

First quarter results 2025



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Strategic review of the Silicones division

Elkem ASA has initiated a strategic review of the Silicones division. The review is initiated with a target to streamline Elkem, as well as to enable allocation of capital to accelerate growth in the Silicon Products and Carbon Solutions divisions.

The Silicones division has been reclassified in the accounts as discontinued operations and assets held for sale.

The tables and reporting segments in this report reflect the combined results of the three divisions, including Silicones. Silicones continues to be followed up as an integrated part of Elkem Group and included in corporate management's reporting and responsibility until a sales agreement has been reached.

Note 9 shows the reconciliation of Elkem Group figures with Elkem continuing operations, Silicones division, and respective eliminations.

Highlights 1st quarter 2025

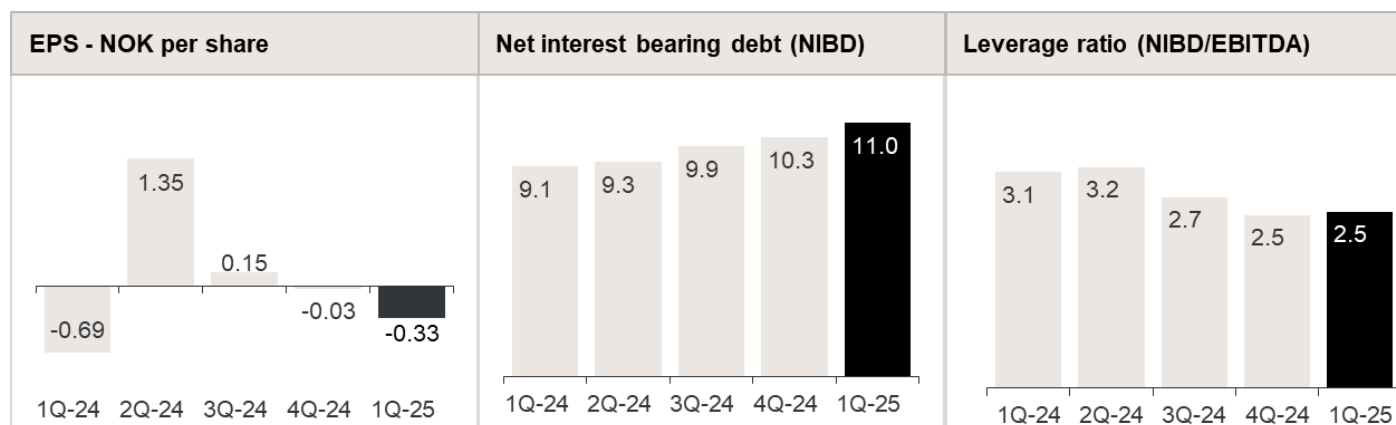
- First quarter was characterised by low demand and turbulent markets. Results were further impacted by maintenance stops and power curtailment.
- EBITDA in the first quarter was NOK 898 million, giving an EBITDA margin of 11%.
- Silicones benefited from improved cost positions, but results were hampered by Chinese New Year and maintenance stops.
- Silicon Products was impacted by generally weak markets, maintenance stops in Norway and power curtailment in Iceland
- Carbon Solutions delivered stable performance and high margins.
- Strategic review to streamline the company's business portfolio is underway, with a target to conclude before year-end.

Key figures

<i>(NOK million, except where specified)</i>	1Q 2025	1Q 2024	YTD 2025	YTD 2024	FY 2024
Total operating income	8,016	7,961	8,016	7,961	33,004
EBITDA	898	721	898	721	4,146
EBITDA margin (%)	11%	9%	11%	9%	13%
EBIT ⁽¹⁾	181	114	181	114	1,294
Profit (loss) for the period ⁽²⁾	-212	-439	-212	-439	488
Earning per share (EPS) <i>(NOK per share)</i>	-0.33	-0.69	-0.33	-0.69	0.77
Equity ratio (%)	50%	49%	50%	49%	49%
Net interest-bearing debt (NIBD)	10,980	9,098	10,980	9,098	10,327
Cash flow from operations	97	759	97	759	1,484
ROCE - annualised (%)	1%	1%	1%	1%	4%

(1) Operating profit before other items and hedge adjustments

(2) Owners of the parent's share of profit (loss)



First quarter 2025 – Elkem well positioned in turbulent markets

Elkem's EBITDA for the first quarter 2025 was NOK 898 million, up from NOK 721 million in the corresponding quarter last year. The first quarter was characterised by weak demand and turbulent markets. In addition, results were impacted by maintenance stops and power curtailment. The strategic review to streamline the company's business portfolio is underway, with a target to conclude before year-end.

Elkem's total operating income for the first quarter 2025 was NOK 8,016 million, which was 1 per cent higher than the first quarter 2024. Earnings before interest, taxes, depreciation and amortisation (EBITDA) was NOK 898 million, up 25 per cent from the corresponding quarter last year. Earnings per share (EPS) was NOK -0.33 in the quarter, negatively impacted by the results in Silicones, which has been classified as discontinued operations.

In the first quarter, the Silicones division delivered an EBITDA significantly higher compared to the same period last year and a 16 per cent increase in operating income, in large part due to improved cost positions. The Silicon Products division was impacted by generally weak markets, maintenance stops in Norway and power curtailment in Iceland, resulting in a 12 per cent reduction in total operating income and 28 per cent EBITDA decline year-on-year. Carbon Solutions maintained a stable performance and high margins, reporting a 3 per cent increase in total operating income and a 5 per cent increase in EBITDA year-on-year.

Market uncertainty has been ramping up due to geopolitical turmoil and trade tensions, which could dampen global economic growth. However, Elkem's geographically diversified production sites may offer strategic opportunities to mitigate the negative effects from trade measures. Both the EU and the US are net importers of Elkem's products, including silicon, ferrosilicon, foundry alloys, and silicones. Thus, the direct effect of tariffs introduced on either side of the Atlantic could be modest on Elkem. Indirect effects in the form of reduced overall market demand could be more substantial, but our business model offers flexibility to address and mitigate this.

Elkem announced in January 2025 that it has initiated a strategic review of the Silicones division. The purpose of the review is to streamline Elkem and enable allocation of capital to accelerate growth in the Silicon Products and Carbon Solutions divisions. The Silicones division has been reclassified in the accounts as discontinuing operations and assets held for sale. The strategic review is underway, with a target to conclude before year-end.

Sustainability is an integrated part of Elkem's strategy. Elkem's climate strategy is built on two main pillars: to reduce CO₂ and other emissions, and to supply the green transition with critical materials. Elkem is engaged in several initiatives throughout the value chain to reduce emissions. Together with shipping partner NCL, the company is deploying two dual-fuel methanol 1,300 TEU container ships, which trade between Norway and Rotterdam. In April 2025, Elkem launched a pioneering new range of recycled silicones for the label industry, with 70% lower carbon footprint.

The group's equity as at 31 March 2025 amounted to NOK 24,875 million, which gave a ratio of equity to total assets of 50 per cent. Net interest-bearing debt was NOK 10,980 million, which gave a ratio of net interest-bearing debt to EBITDA of 2.5x. Elkem had cash and cash equivalents of NOK 4,427 million as at 31 March 2025, and undrawn credit lines of more than NOK 6,000 million.

Markets are characterised by significant uncertainty due to global trade tensions, but Elkem is well positioned due to diversified geographic footprint and independent value chains. Silicones markets are likely to be affected by trade tensions. Disruptions in the Chinese markets may be compensated by new opportunities for Elkem's French production sites. Silicon Products continues to face low demand. EU reference prices for silicon metal have declined early second quarter, but the division still benefits from strong cost and market positions. Carbon Solutions benefits from good cost positions and geographically diverse market positions.

