

RECSiLICON

Fourth quarter 2025

Report

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Advancing Materials, Advancing Technology

REC Silicon is a global leader in silane-based, high-purity silicon materials.

With two U.S.-based manufacturing facilities and sales support offices in both Asia and the United States, REC Silicon is leading energy and technology providers worldwide in shaping the future with advanced silicon materials.

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Fourth quarter highlights

- > Revenues of USD 20.1 million
- > EBITDA loss from continuing operations of USD 3.7 million
- > December 31, 2025, cash balance of USD 7.3 million, a decrease of USD 2.7 million during the fourth quarter
- > USD 20.0 million loans from Anchor AS finalized

Revenues

20.1

USDm

EBITDA

-3.7

USDm

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues	20.1	29.7	78.2	140.8	16.9
EBITDA	-3.7	-5.3	-10.7	-17.9	-7.2
EBITDA margin	-18.6%	-17.7%	-13.7%	-12.7%	-42.7%
EBIT excluding impairment charges	-6.1	-8.0	-20.6	-29.2	-9.9
Impairment charges	-4.5	-49.7	-7.6	-49.7	0.0
EBIT	-10.6	-57.7	-28.3	-78.9	-9.9
EBIT margin	-52.9%	-194.4%	-36.1%	-56.1%	-58.8%
Profit/loss before tax	-19.7	-65.5	-62.3	-104.2	-18.8
Profit/loss from continuing operations	-19.7	-65.5	-62.3	-104.2	-18.8
Profit/loss from discontinued operations	2.4	-248.0	-0.7	-353.1	4.9
Profit/loss from total operations	-17.3	-313.5	-63.1	-457.4	-14.0
Earnings per share, basic and diluted (USD) from continuing operations	-0.05	-0.16	-0.15	-0.25	-0.04
Earnings per share, basic and diluted (USD) from discontinued operations	0.01	-0.59	0.00	-0.84	0.01
Earnings per share, basic and diluted (USD) from total operations	-0.04	-0.75	-0.15	-1.09	-0.03
Silicon gas loaded production in MT	555	573	2,202	2,639	501
Silicon gas sales in MT	540	543	2,194	2,561	524

REC Silicon Group

REC Silicon is a global leader in silane-based, high-purity silicon materials. With two U.S.-based manufacturing facilities and sales support offices in both Asia and the United States, REC Silicon supplies leading energy and technology providers worldwide, helping to shape the future with advanced silicon materials.



On December 30, 2024, REC Silicon announced the permanent shutdown of its granular polysilicon operations in Moses Lake. As a result, the granular polysilicon line met the criteria for classification as a discontinued operation. Following the cleanout process, which was completed in early March 2025, ongoing costs associated with maintaining the Moses Lake facility in a condition that would allow for a potential silane restart are reported as continuing operations within the Moses Lake segment.

Profit & Loss

Revenues from continuing operations for the fourth quarter of 2025 were USD 20.1 million, compared to USD 16.9 million in the third quarter of 2025. The increase was primarily driven by higher sales volumes of both silicon gases and polysilicon. For the year 2025, revenues from continuing operations totaled USD 78.2 million

EBITDA from continuing operations for the fourth quarter of 2025 was a loss of USD 3.7 million, compared to a loss of USD 7.2 million in the third quarter of 2025. During the fourth quarter, a gain of USD 1.3 million was recorded in other income and expenses, primarily related to changes in asset retirement obligations at the Moses Lake facility (see [Note 8](#)). For the year 2025, EBITDA from continuing operations was a loss of USD 10.7 million.

The Company reported a total loss of USD 17.3 million for the fourth quarter of 2025. During the quarter, the Company recorded an impairment loss of USD 4.5 million following asset reviews conducted at the Butte facility (see [Note 3](#)). This was partially offset by a gain of USD 2.4 million from discontinued operations related to Moses Lake, primarily reflecting the successful renegotiation of a

long-term lease. In addition, the sale of previously produced granular polysilicon generated a gain of USD 1.4 million, as proceeds exceeded the carrying value of inventory (see [Note 12](#)).

As a result, the total loss for the fourth quarter of 2025 increased compared to a loss of USD 14.0 million in the third quarter of 2025. For the full year 2025, the Company reported a total loss of USD 63.1 million.

Financial Position

Shareholders' equity decreased to negative USD 440.5 million as of December 31, 2025, compared to negative USD 378.1 million as of December 31, 2024. This decrease was the result of a loss from total operations of USD 63.1 million offset by the remeasurement of the ASiMI pension in the amount of 0.6 million.

Net debt is the carrying value of interest-bearing debt instruments (including financing leases) less cash and cash equivalents. As of December 31, 2025, net debt was USD 483.8 million, which consisted of USD 442.6 million in total carrying value of the Company's debt (from [note 6](#)) plus USD 48.5 million in current and non-current lease liabilities, less USD 7.3 million in cash and cash equivalents.

Nominal net debt is the contractual repayment value of interest-bearing debt instruments (including financing leases), less cash and cash equivalents. As of December 31, 2025, nominal net debt was USD 483.8 million.

See note 17 to the consolidated financial statements for 2024 and [note 6](#) to this report for further information on interest bearing liabilities.

Cash Flow

During the fourth quarter of 2025, cash and cash equivalents decreased by USD 2.7 million, resulting in a cash balance of USD 7.3 million as of December 31, 2025. For the full year 2025, cash balances decreased by USD 3.0 million.

Operating activities

Net cash used in operating activities for the fourth quarter of 2025 amounted to USD 19.5 million. Cash outflows were primarily driven by the Company's operating loss and interest payments, partially offset by non-cash adjustments.

Non-cash items included depreciation and amortization of USD 2.4 million and an impairment expense of USD 4.5 million. Changes in working capital reflected an increase in trade receivables and customer prepayments of USD 1.4 million, partially offset by a decrease in inventories of USD 1.3 million. Trade payables and accrued expenses decreased by USD 2.0 million, while property taxes payable decreased by USD 1.5 million. The provision for employee termination benefits increased by USD 0.3 million, reflecting restructuring-related actions.

Other operating cash flow adjustments totaled USD 2.0 million and included a non-cash gain of USD 1.1 million related to the termination of a finance lease and a non-cash gain of USD 1.4 million from changes in asset retirement obligations, partially offset by USD 0.4 million of imputed interest on asset retirement obligations. The remaining net change of USD 0.1 million related to movements in other assets and liabilities.

During the fourth quarter, cash outflows also included lease interest payments of USD 1.3 million, and interest paid on debt of USD 7.3 million.

For the full year 2025, net cash used in operating activities amounted to USD 76.4 million.

Investing activities

Net cash used in investing activities during the fourth quarter of 2025 amounted to USD 0.3 million and related to capital expenditures. For the full year 2025, net cash used in investing activities was USD 8.4 million.

Financing activities

Net cash provided by financing activities during the fourth quarter of 2025 amounted to USD 17.0 million. Cash inflows were primarily attributable to proceeds from new loans of USD 20.0 million, partially offset by the annual payment of USD 1.4 million related to the Grant County, Washington property tax note (see [Note 6](#)) and payments of lease liabilities of USD 1.6 million (see [Note 4](#)).

For the full year 2025, net cash provided by financing activities totaled USD 81.9 million.

Capital Expenditures

Capital expenditures in the fourth quarter of the year totaled USD 0.3 million compared to USD 0.6 million during the third quarter of 2025. Capital spending was primarily associated with process improvements in Butte.

Financial Items

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Financial income	0.1	0.2	0.4	3.1	0.1
Interest expenses on borrowings	-6.6	-5.7	-25.1	-21.3	-6.5
Interest expense on leases	-1.3	-1.0	-5.3	-4.2	-1.4
Capitalized borrowing cost	0.0	-0.2	0.6	0.8	0.1
Expensing of up-front fees and costs	-0.8	-0.8	-3.2	-3.1	-0.8
Other financial expenses	-0.4	-0.3	-1.5	-0.7	-0.4
Net financial expenses	-9.1	-8.0	-34.4	-28.4	-9.0
Net currency gains/losses	0.0	0.0	0.0	0.1	0.0
Net financial items	-9.1	-7.8	-34.1	-25.3	-8.9

During the fourth quarter of 2025, the Company recognized USD 6.6 million in interest expense on borrowings, including USD 6.5 million associated with term loans, and USD 0.1 million associated with a note with Grant County, Washington. In addition, the Company incurred USD 0.8 million in up-front fees and costs related to the guarantee fees charged by Hanwha associated with the term loans.

