

»» Business Review January-June 2025

Seppo Voutilainen
CEO

18 July 2025

Ville Sirviö
CFO

Terrafame

»» January-June 2025 in brief

- Lower prices for battery chemicals and metals compared to the comparison period continued to have a negative impact on the company's net sales. In addition, unfavourable exchange rate fluctuations weakened our result despite hedging measures.
- Compared to the Q2 2024, EBITDA turned positive due to higher production volumes, an increase in work-in-progress inventory, and improved cost efficiency.
- The interim decision received by the company from the Supreme Administrative Court (SAC) in June regarding the decisions issued by the Vaasa Administrative Court (VAC) in December 2024 will make, among other things, production planning easier.



»Terrafame's EBITDA positive – net sales decreased due to lower prices in January–June 2025

Net sales
1–6/2025

EUR 233.6 million

1–6/2024 EUR 246.0 million

Net sales of battery
chemicals business

EUR 126.1 million

1–6/2024 EUR 65.0 million

54 % of net sales

EBITDA
1–6/2025

EUR 25.5 million

1–6/2024 EUR 37.5 million

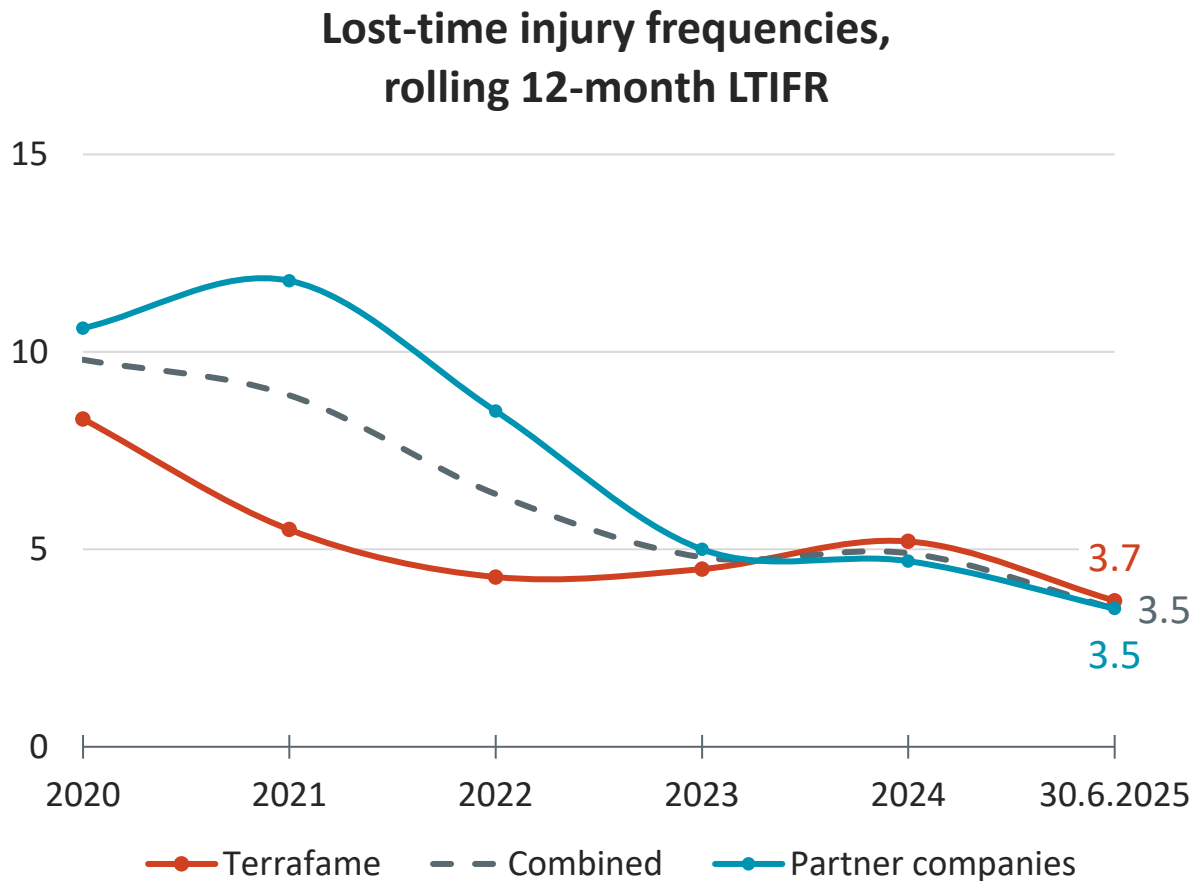
Operating result
1–6/2025

EUR -24.1 million

1–6/2024 EUR 3.3 million



»»The combined lost-time injury frequency rate is at a record low



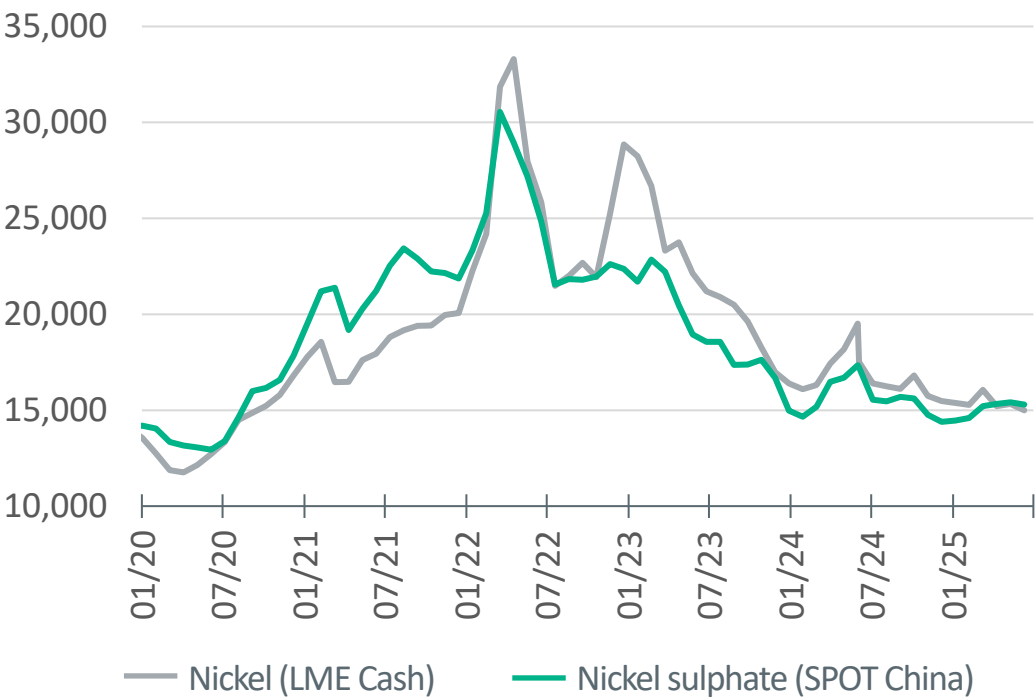
At 30 June 2025, Terrafamen employed **954** (935) people and an average of **1,088** (1,248) people employed by partner companies worked in the industrial area during the review period (FTE).