Financial review

Group results

KEY FIGURES	1Q 2025	1Q 2024	YTD 2025	YTD 2024	FY 2024
<i>NOK million</i>					
Total operating income	8,016	7,961	8,016	7,961	33,004
EBITDA	898	721	898	721	4,146
EBIT	181	114	181	114	1,294
Other items	7	-198	7	-198	-460
Net financial items	-192	-38	-192	-38	-522
Profit (loss) before income tax	-58	-311	-58	-311	47
Tax	-132	-103	-132	-103	530
Profit (loss) for the period	-190	-414	-190	-414	577

Quarter and year to date

Elkem group had total operating income of NOK 8,016 million in 1Q-2025, which was up 1% from NOK 7,961 million in 1Q-2024. The Silicones division increased its operating income by NOK 524 million explained by higher sales volume, which was partly offset by lower operating income of NOK 485 million in Silicon Products. Carbon Solution was stable and reported 3% higher operating income.

The group's EBITDA for 1Q-2025 was NOK 898 million, which was up 25% from NOK 721 million in the corresponding quarter last year. Silicones and Carbon Solutions reported higher EBITDA compared to the first quarter 2024. The increase for Silicones was mainly driven by higher sales volume, improved cost position and lower raw material costs. Silicon Products reported lower EBITDA compared to 1Q-2024 due to weak markets. The first quarter was negatively impacted by maintenance stops at several plants in Norway and power curtailment in Iceland. Carbon Solutions reported a good result. EBITDA was up 5% mainly explained by favourable product sales mix and positive currency effects.

EBIT for 1Q-2025 was NOK 181 million, up from NOK 114 million in 1Q-2024.

Other items include fair value changes from commodity contracts, gains (losses) on embedded derivatives in power contracts, value changes from currency forward contracts and other income and expenses. Other items amounted NOK 7 million in 1Q-2025, consisting of gains on power and currency derivatives MNOK 38, restructuring expenses MNOK -25, currency gain of NOK 2 million, and net other items NOK -8 million.

Net financial items were NOK -192 million in 1Q-2025, compared to NOK -38 million in 1Q-2024. Net interest expenses amounted to NOK -171 million, down from NOK -186 million in the corresponding quarter last year. Losses on foreign exchange amounted to NOK -15 million, compared to gains of NOK 153 million in 1Q-2024. Other financial items amounted to NOK -5 million.

Profit before income tax was NOK -58 million in 1Q-2025 compared to a loss of NOK -311 million in 1Q-2024.

Tax expenses in 1Q-2025 amounted to NOK -132 million, despite loss before income tax. This was due to low taxable income for subsidiaries of the Silicones division.

Loss for the period was NOK -190 million, compared to a loss of NOK -414 million in 1Q-2024. Owners of the parent's share of profit was NOK -212 million, which gave earnings per share (EPS) of NOK -0.33 in 1Q-2025.

Cash flow

CASH FLOW FROM OPERATIONS	1 Q 2025	1 Q 2024	YTD 2025	YTD 2024	FY 2024
<i>NOK million</i>					
EBIT	181	114	181	114	1,294
Amortisation, depreciation and impairment	717	607	717	607	2,852
Changes in working capital	-443	311	-443	311	-629
Reinvestments	-362	-298	-362	-298	-2,061
Equity accounted investments	4	25	4	25	27
Cash flow from operations	97	759	97	759	1,484
Other cash flow items	-1,497	-1,478	-1,497	-1,478	-2,020
Change in cash and cash equivalents	-1,400	-720	-1,400	-720	-536

Elkem's internal cash flow measure is defined and described in the APM appendix to the report.

Quarter and year to date

Cash flow from operations was NOK 97 million in 1Q-2025, compared to NOK 759 million in 1Q-2024. The reduction in cash flow from operations was explained by negative working capital changes due to higher trade receivables and lower trade payables. This was partly offset by lower inventories.

Reinvestments were NOK -362 million in 1Q-2025, which amounted to 51% of depreciation and amortisation (D&A). Strategic investments were included in other cash flow items and amounted to NOK 52 million, down from NOK 318 million in 1Q-2024. The strategic investments in 1Q-2025 were mainly related to Roussillon in France and Rana in Norway. Other cash flow items in 1Q-2025 included interest payments of NOK 172 million and repayment of maturing loans NOK 752 million.

Change in cash and cash equivalents was NOK -1,400 million in 1Q-2025. Currency exchange differences were NOK -242 million. As at 31 December 2024, the total cash and cash equivalents amounted to NOK 4,427 million, down from 6,070 million as at 31 December 2024.

Financial position

FINANCIAL POSITION	YTD 2024	YTD 2023	FY 2024
Total equity (NOK million)	24,875	24,743	26,020
Equity ratio (%)	50%	49%	49%
EPS (NOK per share)	-0.33	-0.69	0.77
Net interest bearing debt (NOK million) ⁽¹⁾	10,980	9,098	10,327
Leverage ratio based on LTMEBITDA (ratio)	2.5	3.1	2.5

⁽¹⁾ Consists of interest-bearing liabilities reduced with cash and cash equivalents.

Quarter and year to date

Elkem's equity as at 31 March 2025 was NOK 24,875 million, down NOK 1,146 million from 31 December 2024. Loss for the period YTD-2024 was NOK -190 million, while other changes in equity were NOK 957 million, consisting of effects recognised through other comprehensive income.

The equity ratio as at 31 March 2025 was 50%. Compared to year-end 2024, the equity ratio was up from 49%, mainly as a result of reduction in total assets.

Net-interest bearing debt as at 31 March 2025 was NOK 10,980 million, which was up by NOK 653 million from NOK 10,327 million 31 December 2024. The leverage ratio was 2.5x as at 31 March 2025.

Segments

Silicones

KEY FIGURES	1Q 2025	1Q 2024	YTD 2025	YTD 2024	FY 2024
<i>MNOK except where indicated otherwise</i>					
Total operating income	3,873	3,349	3,873	3,349	15,091
EBITDA	201	-103	201	-103	521
EBITDA margin	5%	-3%	5%	-3%	3%
Sales volume (thousand mt)	106	79	106	79	388

Quarter and year to date

The Silicones division had total operating income of NOK 3,873 million in 1Q-2025 up 16% from NOK 3,349 million in 1Q-2024. Increased operating income was explained by higher sales volume, partly countered by lower commodity sales prices.

EBITDA for 1Q-2025 was NOK 201 million, substantially up from up from EBITDA of NOK -103 million in the first quarter last year. Improved EBITDA was mainly driven by improved cost positions and lower raw material costs. The result was impacted by maintenance stops in France and China.

The sales volume was up 34% compared to first quarter 2024, mainly in the Asia Pacific region.

Silicon Products

KEY FIGURES	1Q 2025	1Q 2024	YTD 2025	YTD 2024	FY 2024
<i>MNOK except where indicated otherwise</i>					
Total operating income	3,530	4,015	3,530	4,015	15,506
EBITDA	489	677	489	677	2,864
EBITDA margin	14%	17%	14%	17%	18%
Sales volume (thousand mt) ¹⁾	106	117	106	117	422

1) Excluding Microsilica and quartz

Quarter and year to date

Silicon Products had total operating income of NOK 3,530 million in 1Q-2025, which was down 12% from NOK 4,015 million in 1Q-2024. Lower operating income was mainly explained by lower sales volume.

The EBITDA for Silicon Products was NOK 489 million in 1Q-2025, down 28% from NOK 677 million in the first quarter last year. Lower EBITDA was mainly explained by weak market conditions and the quarter was negatively impacted by maintenance stops at several plants in Norway and power curtailment in Iceland.