Interest expense related to lease liabilities amounted to USD 1.3 million during the quarter (see [Note 4](#)). Other financial expenses include calculated interest on asset retirement and pension obligations.

Income Tax

The loss from total operations of USD 17.3 million during the third quarter of 2025 had no effective tax impact due to REC Silicon's unrecognized deferred tax asset. These losses will continue to be available to offset taxable income in future periods, subject to certain limitations.

See note 18 to the consolidated financial statements for 2024 for additional information on income taxes.

Segment information

Summary of results by segment

USD in million	Q4 2025		Q4 2024		Year 2025		Year 2024		Q3 2025	
	Revenues	EBITDA	Revenues	EBITDA	Revenues	EBITDA	Revenues	EBITDA	Revenues	EBITDA
Butte	20.1	1.6	29.6	2.6	78.1	2.7	140.7	12.9	16.8	0.1
Moses Lake	0.0	-2.4	0.0	0.0	0.0	1.9	0.0	0.0	0.0	-4.4
Other	0.0	-3.0	0.0	-7.9	0.1	-15.3	0.1	-30.8	0.0	-2.9
Total	20.1	-3.7	29.7	-5.3	78.2	-10.7	140.8	-17.9	16.9	-7.2

Butte

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues	20.1	29.6	78.1	140.7	16.8
EBITDA contribution	1.6	2.6	2.7	12.9	0.1
Contribution margin	8.1%	8.9%	3.4%	9.2%	0.5%
Silicon gas loaded (production) in MT	555	573	2,202	2,639	501
Silicon gas sales in MT	540	543	2,194	2,561	524

REC Silicon manufactures silicon gases from its facility in Butte, Montana, which is the world's largest supplier of silicon gases for semiconductor, flat panel display, and solar applications. The strategic priority is to fully utilize the 7,400MT silane gas capacity at Butte with silane and specialty gases for these industries. The Butte facility also supplies monosilane for the silicon anode battery industry.

Despite the shutdown of polysilicon production capacity at the Butte facility in mid-2024, a limited amount of polysilicon continues to be produced for the purpose of analyzing silicon gas quality. Polysilicon produced for this purpose will continue to be sold.

Butte segment revenues were USD 20.1 million in the fourth quarter of 2025 compared to USD 16.8 million in the third quarter of 2025. The increase in revenue is due to increased silicon gas and polysilicon sales volumes compared to the third quarter of 2025.

Silicon gas sales volumes increased by 16MT to 540MT during the fourth quarter of 2025 compared to the third quarter of 2025. Sales prices for silicon gas increased by 17.6 percent from the previous quarter primarily as the result of product mix.

Total polysilicon sales volumes, including by-products, were 150MT in the fourth quarter of 2025, compared to 38MT during the third quarter of 2025. Semiconductor grade polysilicon sales were 9MT in the third quarter of 2025, compared to 8MT in the second quarter of 2025. Sales volumes of other-grade polysilicon increased by 110MT to 140MT in the fourth quarter as the result of the selling down previously produced lower grade material. The polysilicon sold was primarily sourced from previously produced inventory and future sales volumes are expected to decrease as inventory is depleted.

The Butte segment contributed USD 1.6 million to the Company's EBITDA in the fourth quarter of 2025, compared to USD 0.1 million during the third quarter of 2025. The increased EBITDA was primarily due to increased gas volume and price.

Moses Lake – Continuing operations

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues	0.0	0.0	0.0	0.0	0.0
Other Income and expenses	1.5	0.0	15.1	0.0	0.5
Net Costs	-3.9	0.0	-13.2	0.0	-4.9
EBITDA contribution	-2.4	0.0	1.9	0.0	-4.4

On December 30, 2024, the Company announced the decision to permanently cease production of granular polysilicon at its manufacturing facility located in Moses Lake, Washington. As a result, the granular polysilicon business line met the criteria for classification as a discontinued operation.

Following the shutdown announcement, the Company began a process to clean out material in production, which continued through early March 2025. Costs incurred for the completion of this cleanout

totaled USD 10.2 million. These costs are directly attributable to the discontinued business line and are therefore included within discontinued operations in the Company's consolidated financial statements.

The Company incurred USD 3.9 million in costs during the fourth quarter of 2025 compared to USD 4.9 million during the third quarter of 2025 related to the safe maintenance of its silane gas plants in a non-operating status. These activities are not directly attributable to the discontinued granular polysilicon operations and are therefore classified within continuing operations. In addition, the Company recorded other income and expenses in the amount of USD 1.5 million during the fourth quarter of 2025 primarily as a result of a change in the asset retirement obligation for Moses Lake. (see [note 8](#) for more information) Total EBITDA for the fourth quarter of 2025 was a loss of USD 2.4 million.

The Moses Lake facility has an annual capacity of 24,000MT of silane gas for own use. However, additional investment would be required to make deliveries to external customers. In the meantime, the silane plants will be maintained in a safe and recoverable condition.

Other and Eliminations

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues	0.0	0.0	0.1	0.1	0.0
EBITDA contribution	-3.0	-7.9	-15.3	-30.8	-2.9

The Other segment includes general administrative and sales activities in support of the manufacturing facilities in the United States and the Company's headquarters in Norway. It also includes costs associated with the Company's representative offices in Asia.

Net operating costs in Other and Eliminations were USD 3.0 million in the fourth quarter of 2025, compared to net operating costs of USD 2.9 million in the third quarter of 2025.

Risks and uncertainties

Please refer to the annual report for 2024, specifically to the risk factors section of the Board of Directors' Report.

Liquidity risk

On October 13, 2025, REC Silicon ASA entered into an unsecured USD 7.0 million short-term loan agreement with Anchor AS to fund the company's urgent operational capital needs. Anchor AS is REC Silicon's largest shareholder and is a Norwegian subsidiary of Hanwha Solutions and Hanwha Corporation.

The terms of the loan are generally in line with the financial terms of the Company's existing bank and shareholder loan agreements. The maturity date is April 13, 2026.

On November 14, 2025, REC Silicon ASA entered into an unsecured USD 13.0 million short-term loan agreement with Anchor AS to fund the company's urgent operational capital needs. Anchor AS is REC Silicon's largest shareholder and is a Norwegian subsidiary of Hanwha Solutions and Hanwha Corporation. The terms and conditions of this loan are identical to those of the USD 7.0 million loan between REC Silicon ASA and Anchor AS, which closed on October 13, 2025. The maturity date is May 14, 2026.

On January 19, 2026, REC Silicon ASA entered into an unsecured USD 10.0 million short-term loan agreement with Anchor AS to fund the company's urgent operational capital needs. Anchor AS is REC Silicon's largest shareholder and is a Norwegian subsidiary of Hanwha Solutions and Hanwha Corporation. The terms and conditions of this loan are identical to those of the USD 13.0 million loan between REC Silicon ASA and Anchor AS, which closed on November 13, 2025. The maturity date is July 19, 2026.

On January 26, 2026, REC Silicon Inc announced that it extended its existing USD 110.0 million short-term loan agreement with Hanwha International LLC. Hanwha International LLC. This loan was extended through a fifth amendment to the existing USD 110.0 million short-term loan, which originally closed on January 24, 2025.

On February 9, 2026, the Company announced that its Board of Directors will propose to an extraordinary general meeting a fully underwritten rights issue to raise gross proceeds of approximately NOK 972.6 million. The expected net proceeds from the proposed rights issue are intended to be used to strengthen the Company's liquidity position through the repayment of advance payments under a long-term offtake contract of approximately USD 30 million, repayment of existing debt facilities of approximately USD 40 million, and for general corporate purposes and working capital, including operational expenses of approximately USD 30.0 million.

The rights issue is fully underwritten by Anchor AS, the Company's largest shareholder. Completion of the transaction is subject to approval by an extraordinary general meeting, including approval of related share capital matters, and other customary conditions, including publication of a prospectus.

As of December 31, 2025, the total amount of debt was USD 442.6 million. Of this amount, USD 1.6 million for the final payment of Grant County Property Tax note is scheduled to mature in 2026, while USD 441.1 million, including loan fees, is also scheduled to mature in 2026. The return of the USD 30 million offtake prepayment to QCells was scheduled to be made in January of 2026, but the parties reached an agreement in principle to extend the payment date until January of 2027.

As of December 31, 2025, the Group does not have sufficient available cash to meet debt service and other anticipated operating cash flow requirements.

