



Strategic divestment for profitable growth

Elkem to sell majority of Silicones division to Bluestar



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Elkem – more than 120 years of industrial history with a proven track record of strategic portfolio transformation

1904	1920-40s	1950-60s	1970s	1980s	1990s
Founded by Norwegian Sam Eyde	International growth based on the Søderberg technology Majority owned by Alcoa from 1924-35	Contributes to the rebuilding of Norway's industry post-WWII New Si, FeSi and Al plants established	Merges with Christiania Spikerverk Establishes Saga Petroleum Acquires Icelandic Alloys	Acquires Union Carbide's ferroalloy division	Orkla acquires 30% of Elkem Exits manganese business
2024	2015-20	2011	2009	2000s	
Acquires carbon materials producer VUM in Slovakia	Acquires Bluestar Silicones International Acquires Fesil Rana Metall in Norway Acquires Minex Metallurgical's Indian iron foundry business	OSLO BØRS Elkem A Bluestar Company	China National Bluestar (Bluestar) becomes majority owner	Exits aluminium business Exits hydropower production	Orkla becomes majority owner Acquires Swedish Sapa

► **2026** Elkem announces sale of the majority of the Silicones division to Bluestar, via share redemption of all their shares, to enhance growth potential in its metals and materials divisions and leverage their competitive advantages

Elkem today – a fully integrated industrial major from quartz to silicone with three globally-leading divisions

Silicon Products

Global producer and provider of silicon, ferrosilicon and specialties

End markets

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

Carbon Solutions

Leading producer of electrode paste and specialty products

End markets

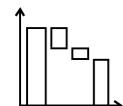
- Ferroalloys
- Silicon
- Aluminium
- Iron foundries

Silicones

Fully integrated silicones manufacturer with focus on specialities

End markets

- Construction
- Automotive
- Chemical formulators
- Personal care
- Health care
- Paper and film release
- Silicone rubber
- Textile



Leading cost and market positions, delivering strong results over the cycle



Geographically diverse and resilient business model



Supplier of critical materials to the green and digital transitions with strong ESG focus

Strategic divestment for profitable growth

Selling majority of Silicones division to Bluestar

Portfolio optimisation

- Better capital allocation to accelerate organic growth and pursue attractive M&A opportunities for Silicon Products and Carbon Solutions
- More resources for innovation in remaining divisions
- Strengthens financial profile through reduced volatility and capital intensity enhancing improved return on capital employed
- Ability to pursue tailored strategies aligned with Silicon Products and Carbon Solutions' unique strengths and market dynamics

Enhanced growth platform for Sold Silicones Assets

- New Bluestar ownership enables access to significant investment capacity
- Benefits from deep strategic synergies within a global chemicals major
- Improved ability to innovate across the value chain and adapt to local market dynamics
- Positioned to accelerate growth in specialty products and key global markets