The sales volume was down 10% from first quarter last year due to generally weak markets.

Carbon Solutions

KEY FIGURES	1Q 2025	1Q 2024	YTD 2025	YTD 2024	FY 2024
<i>MNOK except where indicated otherwise</i>					
Total operating income	860	834	860	834	3,649
EBITDA	261	249	261	249	1,131
EBITDA margin	30%	30%	30%	30%	31%
Sales volume (thousand mt)	64	64	64	64	274

Quarter and year to date

Carbon Solutions reported total operating income of NOK 860 million in 1Q-2025, up 3% from 1Q-2024. Higher operating income was generated by favourable sales mix and currency effects but partly countered by lower sales prices.

The EBITDA for 1Q-2025 amounted to NOK 261 million, up 5% from NOK 249 million in the corresponding quarter last year. Higher EBITDA was mainly explained by favourable product sales mix and positive currency effects.

The sales volume was unchanged from first quarter last year. The demand was generally low, but with increased specialty sales and increased sales in Brazil.

Outlook for the second quarter 2025

Markets are characterised by significant uncertainty due to global trade tensions, but Elkem is well positioned due to diversified geographic footprint and independent value chains. Silicones markets are likely to be affected by trade tensions. Disruptions in the Chinese markets may be compensated by new opportunities for Elkem's French production sites. Silicon Products continues to face low demand. EU reference prices for silicon metal have declined early second quarter, but the division still benefits from strong cost and market positions. Carbon Solutions benefits from good cost positions and geographically diverse market positions.

Interim financial statements

Condensed consolidated statement of profit or loss (unaudited)

Amounts in NOK million	Note	First quarter		Year to date		Year
		2025	2024	2025	2024	2024
Revenue	2	4,221	4,578	4,221	4,578	17,810
Other operating income	2	119	218	119	218	1,066
Share of profit(loss) from equity accounted investments	2	5	(9)	5	(9)	(6)
Total operating income		4,345	4,787	4,345	4,787	18,870
Raw materials and energy		(1,929)	(2,329)	(1,929)	(2,329)	(8,313)
Employee benefit expenses		(744)	(705)	(744)	(705)	(2,766)
Other operating expenses		(1,036)	(988)	(1,036)	(988)	(4,283)
Amortisation and depreciation	3	(240)	(218)	(240)	(218)	(931)
Impairment loss	3	(2)	(0)	(2)	(0)	(168)
Other items	4	38	(215)	38	(215)	(316)
Operating profit (loss)		432	333	432	333	2,094
Share of profit(loss) from equity accounted financial investment		-	(143)	-	(143)	(143)
Finance Income	5	16	22	16	22	107
Foreign exchange gains (losses)	5	(15)	153	(15)	153	247
Finance expenses	5	(160)	(200)	(160)	(200)	(778)
Profit (loss) before income tax		272	163	272	163	1,526
Income tax (expenses) benefits		(115)	(101)	(115)	(101)	588
Profit (loss) for the year from continuing operations		158	63	158	63	2,115
Profit (loss) for the year from discontinued operations		(347)	(477)	(347)	(477)	(1,538)
Profit (loss) for the period		(190)	(414)	(190)	(414)	577
Attributable to:						
Non-controlling interests' share of profit (loss)		22	25	22	25	89
Owners of the parent's share of profit (loss)		(212)	(439)	(212)	(439)	488
Earnings per share		First quarter		Year to date		Year
		2025	2024	2025	2024	2024
Basic earnings per share in NOK		(0.33)	(0.69)	(0.33)	(0.69)	0.77
Diluted earnings per share in NOK		(0.33)	(0.69)	(0.33)	(0.69)	0.77
Weighted average number of outstanding shares (million)	8	634	635	634	635	635
Weighted average number of outstanding shares diluted (million)	8	634	637	634	637	636

Condensed consolidated statement of comprehensive income (unaudited)

Amounts in NOK million	First quarter		Year to date		Year
	2025	2024	2025	2024	2024
Profit (loss) for the period	(190)	(414)	(190)	(414)	577
Remeasurement of defined benefit pension plans	-	-	-	-	8
Tax effects on remeasurements of defined benefit pension plans	-	-	-	-	(1)
Changes in fair value of equity instruments	-	-	-	-	2
Total items that will not be reclassified to profit or loss	-	0	-	0	9
Currency translation differences	(1,172)	858	(1,172)	858	1,154
Hedging of net investment in foreign operations	76	(106)	76	(106)	(128)
Tax effects hedging of net investment in foreign operations	(17)	23	(17)	23	28
Cash flow hedges	189	(110)	189	(110)	43
Tax effects on cash flow hedges	(42)	24	(42)	24	(9)
Share of other comprehensive income (loss) from equity accounted investments	9	7	9	7	4
Total items that may be reclassified to profit or loss	(957)	697	(957)	697	1,091
Other comprehensive income, net of tax	(957)	697	(957)	697	1,100
Total comprehensive income	(1,147)	283	(1,147)	283	1,677
Attributable to:					
Non-controlling interests' share of comprehensive income	18	31	18	31	98
Owners of the parent's share of comprehensive income	(1,164)	252	(1,164)	252	1,579
Total comprehensive income	(1,147)	283	(1,147)	283	1,677

Condensed consolidated statement of financial position (unaudited)

Amounts in NOK million	Note	31 March 2025	31 March 2024	31 December 2024
ASSETS				
Property, plant and equipment	3	8,333	23,623	8,405
Right-of-use assets	3	423	849	403
Other Intangible assets	3	190	1,499	216
Goodwill	3	312	1,062	329
Deferred tax assets		695	170	738
Equity accounted investments		233	389	230
Derivatives	7	869	1,021	1,012
Other assets		993	1,394	985
Total non-current assets		12,048	30,007	12,320
Inventories		5,813	8,547	6,038
Trade receivables		2,041	3,535	1,960
Derivatives	7	305	247	267
Other assets		1,416	2,403	1,254
Restricted deposits		7	370	7
Cash and Cash equivalents		2,993	5,849	4,397
Total current assets		12,574	20,950	13,923
Assets classified as held for sale	9	25,170	-	27,189
TOTAL ASSETS		49,792	50,957	53,432
EQUITY AND LIABILITIES				
Paid-in capital	8	3,502	3,499	3,502
Retained earnings		21,246	21,079	22,410
Non-controlling interests		127	164	109
Total equity		24,875	24,743	26,020
Interest-bearing liabilities	6	11,082	13,559	11,817
Deferred tax liabilities		238	928	238
Employee benefits obligations		234	523	238
Derivatives	7	293	441	485
Provisions and other liabilities		260	288	267
Total non-current liabilities		12,107	15,739	13,045
Trade payables		1,584	5,363	2,076
Income tax payables		100	217	106
Interest-bearing liabilities	6	898	1,387	1,090
Bills payable		-	1,478	-
Employee benefit obligations		463	869	471
Derivatives	7	58	132	140
Provisions and other liabilities		840	1,028	815
Total current liabilities		3,943	10,475	4,698
Liabilities classified as held for sale	9	8,867	-	9,668
TOTAL EQUITY AND LIABILITIES		49,792	50,957	53,432

Condensed consolidated statement of cash flows (unaudited)