In addition to the proposed rights issue, the Company is evaluating the sale of certain noncore assets during 2026. Management acknowledges that the Company will not be able to generate sufficient cash flow from operations to support its operations for the next 12 months and meet these debt repayments. There is significant doubt around the Company's ability to secure sufficient funding to sustain its operations and to meet debt repayment obligations for the next 12 months without the continued support of the major shareholder, Hanwha, or additional sources of capital.

Tariff and trade policy uncertainty

The tariff and trade policy environment remains uncertain and continues to evolve. The Company entered into fixed-price supply agreements for major raw materials in 2025 prior to the emergence of the current tariff issues. However, there can be no assurance that these arrangements will fully mitigate the effects of potential future tariffs or other trade restrictions. In addition, although the Company sources the majority of its raw materials domestically, the impact of tariffs may be experienced indirectly through suppliers and other supply chain participants, which could result in higher costs and adversely affect the Company's profitability.

REC Silicon has historically generated a significant portion of its revenues from export sales (55 percent in 2025). As a result, the Company may be exposed to increased risk from the imposition of tariffs, retaliatory measures, or other trade barriers affecting U.S. exports. Such measures could reduce demand for the Company's products, disrupt customer relationships, and negatively impact revenues and margins. For additional information on revenue by geographic region, refer to Note 5 to the consolidated financial statements for 2024.

Market development

Overall, demand for silane and related gases remained weak in the fourth quarter of 2025. Market conditions continued to be characterized by structural oversupply, sustained pricing pressure, and delays in customer capacity ramp-ups across several end markets. While semiconductor-related demand remained relatively resilient, continued softness in photovoltaic (PV), flat panel display (FPD), and silicon anode battery markets weighed on overall demand and limited volume recovery toward year-end.

Semiconductor

Demand for silane and advanced silicon gases remained relatively stable during the fourth quarter, supported by ongoing production in advanced logic and selected memory applications. Wafer input volumes continued to benefit from AI-related demand; however, customer ordering patterns remained cautious, with limited incremental volume growth. While construction of new fabrication facilities in several regions progressed, production ramp-ups continued to occur more slowly than originally anticipated.

Capital investment activity remained concentrated in South Korea, Taiwan, Japan, and North America. In China, new equipment spending moderated following significant capacity additions in prior periods. Increased domestic silane production capacity in China continued to constrain export opportunities and contributed to ongoing pricing pressure in international markets.

Flat panel display (FPD)

Silane demand for display applications declined further in the fourth quarter as panel manufacturers adjusted production levels in response to persistent oversupply and weak end-market demand. Utilization rates remained below historical levels, and pricing continued to be pressured by aggressive low-cost supply from China. Market conditions showed limited signs of near-term recovery.

Photovoltaic (PV)

PV market conditions remained challenging during the fourth quarter, characterized by global oversupply and sustained margin pressure across the value chain. Cell and module manufacturers, particularly in Southeast Asia and China, continued to operate at reduced utilization rates. While new manufacturing capacity in the United States and India continued to advance, the associated uplift in silane demand remained limited during the period, reflecting the timing of capacity ramp-ups.

Project installations slowed across several regions as customers continued to defer procurement decisions amid weak module pricing, inventory adjustments, and policy-related uncertainty. Looking ahead, silane demand from U.S. PV projects is expected to increase as delayed installations move into the ramp-up phase. In contrast, pricing competition across several Asian markets, including Southeast Asia and India, is expected to intensify, driven by ongoing oversupply and aggressive capacity additions.

Silicon anode battery

The silicon anode battery market continued to progress at a slower pace than anticipated. Pilot-scale production activities continued in South Korea and the United States; however, the transition to commercial-scale production remained delayed. Demand visibility remained limited, reflecting slower-than-expected adoption of electric vehicles and evolving regulatory and incentive frameworks. As a result, near-term volume growth remained constrained.

While electric vehicles remain the primary driver of silicon anode adoption, the technology is also being evaluated for use in adjacent applications such as data centers and mobile devices. Adoption in these segments remains at an early stage, largely limited to pilot programs and customer qualification activities, but may provide additional demand optionality over the longer term.

Operational response

Given the prolonged nature of current market conditions and limited visibility on demand recovery across key end markets, pressure on the Company's operating results is expected to persist. In response, REC Silicon implemented restructuring and cost-reduction measures during 2025 to better align its operations with prevailing market conditions. These measures included a reduction in force primarily impacting the Butte segment, which was carried out during the fourth quarter of 2025. The actions are intended to align the Company's cost structure and asset base with prevailing market conditions and support long-term financial sustainability.

Outlook

Market conditions are expected to remain challenging in the near term, driven by continued low-cost supply from China, extended customer ramp-up timelines, and ongoing policy and trade uncertainties. While construction of new semiconductor manufacturing facilities in the United States is largely complete, production ramp-ups are progressing in a measured and orderly manner, which is expected to support a more sustained demand profile as utilization rates increase over time.

The solar PV market continues to face near-term headwinds, as project installations have slowed in certain regions due to a low pricing environment in parts of the market, inventory adjustments, and policy-related uncertainty. Looking ahead, investment activity in the United States may improve as deferred projects advance into the installation and ramp-up phase, while pricing competition across several Asian markets and India is likely to intensify amid ongoing oversupply and continued capacity expansion.

The silicon anode battery market remains at an early stage of commercialization. While pilot-scale production activities are ongoing in South Korea and the United States, the transition to full commercial-scale production continues to progress more gradually than initially expected. As a result, near-term demand visibility remains limited, influenced by extended customer qualification timelines, cautious OEM investment decisions, slower-than-anticipated electric vehicle adoption, and evolving regulatory and incentive frameworks.

Although electric vehicles continue to represent the primary end market for silicon anode technology, potential applications are also being evaluated in adjacent segments such as data centers and mobile devices. Adoption in these areas remains at an early stage and is largely confined to pilot programs and customer qualification activities; however, these applications may offer incremental demand optionality over the longer term as the market develops.

Forward looking statements

This report contains statements regarding the future in connection with the Group's growth initiatives, profit figures, outlook, strategies, and objectives. In particular, the section "Outlook" contains forward-looking statements regarding the Group's expectations. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual results and developments deviating substantially from what has been expressed or implied in such statements. These factors include the risk factors relating to the Group's activities described in the section "Risks and Uncertainties" above and in REC Silicon's Annual Report for 2024, including the section Risk Factors in the Board of Directors' Report.

Consolidated financial statements

Consolidated statement of financial position

USD in million	Notes	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024
ASSETS				
Non-current assets				
Intangible assets	<u>3</u>	0.0	0.0	0.0
Land and buildings	<u>3</u>	29.2	29.6	31.1
Machinery and production equipment	<u>3</u>	40.8	40.2	31.0
Other tangible assets	<u>3</u>	1.9	1.9	2.3
Assets under construction	<u>3</u>	5.7	11.8	20.3
Property, plant and equipment	<u>3</u>	77.5	83.5	84.7
Right of use assets	<u>4</u>	21.6	22.2	23.4
Other non-current receivables		0.0	0.0	0.2
Financial assets and prepayments		0.0	0.0	0.2
Total non-current assets		99.1	105.7	108.3
Current assets				
Inventories	<u>5</u>	19.6	21.6	27.4
Trade and other receivables	<u>10</u>	8.5	7.1	16.2
Prepaid costs		6.7	5.6	9.4
Current tax assets		0.2	0.1	0.0
Restricted bank accounts		0.5	0.5	0.6
Cash and cash equivalents		7.3	10.0	10.3
Total current assets		42.7	44.9	63.8
Total assets		141.8	150.6	172.1

USD in million	Notes	Dec 31, 2025	Sep 30, 2025	Dec 31, 2024
EQUITY AND LIABILITIES				
Shareholders' equity				
Paid-in capital		3,027.7	3,027.7	3,027.7
Other equity and retained earnings		-3,468.2	-3,451.5	-3,405.7
Total shareholders' equity		-440.5	-423.8	-378.1
Non-current liabilities				
Retirement benefit obligations		2.6	3.1	3.3
Non-current provision, interest calculation	<u>8</u>	26.4	27.5	26.3
Non-current financial liabilities, interest bearing	<u>6</u>	0.0	1.6	251.6
Non-current lease liabilities	<u>4</u>	42.1	44.5	56.1
Non-current prepayments		3.4	33.4	33.4
Other non-current liabilities, not interest bearing		0.0	0.1	0.0
Total non-current liabilities		74.5	110.1	370.6
Current liabilities				
Trade payables and other liabilities		28.2	35.3	60.2
Current provisions	<u>8</u>	0.3	0.0	8.2
Current financial liabilities, interest bearing	<u>6</u>	442.6	421.7	101.0
Current lease liabilities	<u>4</u>	6.3	6.4	9.0
Current prepayments		30.4	1.0	1.2
Total current liabilities		507.9	464.4	179.6
Total liabilities		582.4	574.4	550.2
Total equity and liabilities		141.8	150.6	172.1