» Market review

>>Market prices of nickel and nickel sulphate remained at a lower level

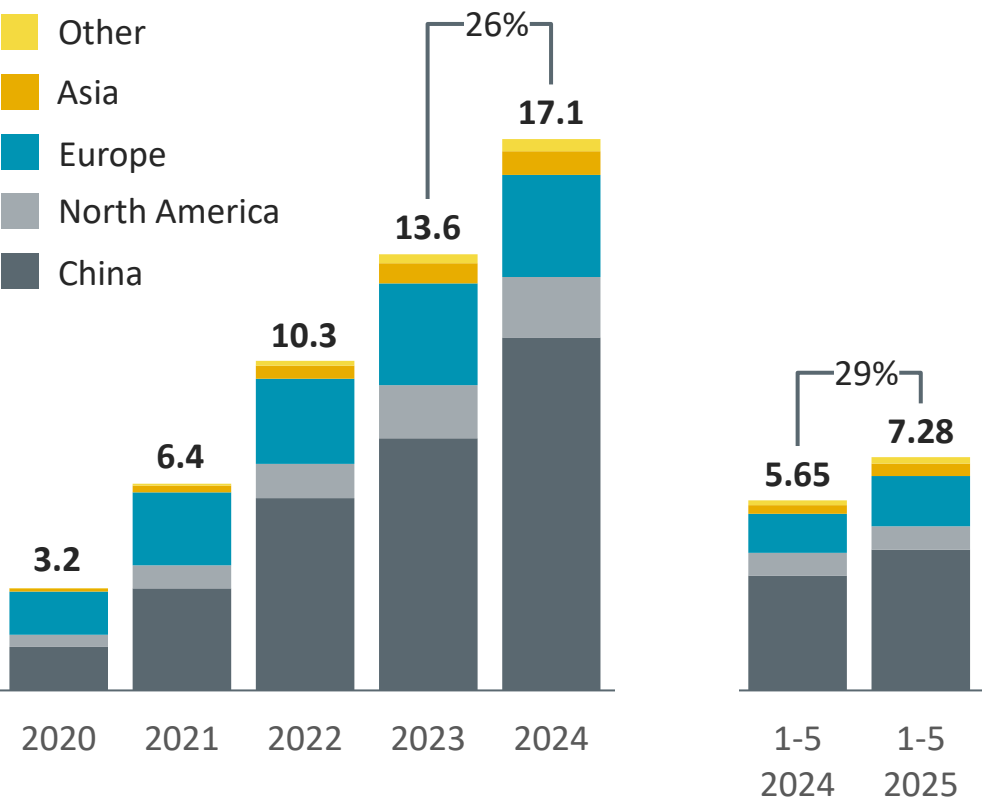
Price development of nickel and nickel sulphate, USD/t



USD/t	4–6 2025	4–6 2024	Change	1–6 2025	1–6 2024	Change
Nickel LME Cash	15,171	18,415	-17.6%	15,374	17,495	-12.1%
Nickel sulphate SPOT China	14,751	17,039	-13.4%	15,050	16,265	-7.5%