Amounts in NOK million	Note	First quarter		Year to date		Year
		2025	2024	2025	2024	2024
Operating profit (loss)		432	333	432	333	2,094
Operating profit (loss) - discontinued operations		(298)	(462)	(298)	(462)	(1,382)
Amortisation, depreciation and impairment	3	717	607	717	607	2,852
Changes in working capital		(443)	311	(443)	311	(629)
Equity accounted investments		4	25	4	25	27
Changes fair value of derivatives		21	283	21	283	475
Changes in provisions, bills and other		(373)	(112)	(373)	(112)	(27)
Interest payments received		21	31	21	31	119
Interest payments made		(172)	(186)	(172)	(186)	(885)
Income taxes paid		(136)	(193)	(136)	(193)	(614)
Cash flow from operating activities		(229)	636	(229)	636	2,030
Investments in property, plant and equipment and intangible assets	3	(639)	(1,052)	(639)	(1,052)	(3,334)
Acquisition/capital contribution of/to equity accounted investments		-	(4)	-	(4)	(4)
Disposal of equity accounted investments		-	10	-	10	10
Other investments / sales		33	1	33	1	26
Cash flow from investing activities		(606)	(1,045)	(606)	(1,045)	(3,303)
Dividends paid to non-controlling interests		-	-	-	-	(123)
Net sale (purchase) of treasury shares	8	1	1	1	1	5
Payment of lease liabilities	-	38	(30)	(38)	(30)	(143)
New interest-bearing loans and borrowings		223	368	223	368	2,470
Payment of interest-bearing loans and borrowings	-	752	(649)	(752)	(649)	(1,474)
Cash flow from financing activities		(566)	(310)	(566)	(310)	737
Change in cash and cash equivalents		(1,400)	(720)	(1,400)	(720)	(536)
Currency exchange differences		(242)	201	(242)	201	238
Cash and cash equivalents opening balance		6,070	6,367	6,070	6,367	6,367
Cash and cash equivalents closing balance		4,427	5,849	4,427	5,849	6,070
Of which cash and cash equivalents in assets held for sale at the end of the period	9	1,434	-	1,434	-	1,673
Of which cash and cash equivalents in continuing operations at the end of the period		2,993	5,849	2,993	5,849	4,397

Condensed consolidated statement of changes in equity (unaudited)

Amounts in NOK million	Total paid-in capital	Total retained earnings	Total owners share	Non-controlling interests	Total
Closing balance 31 December 2024	3,502	22,410	25,911	109	26,020
Profit (loss) for the period	-	(212)	(212)	22	190
Other comprehensive income	-	(952)	(952)	5	957
Total comprehensive income	-	(1,164)	(1,164)	18	(1,147)
Share-based payments	0	-	0	-	0
Net movement treasury shares (note 8)	0	1	1	-	1
Closing balance 31 March 2025	3,502	21,246	24,748	127	24,875

Amounts in NOK million	Total paid-in capital	Total retained earnings	Total owners share	Non-controlling interests	Total
Closing balance 31 December 2023	3,498	20,827	24,325	133	24,458
Profit (loss) for the period	-	(439)	(439)	25	(414)
Other comprehensive income	-	691	691	6	697
Total comprehensive income	-	252	252	31	283
Share-based payments	1	-	1	-	1
Net movement treasury shares (note 8)	0	1	1	-	1
Closing balance 31 March 2024	3,499	21,079	24,579	164	24,743

Amounts in NOK million	Total paid-in capital	Total retained earnings	Total owners share	Non-controlling interests	Total
Closing balance 31 December 2023	3,498	20,827	24,325	133	24,458
Profit (loss) for the period	-	488	488	89	577
Other comprehensive income	-	1,090	1,090	10	1,100
Total comprehensive income	-	1,579	1,579	98	1,677
Share-based payments	2	-	2	-	2
Net movement treasury shares (note 8)	1	4	5	-	5
Dividends to equity holders	-	-	-	(123)	(123)
Closing balance 31 December 2024	3,502	22,410	25,911	109	26,020

Notes to the condensed consolidated financial statements

Note 1 General information, basis for preparation and judgements, estimates and assumptions

Elkem ASA is a limited liability company located in Norway and whose shares are publicly traded at Oslo Stock Exchange. Elkem ASA's condensed consolidated financial statements for the first quarter of 2025 were approved at the meeting of the board of directors on 29 April 2025.

Basis for preparation

The condensed consolidated interim financial statements comprise Elkem ASA and its subsidiaries (Elkem/the Group) and the Group's investments in associates and interests in joint arrangements.

Elkem's interim financial statements are prepared in accordance with International Financial Reporting Standards (IFRS®) as endorsed by the European Union. The condensed interim statements are prepared in compliance with the International Accounting Standard (IAS) 34 Interim Financial Reporting and should be read in conjunction with the consolidated financial statements in Elkem's Annual Report for 2024. The accounting policies applied are consistent with those applied in the annual consolidated financial statements 2024.

On 23 January 2025 the group announced its intention to perform a strategic review of the Silicones business area, and it initiated an active program to locate a buyer for the Elkem Silicones operating segment. At the end of the fourth quarter 2024 it was assessed that Elkem Silicones met the criteria for held for sale. Elkem Silicones operating segment represents a major line of business, and a sale is regarded to be highly probable to occur within one year. Elkem Silicones operating segment is held for sale and is therefore classified as discontinued operations. See note 9 Held for sale and discontinued operations.

The interim financial statements are unaudited. The presentation currency of Elkem is NOK (Norwegian krone). All financial information is presented in NOK million, unless otherwise stated. One or more columns included in the interim report may not add up to the total due to rounding.

Judgements, estimates and assumptions

The preparation of consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions each reporting period.

The main judgements, estimates and assumptions are described in the annual consolidated financial statements for 2024.

Note 2 Operating segments

Elkem has three reportable segments; Silicones, Silicon Products and Carbon Solutions. In the fourth quarter 2024 the Silicones segment was assessed to meet the criteria for held for sale and discontinued operations. However, the segment will continue to be followed up by the chief operating decision maker in the same manner as before the reclassification. The Silicones operating segment will therefore continue to be included in the segment disclosure. Please refer to note 9 Held for sale and discontinued operations.

- **The Silicones division** produces and sells a range of silicone-based products across various sub-sectors including release coatings, engineering elastomers, healthcare products, specialty fluids, emulsions and resins.
- **The Silicon Products division** produces various grades of metallurgical silicon, ferrosilicon, foundry alloys and microsilica for use in a wide range of end applications.
- **The Carbon Solutions division** produces carbon electrode materials, lining materials and specialty carbon products for metallurgical processes for the production of a range of metals.
- **Other** comprise Elkem group management and centralised functions within finance, logistics, power purchase, technology, digital office and strategic projects such as biocarbon.
- **Eliminations** comprise intersegment sales and profit. Transactions between operating segments are conducted on an arm's length basis in a manner similar to transactions with third parties.

Elkem identifies its segments according to the organisation and reporting structure used by group management. Segments' performance are evaluated based on EBITDA and EBIT.

EBITDA is defined as Elkem's profit (loss) for the period, less income tax (expenses) benefits, finance expenses, foreign exchange gains (losses), finance income, share of profit from equity accounted financial investments, other items excluding hedge adjustments, impairment loss and amortisation and depreciation. Hedge adjustments are realised effects from the part of commodity derivative instruments that initially are designated as hedging instruments, but where the realised effects are recognised in other items due to e.g., hedge ineffectiveness.

EBIT is defined as Elkem's profit (loss) for the period, less income tax (expenses) benefits, finance expenses, foreign exchange gains (losses), finance income, share of profit from equity accounted financial investments and other items excluding hedge adjustments. Hedge adjustments are realised effects from the part of commodity derivative instruments that initially are designated as hedging instruments, but where the realised effects are recognised in other items due to e.g., hedge ineffectiveness. EBITDA and EBIT are not specified by IFRS Accounting Standards and therefore may not be comparable to apparently similar measures used by other companies.