Consolidated statement of income

USD in million	Notes	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues		20.1	29.7	78.2	140.8	16.9
Cost of materials		-2.9	-4.0	-12.0	-20.7	-2.9
Changes in inventories	5	-1.7	-7.7	-6.5	-15.9	-1.2
Employee benefit expenses		-9.0	-9.5	-38.0	-43.6	-9.3
Other operating expenses		-11.6	-12.9	-47.8	-77.8	-11.6
Other income and expenses ¹		1.3	-0.8	15.2	-0.7	0.8
EBITDA		-3.7	-5.3	-10.7	-17.9	-7.2
Depreciation	3	-1.7	-2.1	-7.3	-8.7	-2.0
Depreciation of right of use assets	4	-0.7	-0.7	-2.6	-2.6	-0.7
Impairment	3, 4	-4.5	-49.7	-7.6	-49.7	0.0
Total depreciation, amortization and impairment		-6.9	-52.4	-17.5	-61.0	-2.7
EBIT		-10.6	-57.7	-28.3	-78.9	-9.9
Financial income		0.1	0.2	0.4	3.1	0.1
Net financial expenses		-9.1	-8.0	-34.4	-28.4	-9.0
Net currency gains/losses		0.0	0.0	0.0	0.1	0.0
Net financial items ²		-9.1	-7.8	-34.1	-25.3	-8.9
Profit/loss from continuing operations		-19.7	-65.5	-62.3	-104.2	-18.8
Profit/loss from discontinued operations		2.4	-248.0	-0.7	-353.1	4.9
Profit/loss from total operations		-17.3	-313.5	-63.1	-457.4	-14.0

USD in million	Notes	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Attributable to:						
Owners of REC Silicon ASA		-17.3	-313.5	-63.1	-457.4	-14.0
Earnings per share (In USD)						
From continuing operations						
-basic		-0.05	-0.16	-0.15	-0.25	-0.04
-diluted		-0.05	-0.16	-0.15	-0.25	-0.04
Earnings per share (In USD)						
From total operations						
-basic		-0.04	-0.75	-0.15	-1.09	-0.03
-diluted		-0.04	-0.75	-0.15	-1.09	-0.03

¹ Other income and expenses for the fourth quarter of 2025 is primarily due to a gain from a change in the asset retirement obligation for Moses Lake.

² See financial items table in part 1 of this report.

Consolidated statement of comprehensive income

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024
Profit/loss from total operations	-31.3	-457.4	-63.1	-457.4
Other comprehensive income, net of tax:				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans	0.6	2.9	0.6	2.9
Total other comprehensive income	0.6	2.9	0.6	2.9
Total comprehensive income	-30.7	-454.4	-62.5	-454.4
Total comprehensive income attributable to:				
Owners of REC Silicon ASA	-30.7	-454.4	-62.5	-454.4

Consolidated statement of changes in equity

USD in million	Attributable to equity holders of REC Silicon ASA						
	Share capital	Share premium	Other paid-in capital	Total paid-in capital	Other equity	Comprehensive income	Total equity
Year 2024							
On January 1, 2024	59.2	2,926.7	41.8	3,027.7	539.0	-3,490.4	76.3
Total comprehensive income	0.0	0.0	0.0	0.0	0.0	-454.4	-454.4
On December 31, 2024	59.2	2,926.7	41.8	3,027.7	539.0	-3,944.8	-378.1
Year 2025							
At January 1, 2025	59.2	2,926.7	41.8	3,027.7	539.0	-3,944.8	-378.1
Total comprehensive income	0.0	0.0	0.0	0.0	0.0	-62.5	-62.5
On December 31, 2025	59.2	2,926.7	41.8	3,027.7	539.0	-4,007.3	-440.5

This table presents details of comprehensive income

USD in million	Translation differences that can be transferred to profit and loss	Acquisition	Retained earnings	Total
Year 2024				
Accumulated at January 1, 2024	19.4	20.9	-3,530.6	-3,490.4
Profit/loss from total operations	0.0	0.0	-457.4	-457.4
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans	0.0	0.0	2.9	2.9
Sum items that will not be reclassified to profit or loss	0.0	0.0	2.9	2.9
Total other comprehensive income for the period	0.0	0.0	2.9	2.9
Total comprehensive income for the period	0.0	0.0	-454.4	-454.4
Accumulated on December 31, 2024	19.4	20.9	-3,985.1	-3,944.8
Year 2025				
Accumulated at January 1, 2025	22.5	20.9	-3,988.1	-3,944.8
Profit/loss from total operations	0.0	0.0	-63.1	-63.1
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans	0.0	0.0	0.6	0.6
Sum items that will not be reclassified to profit or loss	0.0	0.0	0.6	0.6
Total other comprehensive income for the period	0.0	0.0	0.6	0.6
Total comprehensive income for the period	0.0	0.0	-62.5	-62.5
Accumulated at December 31, 2025	22.5	20.9	-4,050.6	-4,007.3

Consolidated statement of cash flows

USD in million	Notes	Q4 2025	Q4 2024	Year 2025	Year 2024
Profit/loss before tax¹		-17.3	-313.5	-63.1	-457.4
Depreciation, amortization and impairment	<u>3, 4</u>	6.9	250.3	18.1	270.9
Changes in receivables, prepayments from customers etc.	<u>10</u>	-1.4	-1.4	7.7	9.6
Changes in inventories	<u>5</u>	2.0	31.4	7.8	31.1
Changes in payables, accrued and prepaid expenses		-6.4	10.4	-21.2	12.5
Changes in provisions	<u>8</u>	0.3	0.0	-5.4	0.0
Changes in VAT and other public taxes and duties		-1.5	-2.4	-1.9	1.3
Currency effects not cash flow or not related to operating activities		0.0	0.0	0.0	0.0
Other items ²		-2.0	1.0	-18.6	-0.1
Net cash flow from operating activities		-19.5	-24.3	-76.4	-132.0
Cash flows from investing activities					
Proceeds/Payments finance receivables and restricted cash		0.0	0.0	0.3	0.1
Proceeds from sale of property, plant and equipment and intangible assets		0.0	0.0	0.6	1.6
Payments for property, plant and equipment and intangible assets	<u>3</u>	-0.3	-10.8	-9.3	-91.3
Net cash flow from investing activities		-0.3	-10.7	-8.4	-89.6

USD in million	Notes	Q4 2025	Q4 2024	Year 2025	Year 2024
Cash flows from financing activities					
Payments of lease liabilities	<u>4</u>	-1.6	-2.1	-6.7	-7.9
Payments of borrowings	<u>6</u>	-1.4	-1.2	-1.4	-31.2
Proceeds from borrowings	<u>6</u>	20.0	25.0	90.0	100.0
Net cash flow from financing activities		17.0	21.7	81.9	60.9
Effect on cash and cash equivalents of changes in foreign exchange rates		0.0	0.0	0.0	0.0
Net increase/decrease in cash and cash equivalents		-2.7	-13.3	-3.0	-160.7
Cash and cash equivalents at the beginning of the period		10.0	23.6	10.3	170.9
Cash and cash equivalents at the end of the period		7.3	10.2	7.3	10.2
¹ Profit/loss before tax consists of					
Profit/loss before tax from continuing operations		-19.7	-65.5	-62.3	-104.2
Profit/loss before tax from discontinued operations		2.4	-248.0	-0.7	-353.1
Profit/loss before tax from total operations		-17.3	-313.5	-63.1	-457.4
¹ Profit/loss before tax includes					
interest paid		-8.7	-6.7	-30.8	-30.3
interest received		0.1	0.2	0.4	3.1

² Other items in the fourth quarter of 2025 included a non-cash gain of USD 1.1 million from the termination of a finance lease and a non-cash gain of USD 1.4 million related to changes in asset retirement obligations, partially offset by USD 0.4 million of imputed interest on asset retirement obligations. See [notes 4, 8, and 12](#) for more information.

Notes

Note 01 General

The Group

REC Silicon ASA (the Company) and its subsidiaries (together REC Silicon Group, REC Silicon, or the Group) are a leading producer of advanced silicon materials, focusing on delivering high-purity silicon gases to the solar and electronics industries worldwide.