Delivering the most favourable outcome for all stakeholders

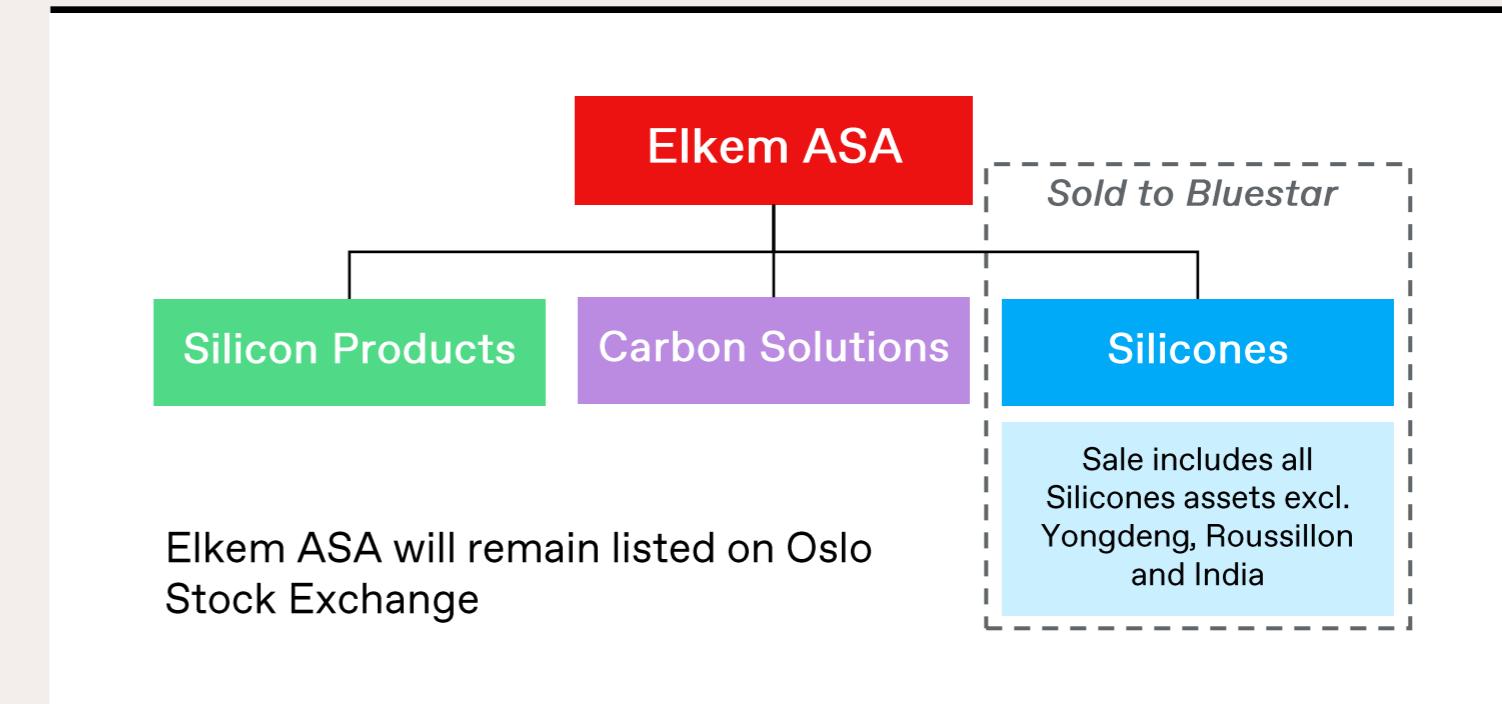


Transaction in brief

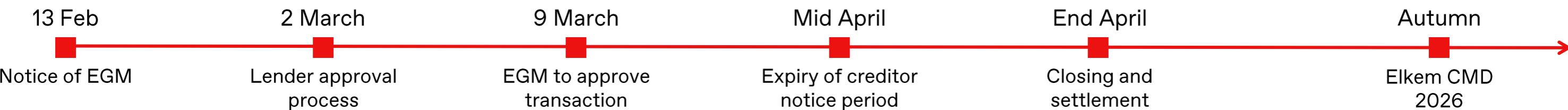
Strong strategic rationale for both Elkem and Bluestar

Key terms and conditions

- Elkem to sell majority of the Silicones division to Bluestar; Contemplated Transaction settled through redemption of Bluestar's 338,338,536 shares (52.9%) in Elkem. No cash payments by Elkem or Bluestar
- Minority investors to assume 100% control of Elkem (listed)
- The Contemplated Transaction solves Elkem and Bluestar's long-term strategic goals regarding operations and ownership
- The Contemplated Transaction is conditional upon shareholders' approval at EGM, waivers and approvals from lenders, and other customary approvals
- Pre-commitments from **Folketrygdfondet, Must Invest, DNB Asset Management, Nordea Investment Management, and Perestroika** to vote in favour of the Contemplated Transaction, incl. underwriting a MNOK 1 500 equity capital raise subject to certain terms and conditions