Elkem's financing and taxes are managed on a group basis and are not allocated to operating segments.

First quarter 2025	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Total
Revenue from sale of goods	3,835	3,241	758	(40)	-	7,794
Other revenue	8	17	3	67	-	95
Other operating income	3	109	9	1	-	122
Share of profit from equity accounted investments	-	-	-	5	-	5
Total operating income from external customers	3,847	3,366	771	32	-	8,016
Operating income from other segments	26	164	90	118	(397)	-
Total operating income	3,873	3,530	860	150	(397)	8,016
Operating expenses	(3,672)	(3,041)	(600)	(240)	433	(7,119)
EBITDA	201	489	261	(90)	36	898
EBIT	(274)	301	228	(111)	36	181

First quarter 2024	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Total
Revenue from sale of goods	3,284	3,626	751	(48)	-	7,613
Other revenue	40	20	5	70	-	135
Other operating income	3	218	1	0	-	221
Share of profit from equity accounted investments	0	-	-	(9)	-	(9)
Total operating income from external customers	3,326	3,864	757	14	-	7,961
Operating income from other segments	23	152	77	123	(375)	-
Total operating income	3,349	4,015	834	137	(375)	7,961
Operating expenses	(3,452)	(3,338)	(585)	(232)	367	(7,240)
EBITDA	(103)	677	249	(95)	(7)	721
EBIT	(491)	503	219	(109)	(7)	114

Year to date 31 March 2025	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Total
Revenue from sale of goods	3,835	3,241	758	(40)	(0)	7,794
Other revenue	8	17	3	67	-	95
Other operating income	3	109	9	1	-	122
Share of profit from equity accounted investments	-	-	-	5	-	5
Total operating income from external customers	3,847	3,366	771	32	(0)	8,016
Operating income from other segments	26	164	90	118	(397)	-
Total operating income	3,873	3,530	860	150	(397)	8,016
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Year to date 31 March 2024	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Total
Revenue from sale of goods	3,284	3,626	751	(48)	-	7,613
Other revenue	40	20	5	70	-	135
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Operating expenses	(3,452)	(3,338)	(585)	(232)	367	(7,240)
EBITDA	(103)	677	249	(95)	(7)	721
EBIT	(491)	503	219	(109)	(7)	114

Year 2024	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Total
Revenue from sale of goods	14,871	13,548	3,243	(167)	-	31,495
Other revenue	109	76	16	226	-	427
Other operating income	20	1,023	26	17	-	1,086
Share of profit from equity accounted investments	2	(0)	0	(6)	-	(4)
Total operating income from external customers	15,003	14,647	3,285	70	-	33,004
Operating income from other segments	88	859	364	592	(1,903)	-
Total operating income	15,091	15,506	3,649	662	(1,903)	33,004
Operating expenses	(14,570)	(12,642)	(2,518)	(986)	1,857	(28,858)
EBITDA	521	2,864	1,131	(324)	(46)	4,146
EBIT	(1,233)	2,091	1,003	(521)	(46)	1,294

Note 3 Fixed assets, right-of-use assets, goodwill and intangible assets

31 March 2025	Property, plant and equipment	Right-of-use assets	Other intangible assets	Goodwill
Cost				
Opening balance	18,468	619	732	329
Additions	258	45	1	-
Disposals	(41)	(23)	(21)	-
Currency translation differences	(203)	(8)	(33)	(17)
Closing balance	18,481	633	679	312
Accumulated depreciation				
Opening balance	(9,827)	(216)	(385)	
Addition	(213)	(21)	(6)	
Disposals	20	23	21	
Currency translation differences	101	4	6	
Closing balance	(9,919)	(210)	(365)	
Impairment losses				
Opening balance	(235)	-	(131)	-
Addition	(2)	-	-	-
Disposals	2	-	-	-
Currency translation differences	5	-	6	-
Closing balance	(230)	-	(124)	-
Net book value March 2025	8,333	423	190	312

31 March 2024	Property, plant and equipment	Right-of-use assets	Other intangible assets	Goodwill
Cost				
Opening balance	45,987	1,285	3,563	1,015
Additions	583	9	32	-
Reclassifications	(1)	-	1	-
Disposals	(13)	(14)	-	-
Currency translation differences	1,545	43	144	47
Closing balance	48,102	1,323	3,740	1,062
Accumulated depreciation				
Opening balance	(20,332)	(431)	(2,103)	
Additions from continuing operations	(193)	(16)	(10)	
Additions from discontinued operations	(324)	(20)	(44)	
Disposals	12	11	-	
Currency translation differences	(607)	(16)	(82)	
Closing balance	(21,444)	(473)	(2,239)	
Impairment losses				
Opening balance	(2,900)	-	(1)	-
Additions from continuing operations	(0)	-	-	-
Additions from discontinued operations	(0)	-	-	-
Disposals	0	-	-	-
Currency translation differences	(134)	-	(0)	-
Closing balance	(3,035)	-	(1)	-
Net book value 31 March 2024	23,623	849	1,499	1,062

31 December 2024	Property, plant and equipment	Right-of-use assets	Other intangible assets	Goodwill
Cost				
Opening balance	45,987	1,285	3,563	1,015
Additions	2,917	148	100	-
Disposals	(194)	(96)	(2)	-
Assets held for sale	(32,595)	(782)	(3,121)	(756)
Currency translation differences	2,353	65	192	70
Closing balance	18,468	619	732	329
Accumulated depreciation				
Opening balance	(20,332)	(431)	(2,103)	
Additions from continuing operations	(827)	(68)	(35)	
Additions from discontinued operations	(1,475)	(87)	(182)	
Disposals	157	86	2	
Assets held for sale	13,566	308	2,045	
Currency translation differences	(917)	(23)	(112)	
Closing balance	(9,827)	(216)	(385)	
Impairment losses				
Opening balance	(2,900)	-	(1)	-
Additions from continuing operations	(38)	-	(130)	-
Additions from discontinued operations	(10)	-	-	-
Disposals	20	-	-	-
Assets held for sale	2,935	-	-	-
Currency translation differences	(242)	-	(0)	-
Closing balance	(235)	-	(131)	-
Net book value 31 December 2024	8,405	403	216	329

Note 4 Other items

	First quarter		Year to date		Year
	2025	2024	2025	2024	2024
Change in fair value commodity contracts, interest element	2	(0)	2	(0)	(1)
Embedded EUR derivatives power contracts, interest element	33	(57)	33	(57)	(106)
Ineffectiveness and discontinuation on commodity cash flow hedges	(20)	(147)	(20)	(147)	(197)
Change in fair value currency contracts	23	(13)	23	(13)	(5)
Operating foreign exchange gains (losses)	8	12	8	12	39
Total other gains (losses)	46	(205)	46	(205)	(269)
Dividends from other shares	0	0	0	0	3
Change in fair value from other shares measured at fair value through profit or loss	1	2	1	2	8
Restructuring expenses	-	(9)	-	(9)	(9)
Dismantling and environmental expenses	-	0	-	0	(1)
Other	(9)	(3)	(9)	(3)	(49)
Total other income (expenses)	(8)	(10)	(8)	(10)	(47)
Total other items	38	(215)	38	(215)	(316)