REC Silicon ASA is headquartered in Lysaker, Norway and operates manufacturing facilities in Moses Lake, Washington and Butte, Montana in the USA. REC Silicon's subsidiaries include REC Silicon Inc, REC Solar Grade Silicon LLC, and REC Advanced Silicon Materials LLC in the US. REC Silicon's marketing activities for sales of products are carried out in Japan, Taiwan, Korea, Singapore, China, and the United States.

Basis of preparation

The financial statements are presented in USD, rounded to the nearest tenth of million, unless otherwise stated. As a result, of rounding adjustments, the figures in one or more rows or columns included in the financial statements and notes may not add up to the total of that row or column.

Financial statements

These consolidated interim financial statements, combined with other relevant financial information in this report, have been prepared in accordance with IAS 34. They have not been audited or subject to a review by the auditor. They do not include all the information required for full annual financial statements of the Group and should be read in conjunction with the consolidated financial statements for 2024. The consolidated financial statements for 2024 are available upon request from the Company's registered office in Lysaker, Norway or at www.recsilicon.com.

Going concern

As of the date of these interim statements, the Group does not have sufficient available cash to meet debt service and other anticipated operating cash flow requirements. Management acknowledges that additional sources of capital are required to meet obligations. The Company is actively negotiating to secure additional financing aiming to close in the first half of 2026. Furthermore, the Company is looking to sell noncore assets during 2026. Management estimates that future cash requirements for 2026 can be met from the additional funding described below, along with cash flows generated by operations from the Butte segment.

The cash flow generation in 2026 will be driven by sales from the Butte facility, with investment activities primarily focused on its maintenance. Continued stabilization of the Company's operations will be essential to actualize future financing and development opportunities in subsequent years.

The Company will require additional funding to meet its debt obligations during the next 12 months, as debt obligations begin to mature in the first quarter of 2026. Management acknowledges that the Company will not be able to generate sufficient cash flow from operations to support its operations for the next 12 months and meet these debt repayments. There is significant doubt around the Company's ability to secure sufficient funding to sustain its operations and to meet debt repayment obligations for the next 12 months without the continued support of the major shareholder, Hanwha, or additional sources of capital.

Accordingly, there exists a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, which could have a substantial impact on its future operational capacity. Nevertheless, management and the Board of Directors believe that the Company will be successful in obtaining the necessary capital to meet its obligations and continue as a going concern.

Accounting policies

The consolidated financial statements for 2024 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Norwegian Accounting Act. The accounting policies adopted by the Company are consistent with those of the previous fiscal year. See note 2.24 to the consolidated financial statements for 2024.

Segment information

REC Silicon produces silicon gas at its manufacturing facility in Butte, Montana. On December 30, 2024, the Company announced the shutdown of granular polysilicon production for the photovoltaic industry at its manufacturing facility in Moses Lake, Washington. REC Silicon is maintaining its option to restart the silane plants in Moses Lake.

The Company's organizational structure, management team, operating strategy, and performance measurement reporting support the determination that these businesses represent separate distinguishable operating segments. Accordingly, there are two operating segments: Butte, Montana and Moses Lake, Washington. Other includes general, administrative, and selling expenses which support both operating segments in addition to administrative costs for the Company's headquarters in Lysaker, Norway. Eliminations (if applicable) include the reversal of the impact of transactions between group members and affiliates. The results of the operating segments plus Other and Eliminations reconcile to total profit/loss for the Group.

Group Management is headed by the Chief Executive Officer (CEO), and the CEO makes decisions regarding the allocation of resources and performance assessment for all segments. Accordingly, the CEO is regarded as the Chief Operating Decision Maker (CODM).

Foreign currency translation

Items included in the financial statements for each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). REC Silicon AS and REC Solar AS have a functional currency of NOK. The Company and its remaining subsidiaries have a functional currency of USD. The Group's reporting currency is USD. See note 2.4 to the consolidated financial statements for 2024.

Estimates and judgments

Preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4 to the consolidated financial statements for 2024.

Note 02 Segment information

See notes 2.3 and 5 to the consolidated financial statements for 2024 and [note 1](#) to these financial statements for further information on segments.

The following table summarizes key financial results by segment:

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues					
Butte	20.1	29.6	78.1	140.7	16.8
Moses Lake	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.1	0.1	0.0
Total	20.1	29.7	78.2	140.8	16.9
EBITDA					
Butte	1.6	2.6	2.7	12.9	0.1
Moses Lake	-2.4	0.0	1.9	0.0	-4.4
Other	-3.0	-7.9	-15.3	-30.8	-2.9
Total	-3.7	-5.3	-10.7	-17.9	-7.2
EBIT					
Butte	-5.0	0.1	-11.2	2.1	-2.5
Moses Lake	-2.5	-49.8	-1.4	-49.8	-4.4
Other	-3.1	-8.0	-15.7	-31.3	-3.0
Total	-10.6	-57.7	-28.3	-78.9	-9.9

The following tables reflect the financial results of each operating segment:

Butte

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues	20.1	29.6	78.1	140.7	16.8
Cost of materials	-2.8	-3.9	-11.8	-20.6	-2.9
Change in inventories	-1.0	-7.7	-3.8	-15.8	0.1
Employee benefit expense	-7.5	-6.5	-29.3	-30.3	-7.3
Other operating expenses	-7.0	-8.9	-30.4	-60.6	-6.8
Other income and expenses	-0.2	0.0	-0.1	-0.6	0.1
Total current costs	-18.5	-27.0	-75.5	-127.8	-16.8
EBITDA contribution	1.6	2.6	2.7	12.9	0.1
Depreciation of fixed assets	-1.7	-2.0	-6.9	-8.3	-2.0
Depreciation of leased assets	-0.7	-0.7	-2.6	-2.6	-0.7
Impairment	-4.4	0.1	-4.4	0.1	0.0
Total depreciation, amortization, and impairment	-6.7	-2.5	-13.9	-10.8	-2.6
EBIT contribution	-5.0	0.1	-11.2	2.1	-2.5

Moses Lake

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024	Q3 2025
Revenues	0.0	0.0	0.0	0.0	0.0
Cost of materials	0.0	0.0	-0.1	0.0	0.0
Change in inventories	-0.7	0.0	-2.6	0.0	-1.3
Employee benefit expense	-0.7	0.0	-3.3	0.0	-1.0
Other operating expenses	-2.5	0.0	-7.2	0.0	-2.7
Other income and expenses	1.5	0.0	15.1	0.0	0.5
Total current costs	-2.4	0.0	1.8	0.0	-4.4
EBITDA contribution	-2.4	0.0	1.9	0.0	-4.4
Total depreciation, amortization, and impairment	-0.1	-49.8	-3.3	-49.8	0.0
EBIT contribution	-2.5	-49.8	-1.4	-49.8	-4.4

Note 03 Fixed assets

See note 6 to the consolidated financial statements for 2024.

Property, plant and equipment and intangible assets

USD in million	Land and buildings	Machinery and production equipment	Other tangible fixed assets	Assets under construction	Total property, plant and equipment	Total intangible assets	Total
Carrying value on January 1, 2025	31.1	31.0	2.3	20.3	84.7	0.0	84.7
Net additions ¹	0.0	15.2	0.1	-10.7	4.6	0.0	4.6
Depreciation and amortization	-1.9	-4.9	-0.4	0.0	-7.3	0.0	-7.3
Impairment ²	0.0	-0.5	0.0	-3.9	-4.4	0.0	-4.4
Carrying value on December 31, 2025	29.2	40.8	1.9	5.7	77.6	0.0	77.6
On December 31, 2025							
Historical cost	104.5	1,687.7	63.5	42.6	1,898.2	45.1	1,943.3
Accumulated depreciation/amortization/impairment	-75.3	-1,646.9	-61.6	-36.9	-1,820.7	-45.1	-1,865.8
Carrying value on December 31, 2025	29.2	40.8	1.9	5.7	77.6	0.0	77.6

¹ Net additions include transfers from assets under construction. Differences between additions and cash payments for PPE is the result of changes in accruals and timing of payments.

² Impairment loss of USD 4.4 million was recognized as a result of the annual asset review. The impaired assets primarily relate to production equipment that has been removed from service, as well as projects under construction that are no longer expected to be completed due to changes in the underlying business case.

Items classified as under construction relate to assets within the Butte segment and are projects to ensure stable production and ongoing quality improvements.