Key milestone timeline



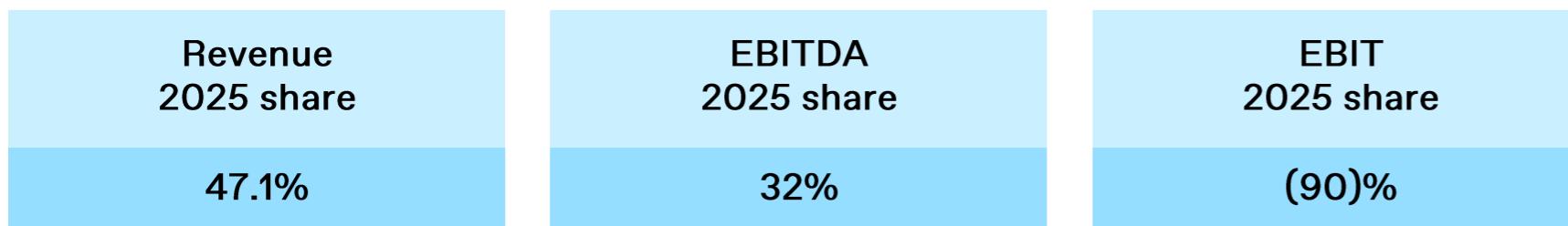
Effects of the Contemplated Transaction structure

Minority Investors exchanging 47.1% in Sold Silicones with 52.9% in Elkem

Acquisition from Minority Investors

Minority Investors' 47.1% indirect ownership of Sold Silicones Assets acquired by Bluestar

Key figures for the Sold Silicones Assets

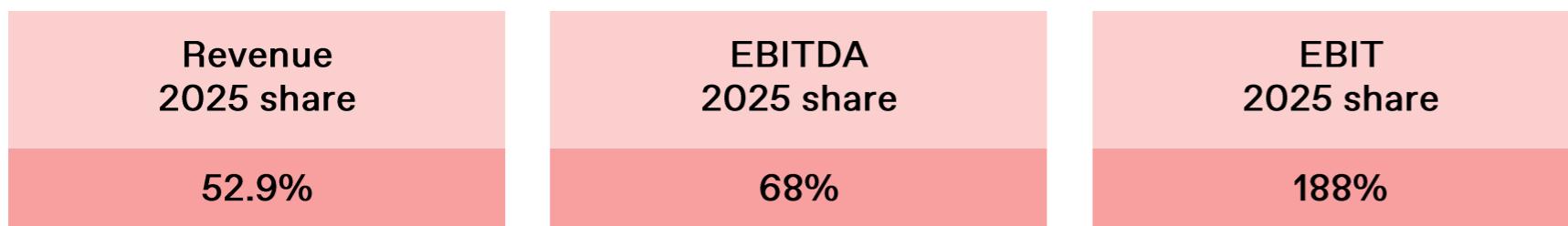


Bluestar
100% of Elkem
Sold Silicones Assets

Consideration to Minority Investors

Redemption of Bluestar's 52.9% share used as indirect consideration to Minority Investors