» In January-May 2025, the sales of EVs increased by about 29% globally

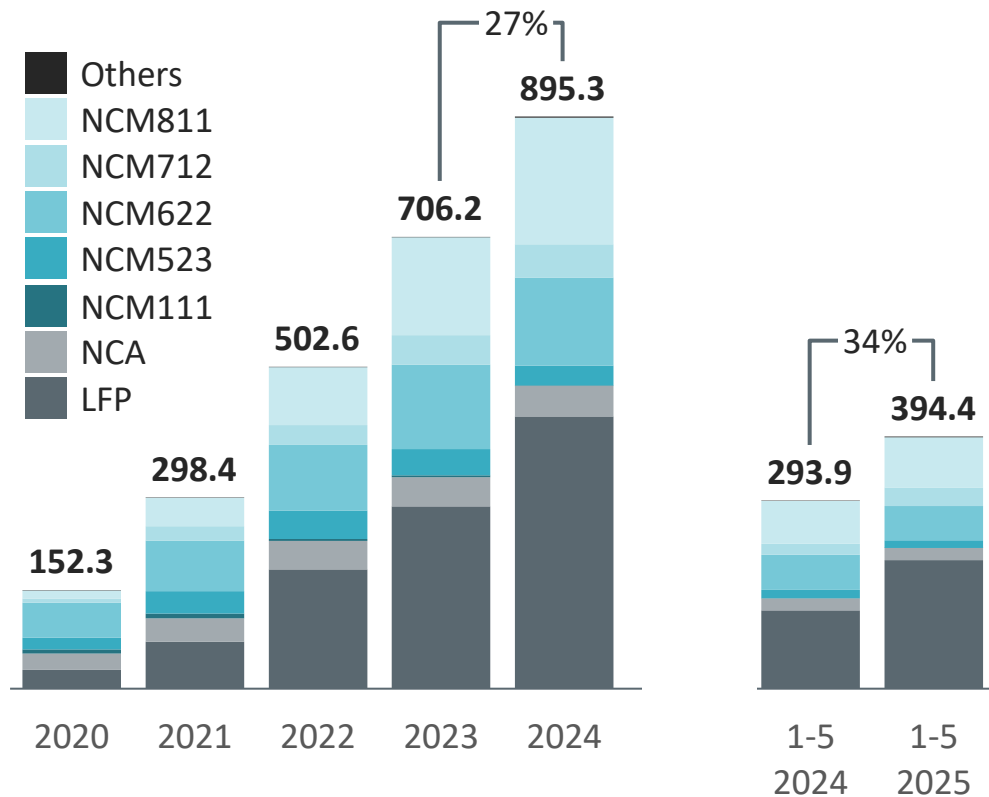
Global EV sales, million pcs



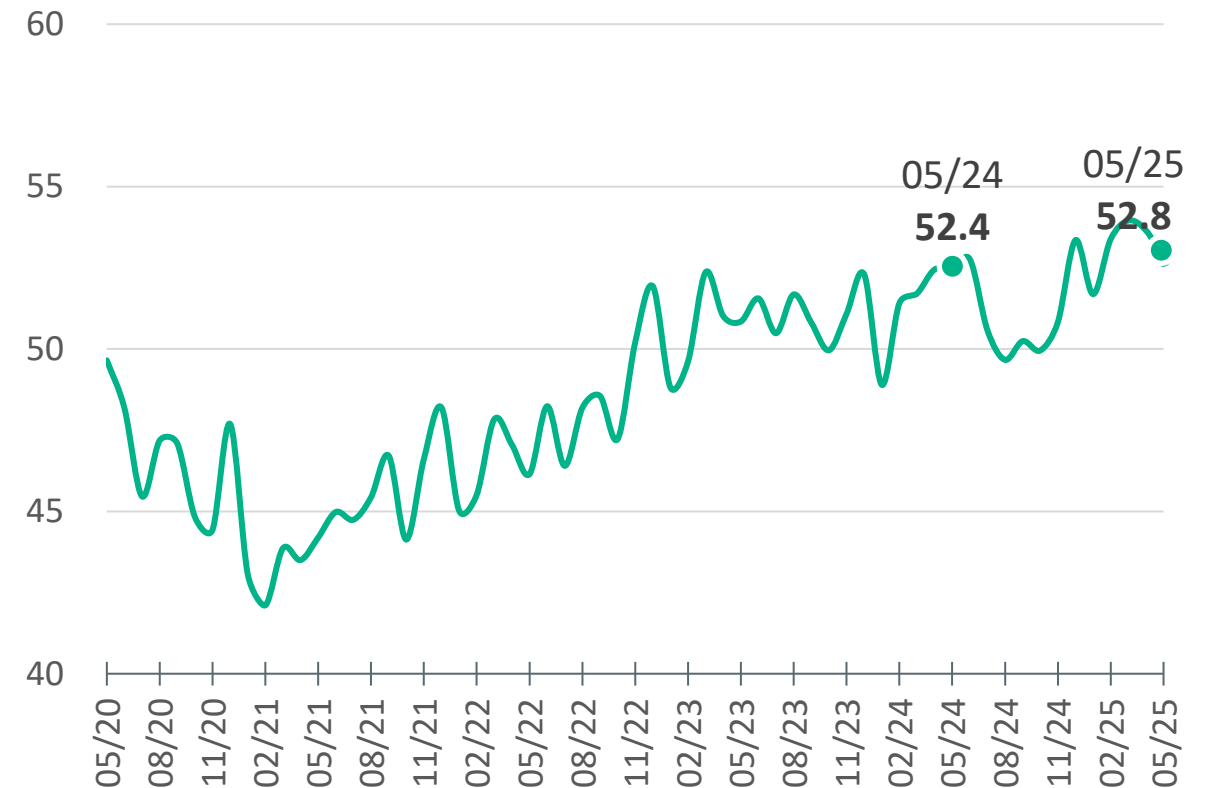
Million pcs	1-5/2025	1-5/2024	Change	2024
China	4.40	3.30	33.6%	11.0
Europe	1.56	1.23	27.1%	3.06
North America	0.74	0.71	4.4%	1.79
Asia	0.39	0.27	48.0%	0.73
Other	0.20	0.15	32.3%	0.39
Total	7.28	5.65	28.9%	17.1

