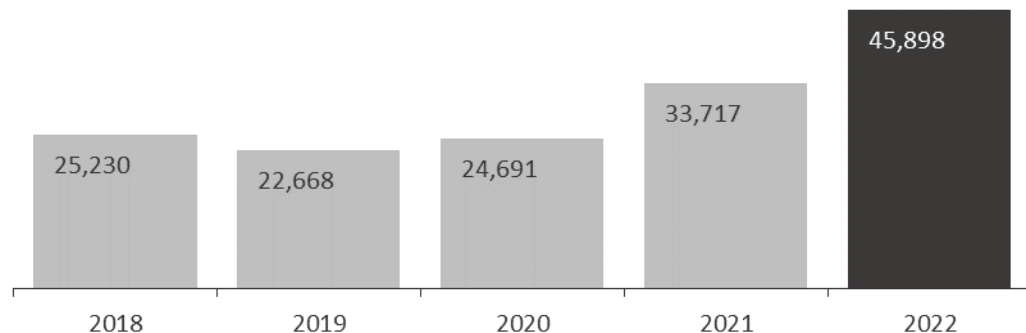


Strong growth in revenue and EBITDA

- Demonstrated robust growth in total operating income and EBITDA over the past years, with a notable CAGR of 16% and 22% , respectively, from 2018 to 2022
- Achieved record total operating income and EBITDA in 2022 due to strong operations and sales prices
- Record levels attributable to robust cost and market positions developed through continuous improvement and strategic choices
- Elkem’s access to low-cost input factors and commitment to high productivity and quality helped overcome supply chain challenges and trade restrictions

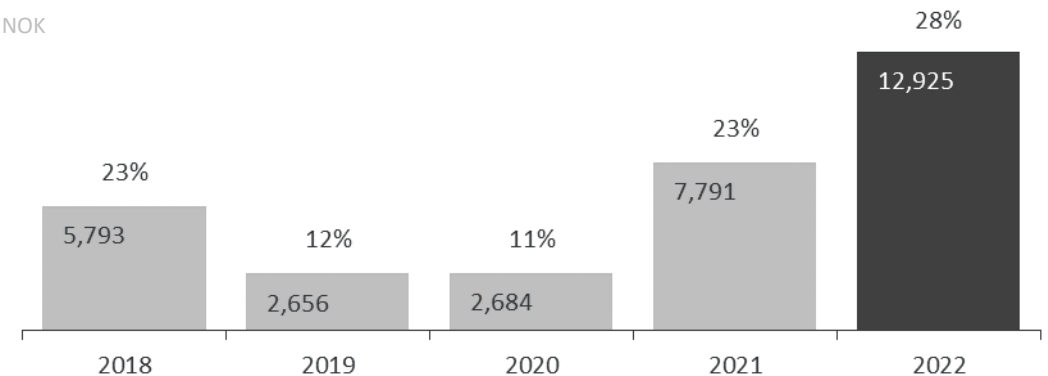
Total operating income

MNOK



EBITDA & EBITDA margin

MNOK

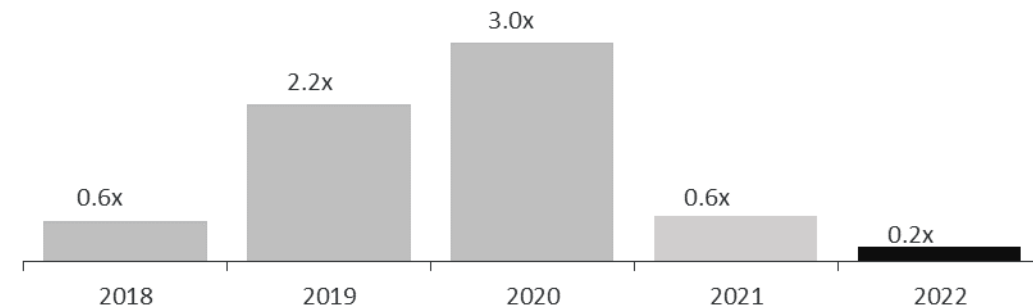


Strong financial position and predictable dividend policy

- Elkem's equity ratio improved from 47% in 2021 to 55% at the end of the year, while the leverage ratio as of 31 Dec 2022 was 0.2x, below the target of 1.0x to 2.0x over the cycle
- The solid financial position supports Elkem's potential for further growth
- Elkem intends to pay dividends reflecting the underlying earnings and cash flow and will target a dividend pay-out ratio of 30-50% of the group's profit for the year
- The proposed dividend for 2022, subject to approval from the annual general meeting in 2023, is NOK 6.00 per share, representing a dividend yield of 17% based on average share price in 2022