Key figures for Elkem

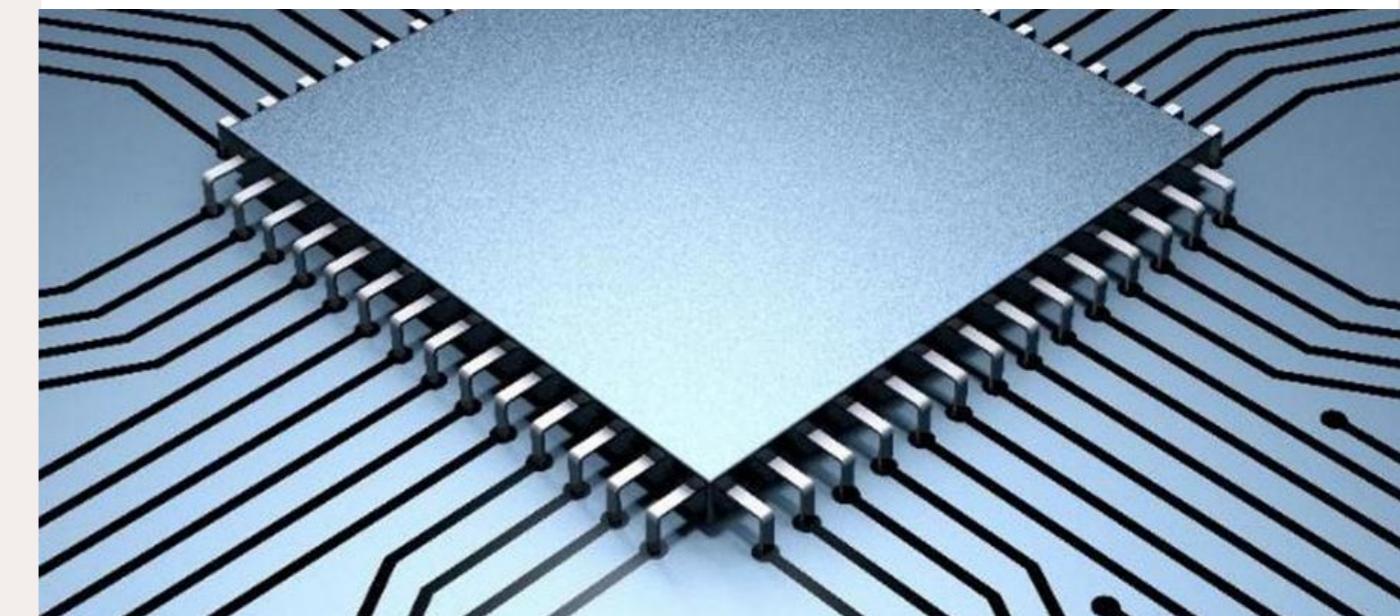


Minority Investors
100% of Elkem

Overview and description of the Contemplated Transaction

	Minority Investors		Bluestar	<ul style="list-style-type: none"> ▪ Settlement through redemption of all Bluestar's shares subject to 2/3 vote by minority investors in EGM ▪ Based on net book values in Elkem for settlement purposes by reduction in equity capital ▪ Minority investors effectively exchange for 47.1% in Sold Silicones Assets with Bluestar's 52.9% in Elkem ▪ Bluestar will not hold any shares or any formal roles in Elkem upon completion ▪ New Board of Directors to be instated in conjunction with the closing of the Contemplated Transaction
	No. of shares	Shareholding		
Prior to the Contemplated transaction	301,102,842 ⁽¹⁾	47.1%	338,338,536	
			52.9%	
After the Contemplated transaction	301,102,842 ⁽¹⁾	100%	0	
			0%	
Simplified overview after the Contemplated transaction	Elkem 2025 (BNOK)		Sold Silicones Assets 2025 (BNOK)	
	Revenue	16.7	14.9	
	EBITDA	2.3	1.1	
	EBIT	1.3	(0.7)	
	Net Debt	9.8	2.1	

⁽¹⁾Includes Elkem Treasury shares 5,221,900

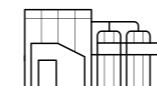


Creating a focused, globally-leading metals & materials producer

- A leading global producer of silicon-based products, foundry, and carbon products
- Integrated business model with strong cost positions
- Providing high-growth end-markets with critical materials and supply chain security
- Leading R&D capabilities driving innovation and integrated customer relationships
- Low-carbon footprint based on renewable energy and energy efficiency
- Robust financial profile with strong profitability and flexibility to pursue selective growth opportunities and consolidation in core segments



Silicon Products



12 Main production sites

Norway, Iceland, China, India, Paraguay, Canada and Spain

AVERAGE 2018-2025 (BNOK)