Impairment reviews

See note 8 to the consolidated financial statements for 2024.

Management has determined that the Group consists of two cash generating units (CGUs). The Company's CGUs are derived from the reported segments for Butte and Moses Lake. Financial attributes associated with Other and Eliminations have been allocated to the individual CGUs based upon estimated activity, volume, and revenue factors.

The Company conducted a review of impairment indicators as of December 31, 2025. Management concluded that the decreasing useful life of assets, recurring net losses, and changes to the discount rate are sufficient to indicate a potential change in the valuation of the long-lived assets of the Butte CGU.

An impairment test was performed for the Butte CGU. Key estimates included, but were not limited to, sales prices and volumes generating future revenue, costs of major inputs, conversion costs and yield ratios, expected government grants under the US Inflation Reduction Act, and maintenance capital expenditures. The test indicated an estimated value in use exceeding the carrying value of the Butte CGU.

Separately, the Company recognized impairment loss of USD 4.4 million that was recognized as a result of the annual asset review. The impaired assets primarily relate to production equipment that has been removed from service, as well as projects under construction that are no longer expected to be completed due to changes in the underlying business case.

Note 04 Leases

See note 7 to the consolidated financial statements for 2024.

Right of use assets

USD in million	Land and buildings	Machinery	Gas plants	Other leased assets	Total
Balance on January 1, 2025	0.0	0.0	23.6	0.0	23.7
Depreciation	0.0	0.0	-2.6	0.0	-2.6
Additions	0.0	0.0	0.0	0.0	0.0
Modification of existing leases	0.0	0.0	4.2	0.0	4.2
Impairment - Discontinued operation	0.0	0.0	-3.7	0.0	-3.7
Balance on December 31, 2025	0.0	0.0	21.5	0.0	21.6

Lease liabilities

USD in million	Total future lease payments	Maturity analysis - contractual payments to be made					
		2026	2027	2028	2029	2030	After 2030
Lease liabilities on December 31, 2025 ¹	70.3	11.3	11.3	11.3	10.9	5.9	19.6

¹ Amounts listed are undiscounted

The weighted average incremental borrowing rate applied to lease liabilities on December 31, 2025 is 11.6 percent.

Amounts recognized in profit or loss

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024
Continuing operations				
Continuing operations	1.3	1.0	5.2	4.2
Interest on lease liabilities	0.7	0.7	2.6	2.6
Depreciation of right-of-use assets	0.1	0.0	3.2	0.0
Impairment of right-of-use assets	0.0	0.0	-13.5	0.0
Gains (-) losses (+) due to terminations and other	0.2	0.2	0.8	0.5
Expenses relating to short-term leases				
Discontinued operations				
interest on lease liabilities	0.0	1.0	0.7	4.2
Depreciation of right-of-use assets	0.0	0.5	0.0	1.7
Impairment of right-of-use assets	0.0	7.5	0.6	7.5
Gains (-) losses (+) due to terminations and other	-1.1	0.0	-1.1	0.0
Expenses relating to short-term leases	0.0	0.3	0.1	1.0

Right-of-use assets associated with contracts with a low value or terms of less than 12 months, at the time of initiation, are expensed in accordance with the low-value assets and short-term lease exemptions.

Amounts recognized in the statement of cash flow

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024
Total cash outflow for leases	2.8	4.1	12.6	16.2

Note 05 Inventories

See note 13 to the consolidated financial statements for 2024.

Inventories at end of period

USD in million	Dec 31, 2025			Dec 31, 2024		
	Before writedowns	Writedowns	After writedowns	Before writedowns	Writedowns	After writedowns
Stock of raw materials	4.9	0.0	4.9	6.6	0.0	6.6
Spare parts	52.7	-46.5	6.2	51.4	-45.5	5.8
Work in progress	3.7	-1.0	2.8	8.6	-5.7	2.9
Finished goods	6.6	-0.9	5.7	74.6	-62.5	12.1
Total	68.0	-48.4	19.6	141.2	-113.7	27.4

Inventories have been written down to estimated net realizable values. Write-downs of materials and spare parts represent the estimated obsolescence related to items held in inventories at cost. Write-downs of work in progress and finished goods have been estimated by comparing the net realizable value of anticipated sales to the manufacturing costs of items held in inventory.

Note 06 Borrowings and guarantees

See notes 17, 29, and 30 to the consolidated financial statements for 2024.

Carrying amounts of interest-bearing liabilities on December 31, 2025 and contractual repayments (excluding interest payments) are specified in the table below.

USD in million	Borrower	Maturity	Interest rate	Carrying amount	Contractual repayments, excluding interest		
					Total	2026	After 2026
Gurantee fees ¹				1.1	1.1		
Bank Loan - KEB Hana Bank	REC Silicon ASA	2026	3 mon SOFR+1.8%	110.0	110.0	110.0	
Bank Loan - KEB Hana Bank	REC Silicon Inc	2026	3 mon SOFR+1.5%	100.0	100.0	100.0	
Bank Loan - NongHyup	REC Silicon Inc	2026	3 mon SOFR+2.0%	40.0	40.0	40.0	
Bank Loan - Standard Chartered	REC Silicon Inc	2026	1 mon SOFR+2.0%	50.0	50.0	50.0	
Grant County WA tax settlement	REC Solar Grade Silicon LLC	2026	11.5%	1.6	1.6	1.6	
Related Party Loan - Anchor AS	REC Silicon ASA	2026	3 mon SOFR+2.2%	20.0	20.0	20.0	
Related Party Loan - Hanwha Global Americas	REC Silicon Inc	2026	3 mon SOFR+2.2%	10.0	10.0	10.0	
Related Party Loan - Hanwha International	REC Silicon Inc	2026	3 mon SOFR+2.2%	110.0	110.0	110.0	
Total				442.6	442.6	441.6	0.0

¹ Amortized as part of effective interest

On October 13, 2025, REC Silicon ASA entered into an unsecured USD 7.0 million short-term loan agreement with Anchor AS to fund the company's urgent operational capital needs. Anchor AS is REC Silicon's largest shareholder and is a Norwegian subsidiary of Hanwha Solutions and Hanwha Corporation. The terms of the loan are generally in line with the financial terms of the company's existing bank and shareholder loan agreements. The maturity date is April 13, 2026.

On November 14, 2025, REC Silicon ASA entered into an unsecured USD 13.0 million short-term loan agreement with Anchor AS to fund the company's urgent operational capital needs. Anchor AS is REC Silicon's largest shareholder and is a Norwegian subsidiary of Hanwha Solutions and Hanwha Corporation. The terms and conditions of this loan are identical to those of the USD 7.0 million loan between REC Silicon ASA and Anchor AS, which closed on October 13, 2025. The maturity date is May 14, 2026.

For information on events after the reporting period that impact borrowings, refer to [Note 12](#).

Guarantees

See note 29 to the consolidated financial statements for 2024.

The Group provided parent company guarantees for the REC Solar Group related to the performance of solar panels and systems and the sale of REC ScanModule AB. The Group has been provided with offsetting guarantees by REC Solar Holdings AS. The guarantees are valid for relevant warranty periods and are limited by warranties provided on solar panels and systems. Parent company guarantees for REC Solar were USD 28.1 million on December 31, 2025, and December 31, 2024. The guarantees will expire in their entirety by 2039.

Note 07 Commitments

Contractual purchase obligations and minimum operating lease payments on December 31, 2025

USD in million	Total future payments	2026	2027	2028	After 2028
Purchase of goods and services	8.5	7.7	0.7	0.0	0.0
Minimum operating lease payments	0.0	0.0	0.0	0.0	0.0
Total purchase obligations and minimum lease payments	8.5	7.7	0.7	0.0	0.0

Commitments primarily represent the purchase of raw materials.

Note 08 Provisions

USD in million	Dec 31, 2025	Dec 31, 2024
Current	0.3	8.2
Non-current	26.4	26.3
Total provision	26.7	34.5

Specification of provisions

USD in million	Q4 2025	Year 2025	Year 2024
at beginning of period	27.5	34.5	23.8
Employee termination benefits recorded	0.7	-1.9	8.2
Employee termination benefits paid	-0.4	-6.0	0.0
Change in estimate in asset retirement obligation	-1.5	-1.5	1.3
Net periodic interest on asset retirement obligation - discontinued operations	0.0	0.2	0.9
Net periodic interest on asset retirement obligation - continuing operations	0.4	1.3	0.3
at end of period	26.7	26.7	34.5

See note 20 to the consolidated financial statements for 2024.

