

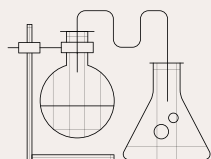


DNB Small & Medium Enterprises Conference

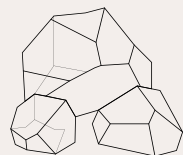
Oslo, 21 March 2024

We are Elkem

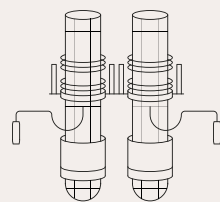
Advanced silicon-based materials shaping a better & more sustainable future



Silicones



Silicon Products



Carbon Solutions



Sustainable business model delivering good results

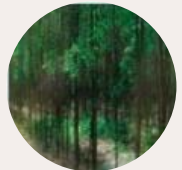
Low-cost sustainable input factors



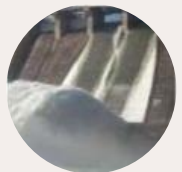
Quartz



Coal



Biocarbon



Power

High temperature/chemical production processes



Silicones



Silicon, ferrosilicon, foundry products and microsilica



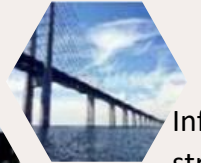
Carbon solutions

Examples of high value applications and markets

Wind turbines



Infrastructure



Airbags



Automotive EV



Solar



Electronics



Cooking, utensils

Release coating



Total operating income

NOK 35.5 bn.



EBITDA

NOK 3.8 bn.