Revenue	14.8
EBITDA	3.2
EBITDA margin	22%

Carbon Solutions



6 Main production sites

Norway, Slovakia, Brazil, South Africa, and China

AVERAGE 2018-2025 (BNOK)

Revenue	2.8
EBITDA	0.8
EBITDA margin	27%



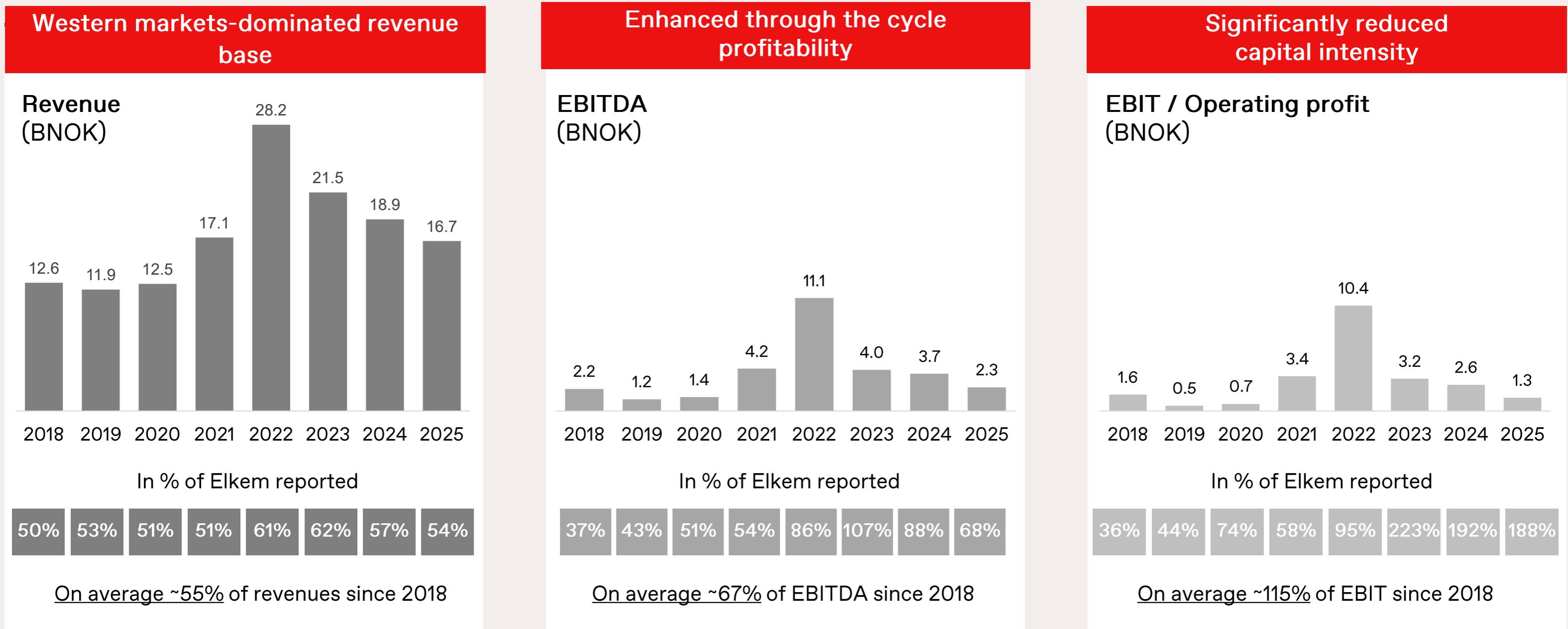
4 R&D centres globally



3 Main production sites

Elkem to retain three silicones plants: Roussillon (to provide products based on silicon from Norway to Bluestar in France by a 5-year supply agreement), India, and Yongdeng (strategic alternatives being explored)

Improved financial profile, with stronger profitability and cash flow over-the-cycle for growth and distribution