Note 5 Finance income and expenses

	First quarter		Year to date		Year
	2025	2024	2025	2024	2024
Interest income on loans and receivables	16	21	16	21	78
Fair value adjustments on financial instruments	-	-	-	-	16
Other financial income	0	0	0	0	12
Total finance income	16	22	16	22	107
Foreign exchange gains (losses)	(15)	153	(15)	153	247
Interest expenses on interest-bearing liabilities measured at amortised cost	(143)	(176)	(143)	(176)	(694)
Interest expenses from other items measured at amortised cost	(1)	(2)	(1)	(2)	(9)
Interest expenses on factoring agreements	(8)	(14)	(8)	(14)	(50)
Interest expenses on lease liabilities	(4)	(5)	(4)	(5)	(15)
Unwinding of discounted liabilities	(0)	(0)	(0)	(0)	(2)
Interest on net pension liabilities	(2)	(2)	(2)	(2)	(6)
Other financial expenses	(1)	(1)	(1)	(1)	(3)
Total finance expenses	(160)	(200)	(160)	(200)	(778)
Net Finance income (expenses)	(159)	(26)	(159)	(26)	(424)

Note 6 Interest-bearing assets and liabilities

	31 March 2025	31 March 2024	31 December 2024
Lease liabilities	358	456	338
Loan agreements, bank	5,669	8,471	5,856
Loan agreements, bonds	3,000	2,000	3,500
Loan agreements, other than bank	2,054	2,633	2,123
Total non-current interest-bearing liabilities	11,082	13,559	11,817
Lease liabilities	69	121	67
Loan agreements, bank	-	19	-
Loan agreements, bonds	500	750	706
Loan agreements, other than bank	287	432	295
Accrued interest	41	66	23
Total current interest-bearing liabilities	898	1,387	1,090

Note 7 Cash flow hedging

Hedge Accounting

Elkem is applying hedge accounting for parts of its forward currency contracts, certain parts of EUR loans, for embedded EUR derivatives in power contracts, for certain power contracts and interest rate swap changing the interest from fixed to floating interest rate and from floating to fixed. Forward currency contracts and embedded derivatives are designated in a cash flow hedge to hedge currency fluctuations in highly probable future sales, mainly in USD and EUR. Power contracts are designated as hedging instruments in a cash flow hedge of price fluctuations for highly probable future purchases. Hence, the effective part of change in fair value of the hedging instruments is booked against OCI and booked as an adjustment to revenue and energy for production respectively, when realised.

Derivatives as at 31 March 2025

	Nominal value	Fair value	Hereof recognised in OCI	Effects to be recycled from OCI			
				Within 1 year	Within 2 years	Within 3 years	Within 4 years or more
Purchase contracts							
Forward currency contracts	2,053	125	100	100	-	-	-
Embedded EUR derivatives	6,564	(347)	(385)	(109)	(90)	(55)	(131)
Power contracts	2,055	1,014	397	71	80	72	174
Interest rate swap	282	31	18	3	3	4	7
Total derivatives		822	130	65	(6)	22	50

Hedge accounting is applied for some of the contracts / part of contracts.

	First quarter		Year to date		Year
	2025	2024	2025	2024	2024
Realised effects hedge accounting, recycled from OCI					
Realised effects from forward currency contracts, Revenue	(1)	(8)	(1)	(8)	10
Realised effects from embedded derivatives EUR, Revenue	(33)	(31)	(33)	(31)	(135)
Realised effects from power contracts, Raw materials and energy for production	1	32	1	32	13
Realised effects hedge discontinuation, Other items	45	44	45	44	102
Realised effect interest rate swap, Finance expenses	5	(0)	5	(0)	(4)
Total realised hedging effects recycled from OCI	17	36	17	36	(14)

See note 30 Financial assets and liabilities, note 31 Hedging and note 32 Financial risk to the consolidated financial statements for the year ended 31 December 2024.

Note 8 Number of shares

The development in share capital and other paid-in equity is set out in the Condensed consolidated interim statement of changes in equity.

	Shares outstanding	Treasury shares	Total issued shares
<i>Numbers are whole numbers</i>			
Opening balance at 1 January 2025	633,890,288	5,551,090	639,441,378
Sale of treasury shares	50,000	(50,000)	-
Closing balance 31 March 2025	633,940,288	5,501,090	639,441,378

	First quarter		Year to date		Year
	2025	2024	2025	2024	2024
<i>Numbers are whole numbers</i>					
Weighted average number of shares outstanding	633,918,621	635,137,895	633,918,621	635,137,895	634,991,082
Effects of dilution from share-based payment	255,372	1,826,689	255,372	1,826,689	798,645
Weighted average number of outstanding shares diluted	634,173,993	636,964,584	634,173,993	636,964,584	635,789,727

In the annual general meeting held on 18 April 2024, the board of directors was granted an authorisation to repurchase the company's own shares within a total nominal value of up to NOK 319,720,689. The maximum amount that can be paid for each share is NOK 150 and the minimum is NOK 1. The authorisation is valid until the annual general meeting in 2025, but not later than 30 June 2025. The authorisation can be used to acquire shares as the board of directors deems appropriate, provided however, that acquisition of shares shall not be by subscription. Shares acquired under the authorisation may either be used to fulfil Elkem's obligations in connection with acquisitions, incentive arrangements for employees, fulfilment of earn-out arrangements, sale of shares to strengthen Elkem's equity or deletion of shares.

In the annual general meeting held on 18 April 2024, the board of directors was granted an authorisation to increase the company's share capital with an amount up to NOK 319,720,689 - corresponding to 10 % of the current share capital. The authorisation is valid until the annual general meeting in 2025, but not later than 30 June 2025. The authorisation can be used to cover share capital increases against contribution in kind and in connection with mergers.

Note 9 Asset held for sale and discontinued operations

Profit and loss from discontinued operations:

Internal transactions are eliminated in the presentation of profit and loss from discontinued operations:

Amounts in NOK million	Year to date first quarter		Year
	2025	2024	2024
Revenue	3,668	3,171	14,113
Other operating income	3	2	20
Share of profit(loss) from equity accounted investments	-	-	2
Total operating income	3,671	3,173	14,134
Raw materials and energy	(2,279)	(2,028)	(8,718)
Employee benefit expenses	(635)	(637)	(2,469)
Other operating expenses	(548)	(599)	(2,431)
Amortisation and depreciation	(471)	(388)	(1,744)
Impairment loss	(4)	(0)	(10)
Other items	(31)	16	(145)
Operating profit (loss)	(298)	(462)	(1,382)
Finance Income	5	10	41
Finance expenses	(38)	(22)	(138)
Profit (loss) before income tax	(331)	(475)	(1,480)
Income tax (expenses) benefits	(17)	(2)	(58)
Profit (loss) for the year from discontinued operations	(347)	(477)	(1,538)

Cumulative income or expense recognised in other comprehensive income from discontinued operations

Amounts in NOK million	Year to date first quarter		Year
	2025	2024	2024
Exchange differences on translation of discontinued operations	1,382	1,795	2,048

	Year to date first quarter		Year
	2025	2024	2024
Earnings per share - discontinued operations			
Basic earnings per share in NOK	(0.55)	(0.75)	(2.42)
Diluted earnings per share in NOK	(0.55)	(0.75)	(2.42)

Reconciliation between continuing and discontinued operations with Elkem group total:

The below table shows profit and loss from continuing operations, from the Silicones operating segment and eliminations booked in discontinued operations in order to show the profit and loss from Elkem group total

Year to date first quarter 2025

Amounts in NOK million	Continuing operations	Silicones operating segment	Eliminations in discontinued operations	Elkem group total
Revenue	4,221	3,870	(202)	7,889
Other operating income	119	3	(0)	122
Share of profit(loss) from equity accounted investments	5	-	-	5
Total operating income	4,345	3,873	(202)	8,016
Raw materials and energy	(1,929)	(2,430)	151	(4,209)
Employee benefit expenses	(744)	(635)	0	(1,379)
Other operating expenses	(1,036)	(606)	58	(1,585)
Amortisation and depreciation	(240)	(471)	-	(711)
Impairment loss	(2)	(4)	-	(6)
Other items	38	(31)	(0)	7
Operating profit (loss)	432	(305)	7	134
Share of profit(loss) from equity accounted financial investment	-	-	-	-
Finance Income	16	5	(0)	21
Foreign exchange gains (losses)	(15)	0	0	(15)
Finance expenses	(160)	(69)	32	(197)
Profit (loss) before income tax	272	(368)	38	(58)
Income tax (expenses) benefits	(115)	(17)	(0)	(132)
Profit (loss) for the year from continued operations	158	(385)	38	(190)