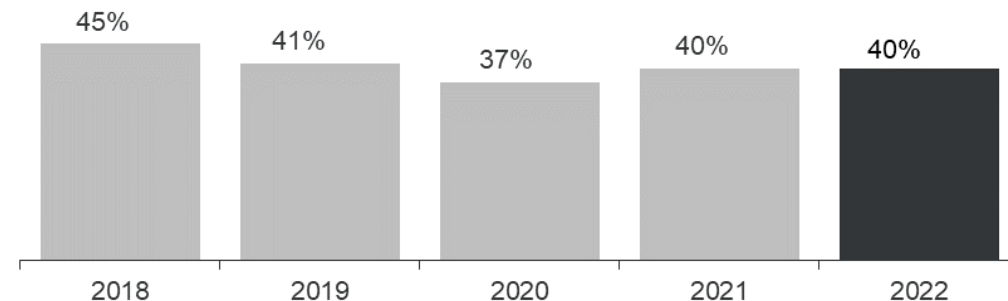
Leverage ratio

NIBD/EBITDA



Dividend pay-out ratio

%

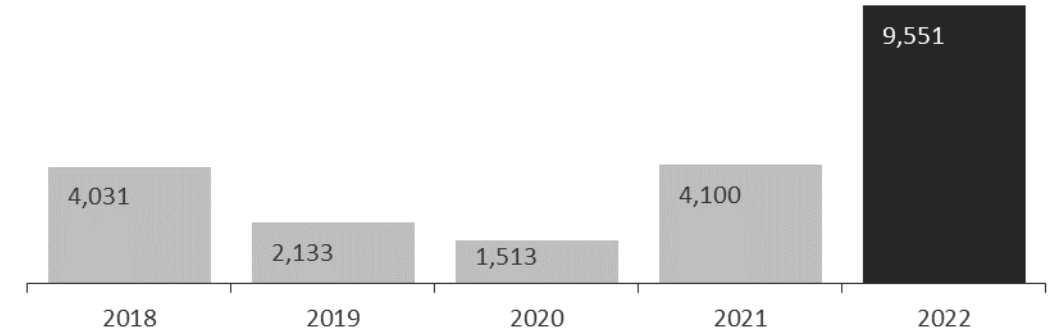


Strong cash flow generation providing solid foundation for growth

- Cash flow from operations increased significantly from NOK 4.1bn in 2021 to NOK 9.6bn in 2022, primarily due to higher operating profits
- Elkem aims to reinvest 80-90% of depreciation and amortisation (D&A). In 2022, reinvestment totalled NOK 1.7bn, which equated to 84% of D&A
- Strategic investments, excluding M&A, amounted to NOK 2.8bn in the period