During the fourth quarter of 2025, the Company implemented a reduction in force and recognized termination benefits. A provision of USD 0.7 million was recognized when the Company committed to the restructuring. Of this amount, USD 0.4 million was paid during the fourth quarter of 2025. The remaining USD 0.3 million is expected to be settled during the first half of 2026.

The asset retirement obligations (AROs) represent the present value of estimated future costs discounted between 4.5 to 6.0 percent and between 3 and 34.5 years. The change in estimate recorded in the fourth quarter was due to a change in estimated costs, as well as changes to the estimated discount rates.

Note 09 Claims, disputes, and risks

Please refer to the annual report for 2024, specifically note 31 to the consolidated financial statements and the risk factors section of the Board of Directors' Report.

Tariff uncertainty

The tariff and trade policy environment remains uncertain and continues to evolve. The Company entered into fixed-price supply agreements for major raw materials in 2025 prior to the emergence of the current tariff issues. However, there can be no assurance that these arrangements will fully mitigate the effects of potential future tariffs or other trade restrictions. In addition, although the Company sources the majority of its raw materials domestically, the impact of tariffs may be experienced indirectly through suppliers and other supply chain participants, which could result in higher costs and adversely affect the Company's profitability.

REC Silicon has historically generated a significant portion of its revenues from export sales (55 percent in 2025). As a result, the Company may be exposed to increased risk from the imposition of tariffs, retaliatory measures, or other trade barriers affecting U.S. exports. Such measures could reduce demand for the Company's products, disrupt customer relationships, and negatively impact revenues and margins. For additional information on revenue by geographic region, refer to Note 5 to the consolidated financial statements for 2024.

Note 10 Receivables

See notes 12 and 30 to the consolidated financial statements for 2024.

Aging of receivables on December 31, 2025

USD in million	Total Carrying amount	Aging of receivables that are not impaired past due					Impaired
		Not due	< 30 Days	>30<90 Days	>90<365 Days	>365 Days	
Trade receivables and accrued revenues	8.8	7.5	1.1	0.2	0.0	0.0	0.0
Provision for loss on trade recivables	-0.7	0.0	-0.5	-0.2	0.0	0.0	0.0
Other current receivables	0.3	0.3	0.0	0.0	0.0	0.0	0.0
Total receivables	8.5	7.8	0.6	0.0	0.0	0.0	0.0

There was no bad debt expense recorded during the third quarter of 2025.

Note 11 Transactions with related parties

See notes 5, 10 and 16 to the consolidated financial statements for 2024.

As of the date of these interim financial statements Hanwha companies hold 60.41 percent of the shares in REC Silicon.

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024
Total related party revenues	0.0	0.0	0.7	0.0
Related party expenses				
Service expenses	-0.2	-0.6	-0.8	-2.9
Interest expenses on borrowings	-2.6	-0.7	-8.7	-1.0
Expensing of guarantee and LOC fees	-0.8	-0.8	-3.2	-3.1
Total related party expenses	-3.6	-2.1	-12.7	-6.9

In the fourth quarter of 2025, REC Silicon Inc received services from Hanwha subsidiaries, in the amount of USD 0.2 million.

In the fourth quarter REC Silicon incurred interest expense related to loans with related parties as follows:

- USD 1.7 million associated with its loan with Hanwha International,
- USD 0.2 million associated with its loan with Hanwha Global Americas, and
- USD 0.2 million associated with its loan with Anchor AS.

See [Note 6](#) for additional information regarding these borrowings.

Hanwha Solutions provides guarantees for certain REC Silicon loans. During the fourth quarter of 2025, REC Silicon incurred USD 0.8 million in expenses related to guarantee and letter of credit fees payable to Hanwha Solutions.

In September 2023, REC Solar Grade Silicon LLC received and advance payment of USD 30 million from QCells as part of its supply agreement. Due to the cancellation of the agreement, REC Solar Grade Silicon LLC is required to return the full amount of the advance payment. The return payment was scheduled to be made in January of 2026, but the parties reached an agreement in principle to extend the payment date until January of 2027.

Note 12 Discontinued operations

On December 30, 2024, the Company announced the decision to permanently cease production of granular polysilicon at its manufacturing facility located in Moses Lake, Washington. As a result, the granular polysilicon business line met the criteria for classification as a discontinued operation.

Following the shutdown announcement, the Company began a process to clean out material in production, which continued through early March 2025. Costs associated with the cleanout were USD 10.2 million, which are directly attributable to the discontinued business line and are accordingly included within discontinued operations in the Company's consolidated financial statements

During the fourth quarter, the Company incurred approximately USD 3.9 million in costs related to the safe maintenance of its Moses Lake silane gas plants in a non-operating status. These activities are not directly attributable to the discontinued granular polysilicon operations and are classified within continuing operations.

The Moses Lake facility has an annual capacity of 24,000MT of silane gas for own use, however additional investment would be necessary to deliver to external customers. In the meantime, the silane plants will be maintained in safe and recoverable condition.

The following statement of income is an analysis of discontinued operation.

Analysis of discontinued operations
Consolidated statement of income

USD in million	Total operations	Of which discontinued	Continuing	Total operations	Of which discontinued	Continuing	Total operations	Of which discontinued	Continuing	Total operations	Of which discontinued	Continuing	Total operations	Of which discontinued	Continuing
	Q4 2025			Q4 2024			Year 2025			Year 2024			Q3 2025		
Revenues	21.5	-1.4	20.1	30.0	-0.4	29.7	82.5	-4.3	78.2	143.6	-2.8	140.8	18.7	-1.8	16.9
Cost of materials	-2.9	0.0	-2.9	-9.9	5.9	-4.0	-12.2	0.2	-12.0	-56.2	35.5	-20.7	-2.9	0.0	-2.9
Changes in inventories	-1.7	0.0	-1.7	-30.6	22.9	-7.7	-7.3	0.8	-6.5	-27.9	12.0	-15.9	-1.3	0.1	-1.2
Employee benefit expenses	-9.0	0.0	-9.0	-17.9	8.4	-9.5	-41.9	4.0	-38.0	-82.6	39.0	-43.6	-9.3	0.0	-9.3
Other operating expenses	-11.6	0.0	-11.6	-25.2	12.3	-12.9	-51.9	4.2	-47.8	-145.4	67.6	-77.8	-11.6	0.0	-11.6
Other income and expense ¹	2.4	-1.1	1.3	-3.8	2.9	-0.8	20.9	-5.7	15.2	-3.6	3.0	-0.7	3.9	-3.1	0.8
EBITDA	-1.3	-2.4	-3.7	-57.3	52.1	-5.3	-9.9	-0.8	-10.7	-172.0	154.2	-17.9	-2.3	-4.9	-7.2
Depreciation	-1.7	0.0	-1.7	-3.3	1.2	-2.1	-7.3	0.0	-7.3	-20.4	11.7	-8.7	-2.0	0.0	-2.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation of right of use assets	-0.7	0.0	-0.7	-1.1	0.5	-0.7	-2.6	0.0	-2.6	-4.3	1.7	-2.6	-0.7	0.0	-0.7
Impairment	-4.5	0.0	-4.5	-245.9	196.2	-49.7	-8.2	0.6	-7.6	-246.1	196.4	-49.7	0.0	0.0	0.0
Total depreciation, amortization and impairment	-6.9	0.0	-6.9	-250.3	197.9	-52.4	-18.1	0.6	-17.5	-270.9	209.8	-61.0	-2.7	0.0	-2.7
EBIT	-8.2	-2.4	-10.6	-307.6	250.0	-57.7	-28.0	-0.2	-28.3	-442.9	364.0	-78.9	-5.0	-4.9	-9.9
Financial income	0.0	0.0	0.0	0.2	0.0	0.2	0.0	0.0	0.0	3.1	0.0	3.1	0.1	0.0	0.1
Net financial expenses	0.1	0.0	0.1	-6.9	-1.1	-8.0	0.4	0.0	0.4	-20.8	-7.6	-28.4	-9.0	0.0	-9.0
Net currency gains/losses	-9.1	0.0	-9.1	0.0	0.0	0.0	-35.4	1.0	-34.4	0.1	0.0	0.1	0.0	0.0	0.0
Net financial items ²	-9.1	0.0	-9.1	-6.7	-1.1	-7.8	-35.1	1.0	-34.1	-17.7	-7.6	-25.3	-8.9	0.0	-8.9
Profit/loss	-17.3	2.4	-19.7	-313.5	-248.0	-65.5	-63.1	-0.7	-62.3	-457.4	-353.1	-104.2	-14.0	4.9	-18.8
Profit/loss attributable to owners of REC Silicon ASA	-17.3	2.4	-19.7	-313.5	-248.0	-65.5	-62.3	-0.7	-62.3	-457.4	-353.1	-104.2	-14.0	4.9	-18.8
Comprehensive income attributable to owners of REC Silicon ASA	-17.3	2.4	-19.7	-313.5	-248.0	-65.5	-62.3	-0.7	-62.3	-457.4	-353.1	-104.2	-14.0	4.9	-18.8
Earnings per share (In USD)															
-basic	-0.04	0.01	-0.05	-0.75	-0.59	-0.16	-0.15	0.00	-0.15	-1.09	-0.84	-0.25	-0.03	0.01	-0.04
-diluted	-0.04	0.01	-0.05	-0.75	-0.59	-0.16	-0.15	0.00	-0.15	-1.09	-0.84	-0.25	-0.03	0.01	-0.04