EBITDA margin

11 %



Head office in Norway

31 plants worldwide



Employees worldwide

~ 7,400

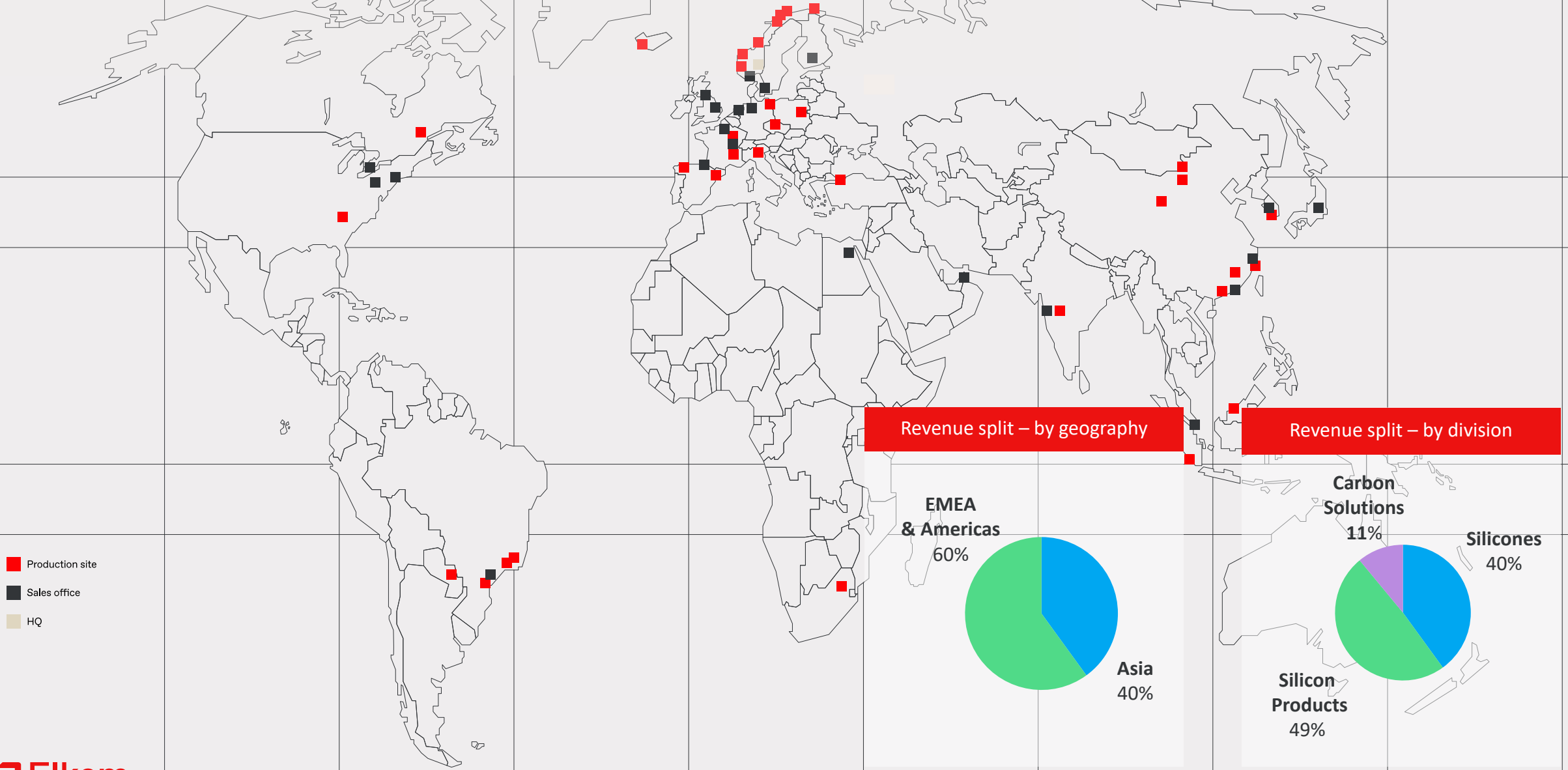


R&D centres in Norway, France and China

>600 R&D people

Financial figures FY-2023

Elkem's portfolio is well-balanced



Strong ESG performance



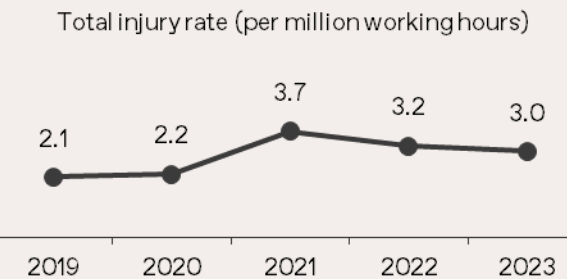
Green leadership

- Elkem has been awarded A score from CDP on Forests and A- on Climate and Water Security for 2023
- In December 2023, an agreement was reached with reindeer district 7 for the expansion of Elkem's quartz mining in Tana
- Elkem has completed the pilot for carbon capture at the Rana plant. The pilot recorded CO₂ capture rates up to 95%



Safety

Ambition: Zero injuries



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



S&P Global CSA: Top 94th percentile



Rated A+ for ESG reporting in 2023

Fourth quarter concluded a challenging year, signs of recovery in 2024

- Elkem's EBITDA was NOK 632 million in the fourth quarter 2023
- Silicones delivering positive EBITDA in challenging markets, as internal improvement programmes take effect
- Silicon Products negatively impacted by lower contract prices, maintenance stop at Iceland, and fire at the Salten plant
- Carbon Solutions with strong results despite lower demand, delivering the best full-year result ever



Total operating income

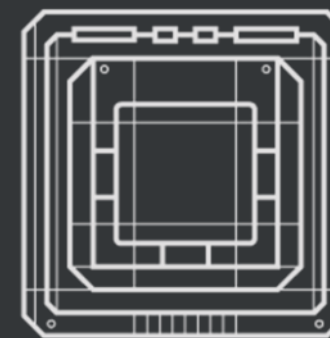
MNOK 8,436

EBITDA

MNOK 632

EBITDA margin

7%



Signs of recovery, but still significant uncertainty

- Silicones markets in China and Europe generally weak, negatively impacted by construction, and weak automotive markets in EU
- Demand for most specialty grades remain low in EU and the US, but signs of improvement
- Improved demand and higher silicones prices in China after Chinese New Year
 - DMC prices in China up 15% from year-end 2023



DMC reference price China (KCNY/mt)



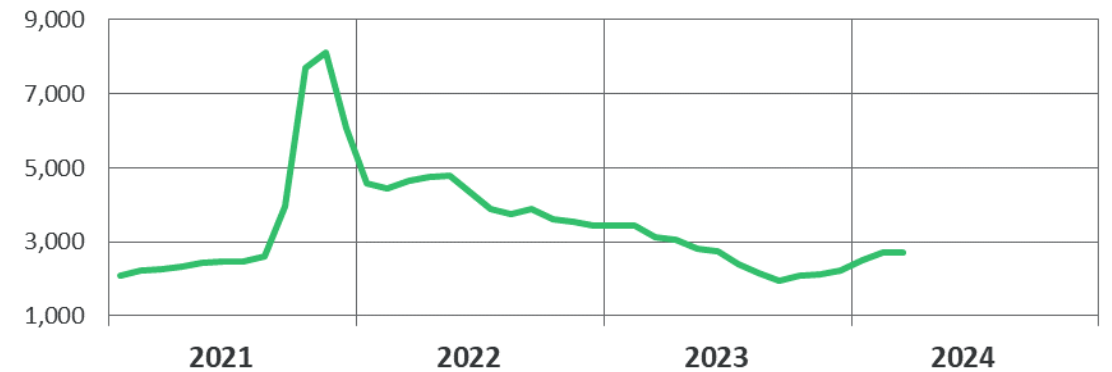
DMC reference prices are based on quotes incl. VAT and transportation. Quotes may not always reflect accurate sales prices.