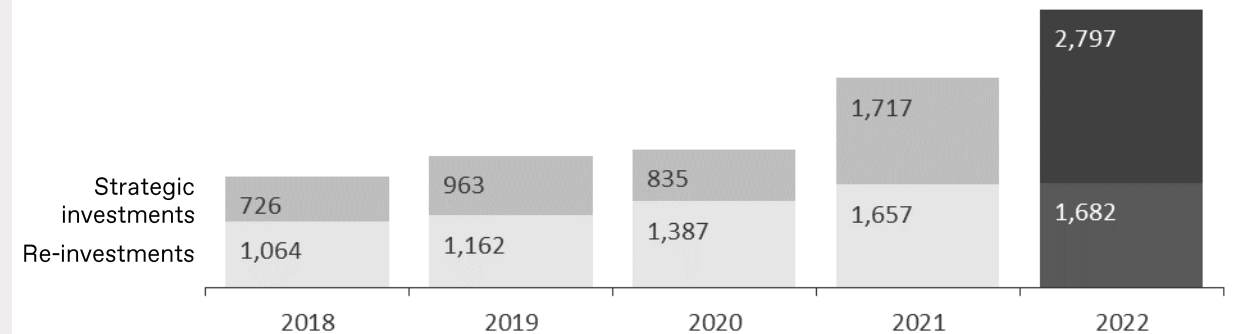
Cash flow from operations

NOK million



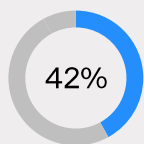
Investments ex. M&A

NOK million

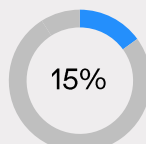


Impacted by Covid situation in China in 2022

- In 2022, total operating income reached an all-time high level of MNOK 19 288, up 11% from last year
- EBITDA of MNOK 2 022, representing an EBITDA margin of 10%
- Demand decreased towards the end of the year due to de-stocking effects and Covid in China. Specialties were holding up well