Year to date first quarter 2024

Amounts in NOK million	Continuing operations	Silicones operating segment	Eliminations in discontinued operations	Elkem group total
Revenue	4,578	3,347	(176)	7,749
Other operating income	218	3	(0)	221
Share of profit(loss) from equity accounted investments	(9)	-	-	(9)
Total operating income	4,787	3,349	(176)	7,961
Raw materials and energy	(2,329)	(2,166)	137	(4,358)
Employee benefit expenses	(705)	(637)	(0)	(1,342)
Other operating expenses	(988)	(650)	51	(1,586)
Amortisation and depreciation	(218)	(388)	0	(606)
Impairment loss	(0)	(0)	-	(1)
Other items	(215)	16	0	(198)
Operating profit (loss)	333	(474)	12	(130)
Share of profit(loss) from equity accounted financial investment	(143)	-	-	(143)
Finance Income	22	10	0	32
Foreign exchange gains (losses)	153	-	-	153
Finance expenses	(200)	(106)	83	(222)
Profit (loss) before income tax	163	(570)	96	(311)
Income tax (expenses) benefits	(101)	(2)	0	(103)
Profit (loss) for the year from continued operations	63	(572)	96	(414)

Year 2024

Amounts in NOK million	Continuing operations	Silicones operating segment	Eliminations in discontinued operations	Elkem group total
Revenue	17,810	15,069	(956)	31,922
Other operating income	1,066	20	(1)	1,086
Share of profit(loss) from equity accounted investments	(6)	2	-	(4)
Total operating income	18,870	15,091	(957)	33,004
Raw materials and energy for production	(8,313)	(9,439)	720	(17,032)
Employee benefit expenses	(2,766)	(2,469)	-	(5,234)
Other operating expenses	(4,283)	(2,663)	232	(6,714)
Amortisation and depreciation	(931)	(1,744)	-	(2,674)
Impairment loss	(168)	(10)	-	(178)
Other items	(316)	(145)	-	(460)
Operating profit (loss)	2,094	(1,377)	(5)	712
Share of profit(loss) from equity accounted financial investment	(143)	-	-	(143)
Finance Income	107	41	(0)	147
Foreign exchange gains (losses)	247	-	-	247
Finance expenses	(778)	(471)	332	(916)
Profit (loss) before income tax	1,526	(1,807)	328	47
Income tax (expenses) benefits	588	(58)	(0)	530
Profit (loss) for the year from continued operations	2,115	(1,865)	328	577

Cash flows from discontinued operations

Cash flows from internal transactions are eliminated in discontinued operations.

Amounts in NOK million	Year to date first quarter		Year 2024
	2025	2024	
Net cash inflow from operating activities	(203)	214	262
Net cash inflow from investing activities	(252)	(681)	(1,734)
Net cash outflow from financing activities	157	347	769
Net increase (decrease) in cash generated from discontinued operations	(298)	(121)	(703)

Assets and liabilities reclassified as held for sale in relation to the discontinued operation as at 31 December 2024:

Amounts in NOK million	31 March 2025	31 December 2024
Assets classified as held for sale		
Property, plant and equipment	14,947	16,095
Right of use assets	431	474
Other intangible assets	1,002	1,075
Goodwill	710	756
Deferred tax assets	66	36
Investments in equity accounted companies	149	157
Other assets	207	201
Total non-current assets	17,511	18,793
Inventories	3,351	3,783
Trade receivables	1,831	1,700
Other assets	824	891
Restricted deposits	218	350
Cash and cash equivalents	1,434	1,673
Total current assets	7,659	8,396
TOTAL ASSETS	25,170	27,189
Liabilities directly associated with assets classified as held for sale	31 March 2025	31 December 2024
Interest-bearing liabilities	3,280	3,290
Deferred tax liabilities	157	137
Employee benefit obligations	280	292
Provisions and other liabilities	12	12
Total non-current liabilities	3,729	3,731
Trade payable	2,832	3,084
Income tax payables	162	52
Interest-bearing liabilities	147	200
Bills payable	1,158	1,549
Employee benefit obligations	428	530
Provisions and other liabilities	412	522
Total current liabilities	5,138	5,937
TOTAL LIABILITIES	8,867	9,668

Appendix - Alternative performance measures (APMs)

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS). Elkem uses EBITDA and EBITDA margin to measure operating performance at the group and segment level. In particular, Management regards EBIT and EBITDA as useful performance measures at segment level because income tax, finance expenses, foreign exchange gains (losses), finance income, other items are managed on a group basis and are not allocated to each segment. Elkem uses Cash flow from operations to measure the segments cash flow performance, this measure is excluding items that are managed on a group level. Elkem uses ROCE, or return on capital employed as measures of the development of the group's return on capital. Elkem relies on these measures as part of its capital allocation strategy. Elkem uses net interest bearing debt less non-current interest-bearing assets / EBITDA as leverage ratio for measuring the group's financial flexibility and ability for step-change growth and acquisitions.

The APMs presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and should not be considered as a substitute for measures of performance in accordance with IFRS. Because companies calculate the APMs presented herein differently, Elkem's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

Elkem's financial APMs, EBITDA and EBIT

- EBITDA is defined as Elkem's profit (loss) for the period, less income tax (expenses) benefits, finance expenses, foreign exchange gains (losses), finance income, share of profit from equity accounted financial investments, other items excluding hedge adjustments, impairment loss and amortisation and depreciation. Hedge adjustments are realised effects from the part of commodity derivative instruments that initially are designated as hedging instruments, but where the realised effects are recognised in other items due to e.g., hedge ineffectiveness.
- EBITDA margin is defined as EBITDA divided by total operating income.
- EBIT, also referred to as operating profit (loss) before other items and hedge adjustments is defined as Elkem's profit (loss) for the period, less income tax (expenses) benefits, finance expenses, foreign exchange gains (losses), finance income, share of profit from equity accounted financial investments and other items excluding hedge adjustments. Hedge adjustments are realised effects from the part of commodity derivative instruments that initially are designated as hedging instruments, but where the realised effects are recognised in other items due to e.g., hedge ineffectiveness.