Price recovery in Europe

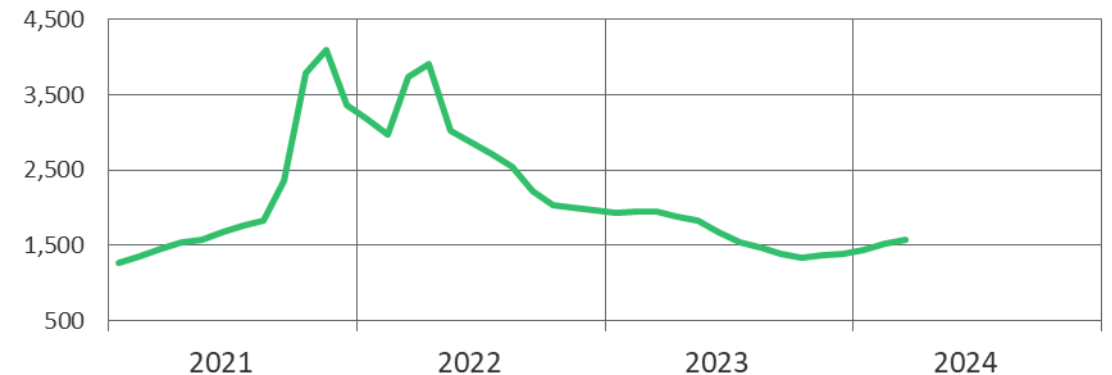
- Price recovery in Europe in 1Q-2024 despite weak market conditions
 - Silicon prices in EU up 15-20% from year-end 2023
 - Ferrosilicon prices in EU up more than 10% from year-end 2023
- In China, silicon prices are marginally down in 1Q-2024, mainly due to high inventory levels
- Silicon exports from 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)