Share of operating income



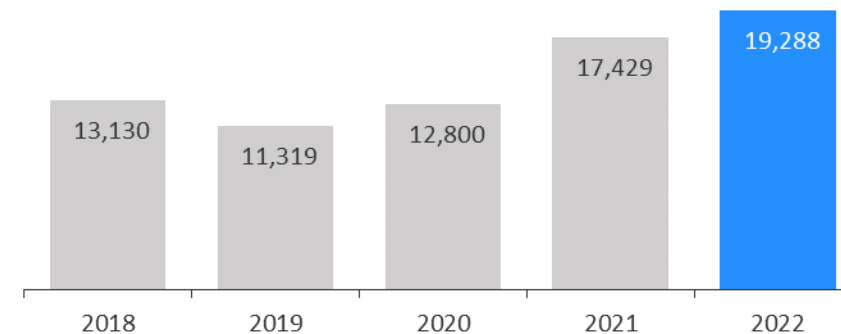
Share of EBITDA

Share of operating income FY'22 ex. Other and Eliminations

Share of EBITDA ex. Other and Eliminations

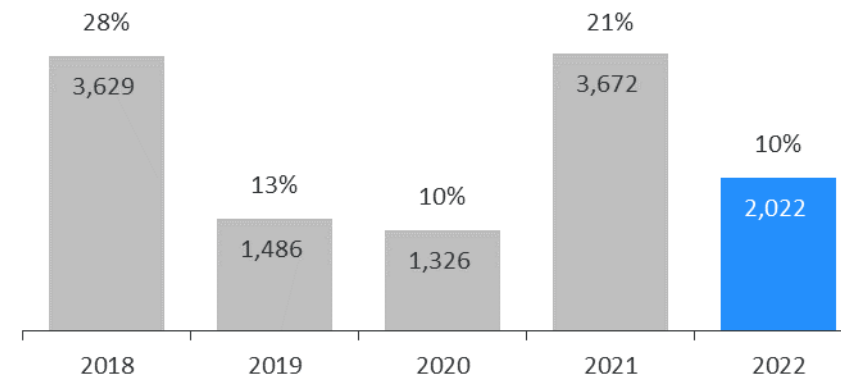
Total operating income

NOK million



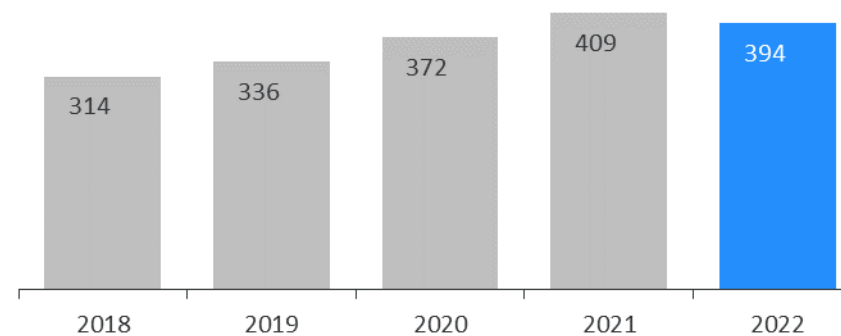
EBITDA and margin

NOK million and %



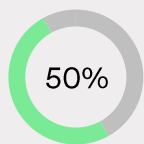
Sales volume

In 1,000 mt

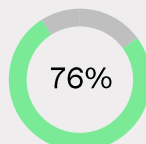


Strong performance in weak markets

- In 2022, the total operating income was MNOK 24 457 for Silicon Products, up 65% from last year
- EBITDA was MNOK 10 224, representing an EBITDA margin of 42%
- Silicon Products' sales prices were at high levels in 2022, impacted by the energy crisis in Europe and capacity curtailments among other silicon and ferrosilicon producers



Share of operating income



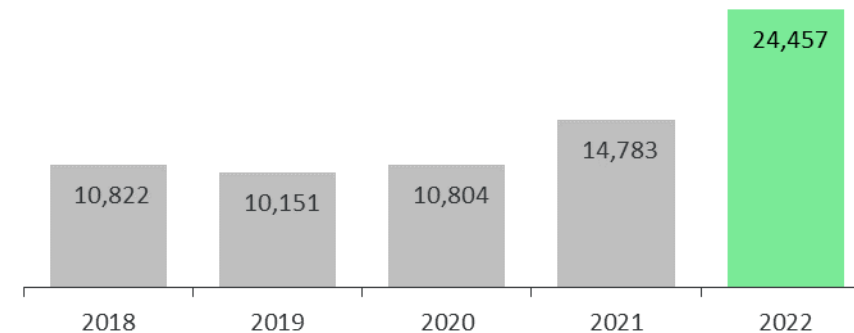
Share of EBITDA

Share of operating income FY'22 ex. Other and Eliminations

Share of EBITDA FY'22 ex. Other and Eliminations

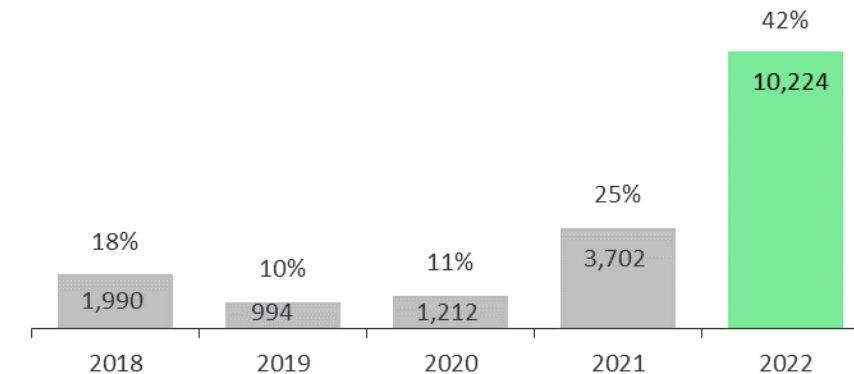
Total operating income

NOK million



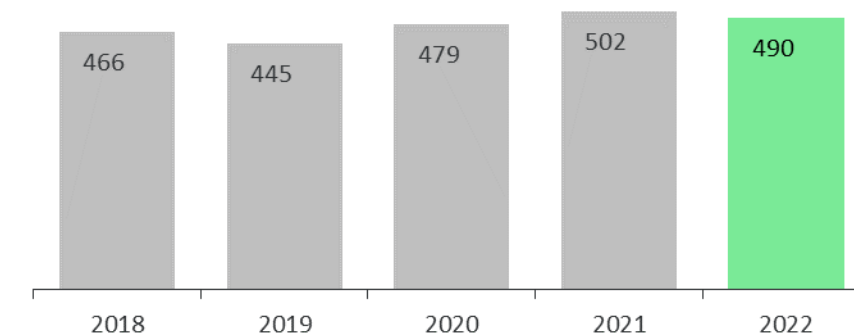
EBITDA and margin

NOK million and %



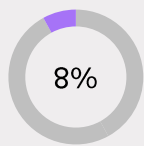
Sales volume

In 1,000 mt

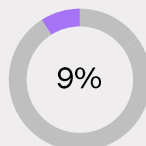


Solid results driven by strong market positions

- In 2022, the total operating income was MNOK 3 752 for Carbon Solutions, up 72% from last year
- EBITDA of MNOK 1 166, implying a margin of 31%
- Good results based on strong market positions and high-quality products