Below is a reconciliation of EBIT and EBITDA

First quarter 2025	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Elkem
Profit (loss) for the period						158
Income tax (expense) benefit						115
Finance expenses						160
Foreign exchange gains (losses)						15
Finance income						(16)
Share of profit from equity accounted financial investments						-
Other items						(38)
Hedge adjustments						54
EBIT Discontinued operations						(267)
EBIT	(274)	301	228	(111)	36	181
Impairment losses						2
Amortisations and depreciations						240
Amortisations, depreciations and impairment losses discontinued operations						475
EBITDA	201	489	261	(90)	36	898

First quarter 2024	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Elkem
Profit (loss) for the period						63
Income tax (expense) benefit						101
Finance expenses						200
Foreign exchange gains (losses)						(153)
Finance income						(22)
Share of profit from equity accounted financial investments						143
Other items						215
Hedge adjustments						46
EBIT Discontinued operations						(479)
EBIT	(491)	503	219	(109)	(7)	114
Impairment losses						0
Amortisations and depreciations						218
Amortisations, depreciations and impairment losses discontinued operations						388
EBITDA	(103)	677	249	(95)	(7)	721

Year to date 31 March 2025	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Elkem
Profit (loss) for the year						158
Income tax (expense) benefit						115
Finance expenses						160
Foreign exchange gains (losses)						15
Finance income						(16)
Share of profit from equity accounted financial investments						-
Other items						(38)
Hedge adjustments						54
EBIT Discontinued operations						(267)
EBIT	(274)	301	228	(111)	36	181
Impairment losses						2
Amortisations and depreciations						240
Amortisations, depreciations and impairment losses discontinued operations						475
EBITDA	201	489	261	(90)	36	898

Year to date 31 March 2024	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Elkem
Profit (loss) for the year						63
Income tax (expense) benefit						101
Finance expenses						200
Foreign exchange gains (losses)						(153)
Finance income						(22)
Share of profit from equity accounted financial investments						143
Other items						215
Hedge adjustments						46
EBIT Discontinued operations						(479)
EBIT	(491)	503	219	(109)	(7)	114
Impairment losses						0
Amortisations and depreciations						218
Amortisations, depreciations and impairment losses discontinued operations						388
EBITDA	(103)	677	249	(95)	(7)	721

Year 2024	Silicones	Silicon Products	Carbon Solutions	Other	Eliminations	Elkem
Profit (loss) for the year						2,115
Income tax (expense) benefit						(588)
Finance expenses						778
Foreign exchange gains (losses)						(247)
Finance income						(107)
Share of profit from equity accounted financial investments						143
Other items						316
Hedge adjustments						122
EBIT Discontinued operations						(1,237)
EBIT	(491)	503	219	(109)	(7)	1,294
Impairment losses						168
Amortisations and depreciations						931
Amortisations, depreciations and impairment losses discontinued operations						1,754
EBITDA	(103)	677	249	(95)	(7)	4,146

Elkem's financial APMs, Cash flow from operations

- Cash flow from operations is defined as cash flow from operating activities, less income taxes paid, interest payments made, interest payments received, changes in provision, bills and other, changes in fair value of derivatives, other items (from the statement of profit or loss) excluding hedge adjustments. Hedge adjustments are realised effects from the part of commodity derivative instruments that initially are designated as hedging instruments, but where the realised effects are recognised in other items due to e.g., hedge ineffectiveness.
- Reinvestments generally consist of maintenance capital expenditure to maintain existing activities or that involve investments designed to improve health, safety or the environment.
- Strategic investments generally consist of investments which result in capacity increases at Elkem's existing plants or that involve an investment made to meet demand in a new geographic or product area.

	First quarter		Year to date		Year
	2025	2024	2025	2024	2024
Reinvestments	(362)	(298)	(362)	(298)	(2,061)
Strategic investments	(52)	(318)	(52)	(318)	(957)
Periodisation ¹⁾	(226)	(436)	(226)	(436)	(317)
Investments in property, plant and equipment and intangible assets	(639)	(1,052)	(639)	(1,052)	(3,334)

¹⁾ Periodisation reflects the difference between payment date and accounting date of the investment.

	First quarter		Year to date		Year
	2025	2024	2025	2024	2024
Cash flow from operating activities	(229)	636	(229)	636	2,030
Income taxes paid	136	193	136	193	614
Interest payments made	172	186	172	186	885
Interest payments received	(21)	(31)	(21)	(31)	(119)
Changes in provisions, bills and other	373	112	373	112	27
Changes in fair value of derivatives	(21)	(283)	(21)	(283)	(475)
Other items	(38)	215	(38)	215	316
Other items from discontinued operations	31	(16)	31	(16)	145
Hedge adjustments	54	46	54	46	122
Reinvestments	(362)	(298)	(362)	(298)	(2,061)
Cash flow from operations	97	759	97	759	1,484

Elkem's financial APMs, Leverage ratio

Elkem has with effect from 1 July 2024 changed its definition of net interest-bearing debt (NIBD). Going forward bills payable net of restricted deposits, will be followed up as a part of managing Elkem's day-to-day liquidity positions. Bills payable are deemed to be part of the operational activities linked to the product cycle and hence no longer included in NIBD. Bills payable and bills receivable will then have the same classification. Bills do not carry interest, and the change does not affect the interest-cover ratio.

- Net interest-bearing debt that is used to measure leverage ratio consists of current and non-current interest-bearing liabilities, reduced with cash and cash equivalents. Below a calculation of Elkem's leverage ratio.

	31 March 2025	31 March 2024	31 December 2024
Interest-bearing liabilities	11,980	14,947	12,907
Cash and Cash equivalents	(2,993)	(5,849)	(4,397)
Interest-bearing liabilities, held-for-sale liabilities	3,427	-	3,490
Cash and Cash equivalents, held-for-sale assets	(1,434)	-	(1,673)
Net interest-bearing debt	10,980	9,098	10,327
EBITDA (LTM)	4,323	2,927	4,146
Leverage ratio	(2.5)	(3.1)	(2.5)

Elkem's financial APMs, ROCE

- ROCE, Return on capital employed, is defined as EBIT divided by the average capital employed.
- Working capital is defined as accounts receivable, inventories, other current assets, accounts payable, current employee benefit obligations and other current liabilities. Accounts receivable are defined as trade receivables less bills receivable. Other current assets are defined as other current assets less current receivables to related parties, current interest-bearing receivables, tax receivables, grants receivable, assets at fair value through profit or loss and accrued interest income. Accounts payable are defined as trade payables less trade payables related to purchase of non-current assets. Other current liabilities are defined as provisions and other current liabilities less current provisions, contingent considerations, contract obligations and liabilities to related parties.
- Capital employed consists of working capital as defined above, property, plant and equipment, right-of-use assets, other intangible assets, goodwill, equity accounted investments, grants payable, trade payables and prepayments related to purchase of non-current assets.
- Average capital employed is defined as the average of the opening and ending balance of capital employed for the relevant reporting period.

Below is a reconciliation of working capital and capital employed, which are used to calculate ROCE:

Working capital bridge from statutory accounts to company definition

	31 March 2025	31 March 2024	31 December 2024
Inventories	5,813	8,547	6,038
Trade receivables	2,041	3,535	1,960
Bills receivable	(247)	(814)	(269)
Accounts receivable	1,794	2,721	1,691
Other assets, current	1,416	2,403	1,254
Other receivables from related parties interest-free	-	(0)	-
Grants receivables	(790)	(859)	(576)
Tax receivables	(236)	(323)	(241)
Accrued interest	(0)	(0)	(0)
Other current assets included in working capital	390	1,220	436
Trade payables	1,584	5,363	2,076
Trade payables related to purchase of non-current assets	(54)	(955)	(184)
Accounts payable included in working capital	1,530	4,408	1,892
Employee benefit obligations	463	869	471
Provisions and other liabilities, current	840	1,028	815
Provisions, contingent considerations and contract obligations	(20)	(105)	(19)
Liabilities to related parties	-	(14)	-
Other current liabilities included in working capital	820	909	795
Working capital assets and liabilities as held for sale	2,215	-	2,302
Working capital Elkem group total	7,399	6,302	7,308
Property, plant and equipment	8,333	23,623	8,405
Right-of-use assets	423	849	403
Other Intangible assets	190	1,499	216
Goodwill	312	1,062	329
Equity accounted investments	233	389	230
Grants payable	(16)	(17)	(17)
Trade payables- and prepayments related to purchase of non-current assets	(42)	(904)	(171)
Other capital employed effects assets and liabilities as held for sale	16,499	-	17,674
Capital employed Elkem group total	33,331	32,803	34,377