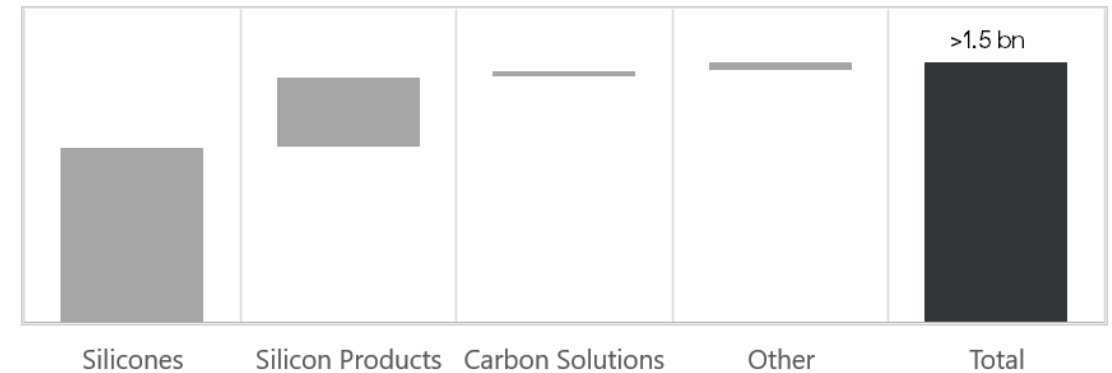


Comprehensive programme for EBITDA improvements and capex reductions

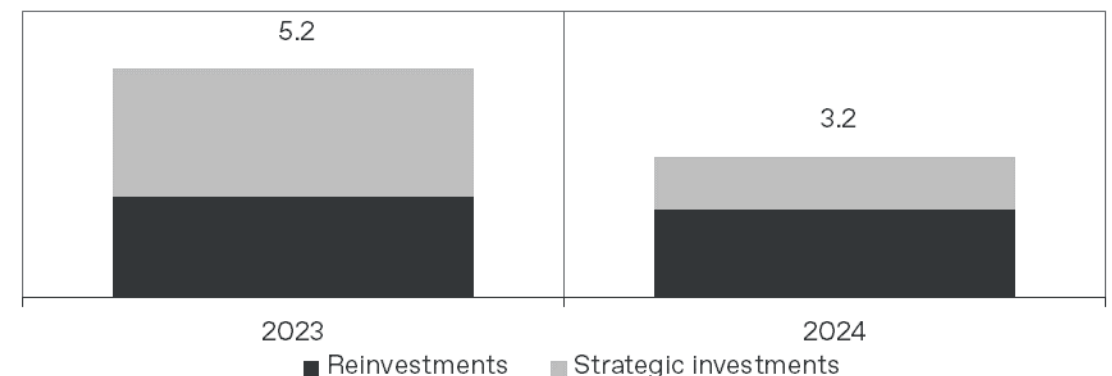


- Elkem has introduced a comprehensive programme to counter the current challenging market conditions, particularly in Silicones
- The target is to improve EBITDA by > BNOK 1.5 in 2024. The initiatives are organised along several dimensions:
 - Sales and product value improvements
 - Reduce raw material costs by sourcing of cheaper materials
 - Operational improvements and streamlining production structure
- The target is to reduce capex by > BNOK 2.0
 - Reinvestment within target range of 80-90% of D&A
 - Strategic capex reduced to approx. BNOK 1.2, mainly related to ongoing Silicones and Carbon Solutions projects

EBITDA improvements – Target 2024 > BNOK 1.5



Capex reductions – Target 2024 > BNOK 2.0



Expansion projects according to plan, improving cost positions in Silicones

- The Silicones expansion projects in France and China will be finalised in 2024, according to plan
- In China, the project has reached mechanical completion. Commercial production expected to start in April and reach 65 kt in 2024, generating a potential revenue of NOK 1.5 billion
- In France, project completion is expected in October 2024
- These 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