Share of operating income



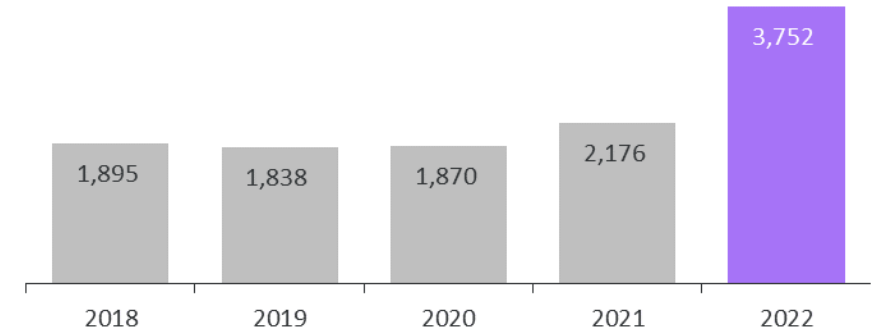
Share of EBITDA

Share of operating income FY'22 ex. Other and Eliminations

Share of EBITDA FY'22 ex. Other and Eliminations

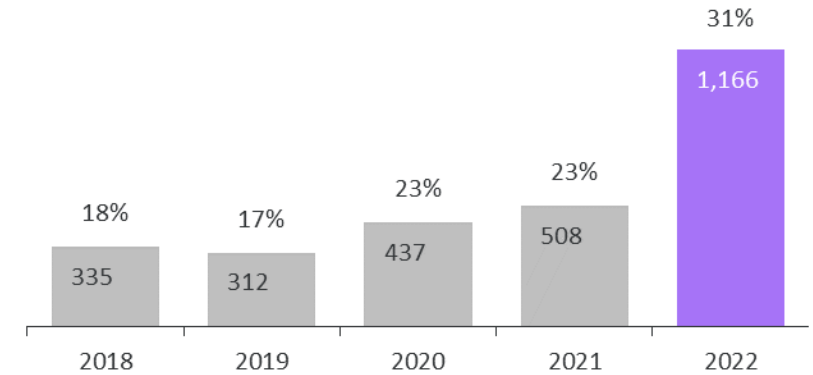
Total operating income

NOK million



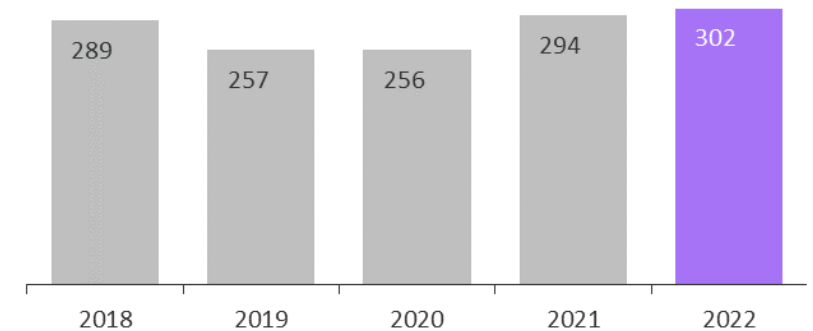
EBITDA and margin

NOK million and %



Sales volume

In 1,000 mt



Summary & why invest in Elkem

- Leading global player within advanced silicon-based materials
- Exposure to regions and end markets with strong growth prospects
- Leading cost positions
- Strong financial position with solid equity and low leverage
- Predictable and competitive dividend policy providing value creation for shareholders



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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Delivering your potential