Financial expectations

	2025 actuals	2026 expectations	Historic over-the cycle 2018-2025
Revenue	BNOK 16.7	Expected >10% revenue growth due to price increase and demand recovery	Average BNOK 17
EBITDA margin	14%	Expecting improvement due to revenue growth and further cost improvements	Average 19%
Reinvestment capex	BNOK 1.0	In line with 2025, depending on market development	Average BNOK 0.8
Working capital	34% of revenue	Gradual reduction towards historic level	23%
Tax rate	28%	In line with 2025, but payable tax in Norway low due to tax losses carried forward	20% (low rate due to tax losses carried forward in 2024)
ROCE adj.	~9%	Expecting improvement due to revenue growth and further cost improvements	>15%
Leverage ratio NIBD / EBITDA	~3.6x 2025A after completion of the MNOK 1 500 underwritten equity capital raise, to gradually decrease towards investment grade level		

Financing plan

Recapitalisation & refinancing

Considerations

- After transaction close, Elkem will focus on maintaining strong credit position and flexible balance sheet qualifying for investment grade based on its normalised earnings capacity
- Transaction is conditional upon approval from certain Elkem lenders - waiver and approval process is being conducted
- After transaction close, Elkem plans to conduct refinancing of main credit and loan facilities
- In relation to this, certain existing investors in Elkem have fully underwritten MNOK 1 500 equity capital raise subject to certain terms and conditions, to be completed following the closing of the Contemplated Transaction



Opening balance sheet Elkem and re-capitalisation

Item (BNOK)	Elkem as is	Sold Silicones	Elkem post-transaction
Gross debt	15.6	-	3.1
Cash	3.7	-	1.1
Net debt	11.9	-	2.1

Approval process, pre-committed support and equity capital guarantees, and independent fairness opinion

Conditions for the transaction

- The Board of Directors of Elkem will on 13 February 2026 call for an extraordinary general meeting to be held on 9 March 2026 to approve the Contemplated Transaction and redemption of Bluestar's shares in Elkem
- Bluestar will not vote on agenda items relating to the Contemplated Transaction
- **Folketrygdfondet, Must Invest, DNB Asset Management, Nordea Investment Management, and Perestroika** have pre-committed to vote in favour of the share purchase agreement (representing ~30%⁽¹⁾ of the eligible voting capital for the matter). Subject to closing of the Contemplated Transaction, these investors have underwritten MNOK 1 500 in equity capital subject to certain terms and conditions
- With respect to the share redemption, Bluestar is entitled to vote and has undertaken to vote in favour. Hence, shareholders holding ~67% of the share capital eligible to vote on that item have undertaken to vote in favour of the share redemption at the EGM
- The Board of Directors in Elkem will ensure to take into consideration all other minority shareholders in relation to the Contemplated Transaction and equity capital raise
- Subject to being approved by the EGM and the other closing conditions being satisfied or waived, the Contemplated Transaction is expected to close in late April or early May 2026

Third-party fairness opinion

- Elkem and independent board have thoroughly assessed available options in public process for nine months before entering exclusive negotiations with Bluestar
- To safeguard the interests of the minority investors and Elkem, the independent board has obtained a fairness opinion from DNB Carnegie, a part of DNB BANK ASA (“DNBC”)
- DNBC has concluded that the Contemplated Transaction is fair from a financial point of view when considering the valuation from the perspective of the Independent Board and its shareholders (other than Bluestar)

⁽¹⁾ As of the date of this announcement.

A leading metals and materials company poised for profitable growth

Market leading production footprint to supply fundamentally growing end-markets

Attractive positions in all relevant geographies with value-accretive M&A opportunities

Captive operating model with leading cost positions

Deep customer relations and strong R&D capabilities to meet future demand

Robust financial profile over-the-cycle and solid cash conversion

Flexibility for growth through optimised capital allocation

Supplier of critical materials to the green and digital transitions





Delivering your potential