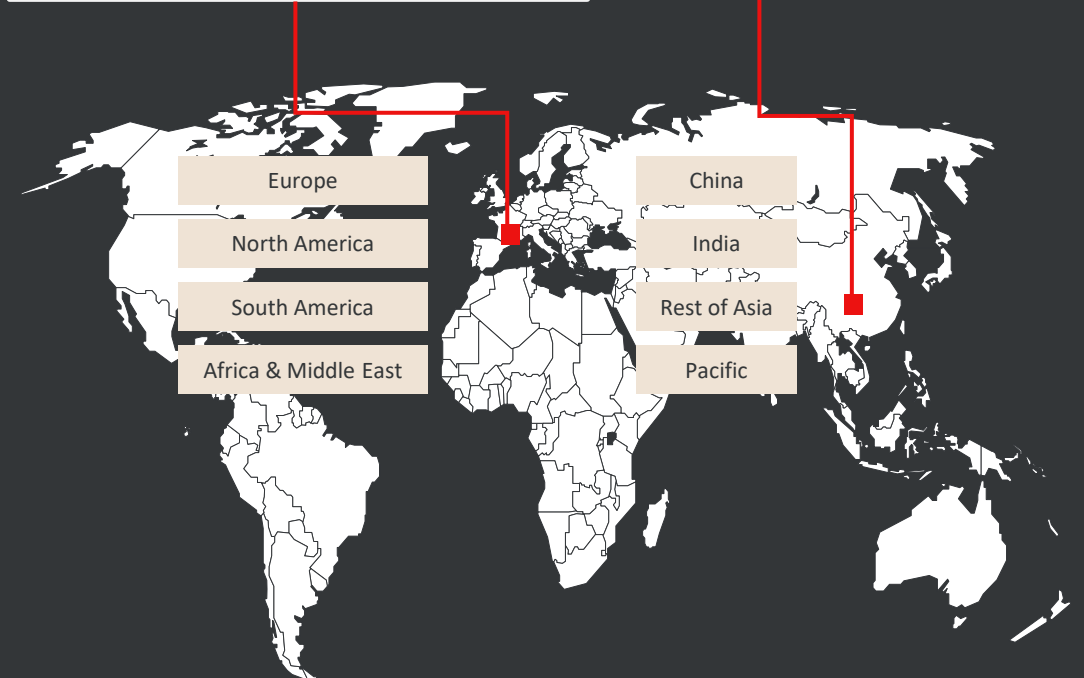
Silicones project in France

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



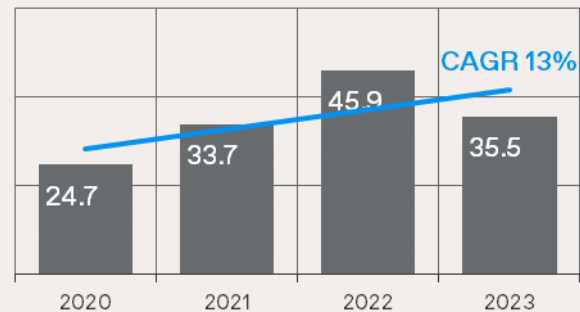
Delivering good results over the business cycle

- Lower earnings in 2023 due to challenging market conditions and weak macro-economic sentiment
- Elkem is well positioned to benefit from an economic recovery due to good cost positions and robust financials
- Elkem delivering on its financial targets over the cycle
 - ✓ Operating income CAGR 13% vs target of > 5% per year
 - ✓ EBITDA margin 18% vs target of 15 - 20%
 - ✓ Leverage ratio 1.6x vs target of 1.0 – 2.0x

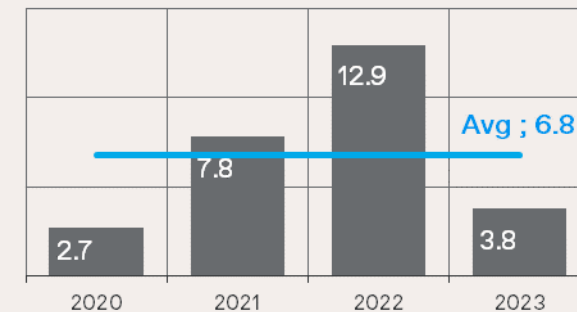


Figures in NOK billion unless otherwise stated

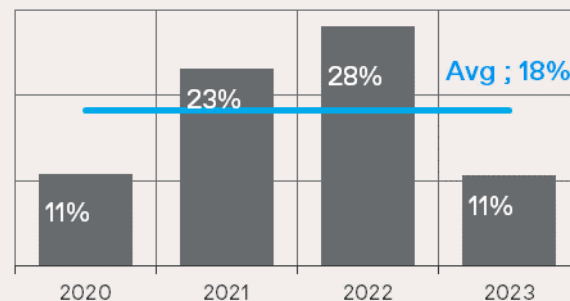
Operating income



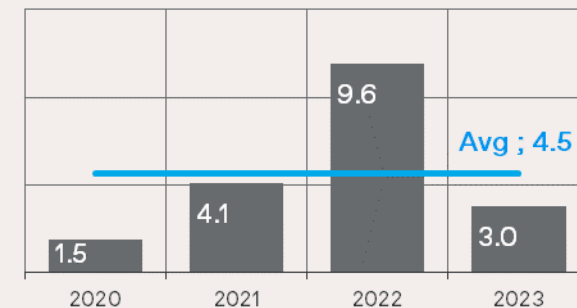
EBITDA



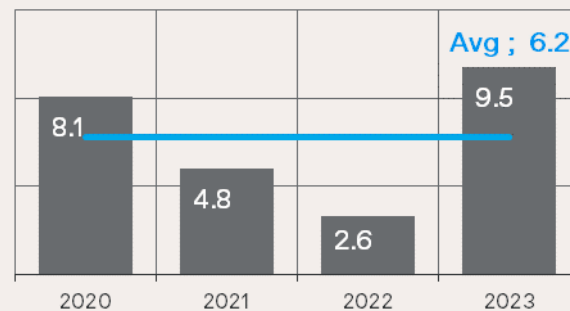
EBITDA margin



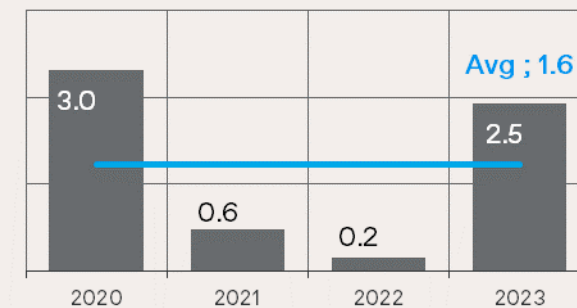
Cash flow from operations



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 delivering strong earnings through the cycle



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Delivering your potential