Cash flows of discontinued operations

The following table shows the cash flows of the discontinued operations of the Moses Lake segment. It includes cash flows to and from REC Silicon Inc. The US entities of REC Silicon have a cash pooling arrangement and net cash from REC Silicon Inc to the Moses Lake segment is reported in the line Net cash flow from financing activities.

USD in million	Q4 2025	Q4 2024	Year 2025	Year 2024
Net cash flow from operating activities	0.9	-8.2	-14.1	-113.6
Net cash flow from investing activities	0.0	-17.2	-4.1	-77.2
Net cash flow from financing activities	-0.9	25.1	18.2	190.5
Cash and cash equivalents at the beginning of the period	0.0	0.2	0.0	0.2
Cash and cash equivalents at the end of the period	0.0	0.0	0.0	0.0

Note 13 Events after the reporting period

On January 19, 2026 REC Silicon ASA announced that it entered into an unsecured USD 10.0 million short-term loan agreement with Anchor AS to fund the company's urgent operational capital needs. The terms and conditions of this loan are identical to those of the USD 13.0 million loan between REC Silicon ASA and Anchor AS, which closed on November 13, 2025. The maturity date is July 19, 2026.

On January 26, 2026 REC Silicon Inc announced that it extended its existing USD 110.0 million short-term loan agreement with Hanwha International LLC. Hanwha International LLC. This loan was extended through a fifth amendment to the existing USD 110.0 million short-term loan, which originally closed on January 24, 2025. It was subsequently amended for the first time on February 5, 2025, for the second time on July 18, 2025, for the third time on August 11, 2025, and for the fourth time on September 3, 2025. The maturity date of the extended loan is January 24, 2027.

On February 9, 2026, the Company announced that its Board of Directors will propose to an extraordinary general meeting a fully underwritten rights issue to raise gross proceeds of approximately NOK 972.6 million.

The expected net proceeds from the proposed rights issue are intended to be used to strengthen the Company's liquidity position through the repayment of advance payments under a long-term offtake contract of approximately USD 30 million, repayment of existing debt facilities of approximately USD 40 million, and for general corporate purposes and working capital, including operation expenses of approximately USD 30.0 million.

The rights issue is fully underwritten by Anchor AS, the Company's largest shareholder. Completion of the transaction is subject to approval by an extraordinary general meeting, including approval of related share capital matters, and other customary conditions, including publication of a prospectus.

Definition of alternative performance measures

An Alternative Performance Measure (APM) is a measure of historic or future financial performance, financial position, or cash flows other than a financial measure defined or specified in the applicable financial reporting framework.

The Company has identified the following APMs used in reporting:

EBIT	EBIT is an acronym for Earnings Before Tax and represents profit/loss from continuing operations excluding income tax expense/benefit, net financial items, and share of profit/loss from investments in associates.	EBIT Contribution	EBIT contribution is used to describe the contribution of each of the operating segments, other, and eliminations to the Company's total EBIT. For the operating segments, EBIT contributions represent revenues less cost of manufacturing including depreciation and amortization. For other, EBIT contribution represents primarily operating costs.
	EBIT is reflected on the consolidated statement of income on the line titled EBIT. EBIT has been reported as a loss of USD 10.6 million for the fourth quarter of 2025.		A table reconciling the EBIT contribution of each operating segment along with other and eliminations to the Company's total EBIT can be found in note 2 segments.
EBIT excluding impairment charges	is calculated by taking EBIT and excluding impairment. For the fourth quarter of 2025 this is a loss of USD 6.1 million.	EBITDA	EBITDA is an acronym for Earnings Before Tax, Depreciation, and Amortization. EBITDA is EBIT excluding depreciation, amortization, and impairment.
EBIT Margin	EBIT margin is calculated by dividing EBIT by revenues. EBIT and revenues are reflected on the Company's statement of income, in note 2 segments, and in the financial highlight tables in this report in lines titled similarly.		EBITDA is reflected on the consolidated statement of income on the line titled EBITDA. An EBITDA loss of 3.7 million has been reported for the fourth quarter of 2025.
	EBIT margin has been calculated and is reported in the financial highlight tables for REC Silicon Group.	EBITA Margin	EBITDA margin is calculated by dividing EBITDA by revenues. EBITDA and revenues are reflected on the Company's statement of income, in note 2 segments, and in the financial highlight tables in this report in lines similarly titled.
			EBITDA margin has been calculated and is reported in the financial highlight tables for REC Silicon Group, in the key financials table for each operating segment, and in note 2 segments.

EBITDA Contribution EBITDA contribution is used to describe the contribution of each of the operating segments, other, and eliminations to the Company's total EBITDA. For the operating segments, EBITDA contributions represent revenues less cost of manufacturing excluding depreciation and amortization. For other, EBITDA contribution represents primarily operating costs.

A table reconciling the EBITDA contribution of each operating segment along with other and eliminations to the Company's total EBITDA can be found in [note 2](#) segments.

Equity Ratio The equity ratio is calculated by dividing total shareholders' equity by total assets. Total shareholders' equity and total assets are reflected on lines similarly titled on the Company's statement of financial position.

On December 31, 2025, the equity ratio is negative 310.6 percent and is calculated by dividing USD negative 440.5 million total shareholders' equity by USD 141.8 million in total assets.

Net Debt Net debt is the carrying value of interest-bearing debt instruments (including financing leases) less cash and cash equivalents.

The carrying value of debt can be found in [note 6](#) borrowing in the table under the caption carrying amount, the amounts of lease liabilities are reflected on the balance sheet, and cash can be found in the statement of financial position on the line titled cash and cash equivalents.

On December 31, 2025, net debt was USD 483.8 million or USD 442.6 million total carrying value of the Company's debt, from [note 6](#), plus USD 48.5 million current and non-current lease liabilities (from the balance sheet) less USD 7.3 million in cash and cash equivalents.

Nominal Net Debt Nominal net debt is the contractual repayment values of interest-bearing debt instruments (including financing leases) less cash and cash equivalents.

The contractual repayment values of debt can be found in [note 6](#) borrowing in the table under the caption contractual repayments excluding interest, the amounts of lease liabilities are reflected on the balance sheet, and cash can be found in the statement of financial position on the line titled cash and cash equivalents.

On December 31, 2025, nominal net debt was USD 483.8 million or USD 442.6 million contractual repayment values of the Company's debt from [note 6](#), plus USD 48.5 million current and non-current lease liabilities (from the balance sheet) less USD 7.3 million in cash and cash equivalents.

Nominal Debt Nominal debt is the contractual repayment values of interest-bearing debt instruments including financing leases. Nominal debt is the contractual repayment values of interest-bearing debt instruments including financing leases.

The contractual repayment values of debt can be found in [note 6](#) borrowing in the table under the caption contractual repayments excluding interest, the amounts of lease liabilities are reflected on the balance sheet, and cash can be found in the statement of financial position on the line titled cash and cash equivalents.

On December 31, 2025, nominal debt was USD 491.1 million or USD 442.6 million contractual repayment values of the Company's debt from [note 6](#), plus USD 48.5 million current and non-current lease liabilities (from the balance sheet).

RECSiLICON

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About REC Silicon

REC Silicon is a global leader in silane based high purity silicon materials. We combine over 40 years experience and best-in-class proprietary technology to deliver on customer expectations. Our two U.S. based plants have a combined production capacity of more than 30,000 MT of high purity silane gas. REC Silicon is headquartered in Lysaker, Norway and listed on the Oslo stock exchange under the ticker: RECSI.

For more information, go to: www.recsilicon.com

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