» The EV battery market is divided between high-nickel-content NCM batteries and LFP batteries

EV battery deployment by cathode chemistry, GWh



Sales weighted average EV battery size, kWh

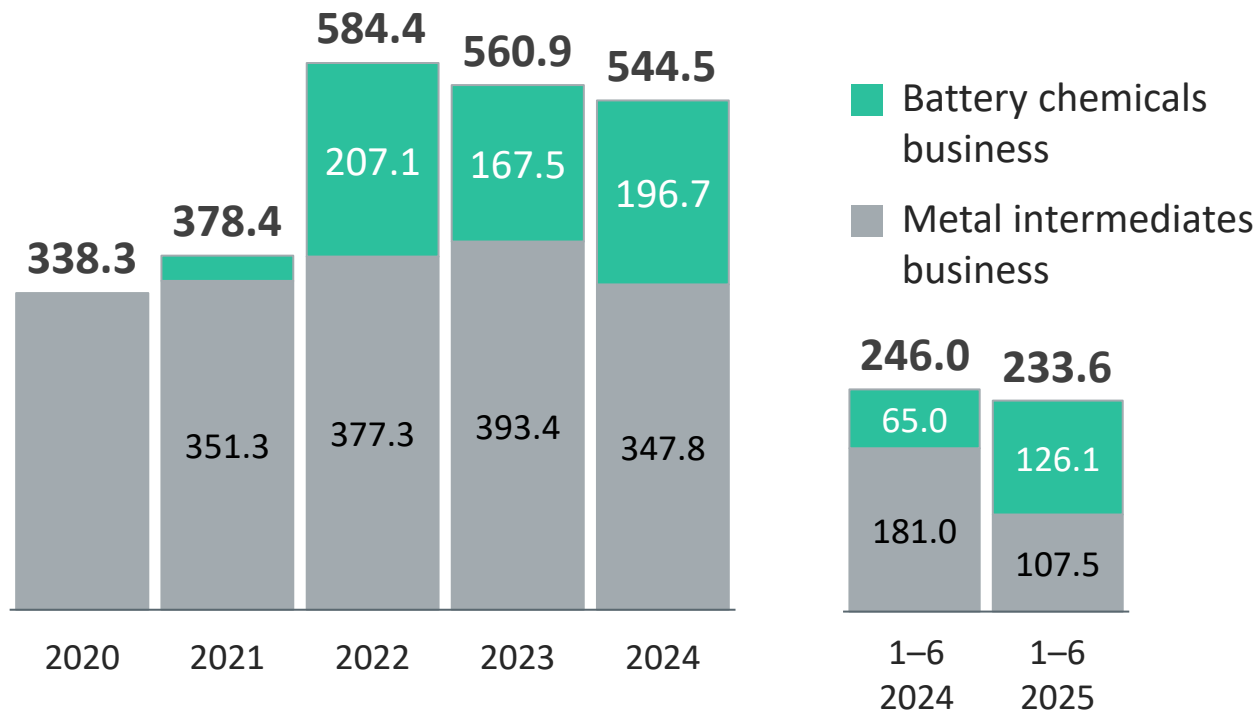


» Financial review



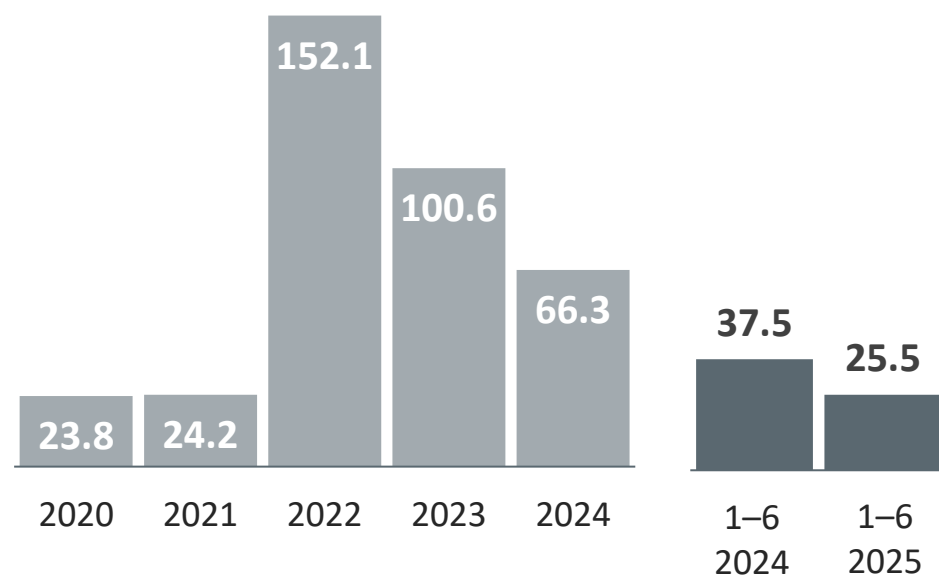
» The net sales of the battery chemicals business were approximately 54% of the total net sales

Net sales, EUR million

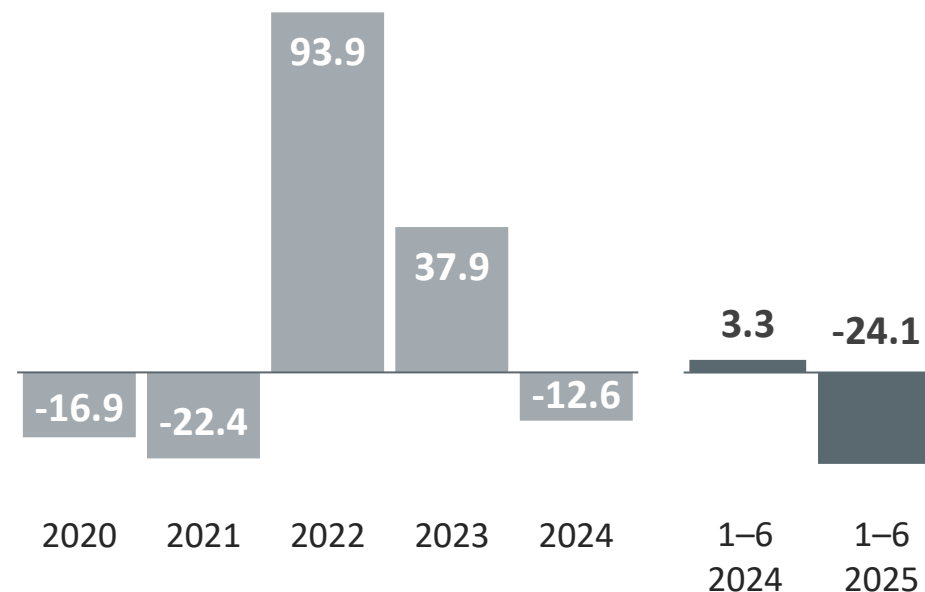


»» Low market prices impacted EBITDA

EBITDA, EUR million



Operating result, EUR million



» Key figures in brief

EUR million	4–6/2025	4–6/2024	Change	1–6/2025	1–6/2024	Change	1–12/2024
Net sales	110.7	116.0	-4.6%	233.6	246.0	-5.0%	544.5
Battery chemicals business	79.2	29.4	169.4%	126.1	65.0	94.0%	196.7
Metal intermerdiates business	31.5	86.6	-63.6%	107.5	181.0	-40.6%	347.8
EBITDA	10.7	-2.4	n.a.	25.5	37.5	-32.0%	66.3
Operating result	-17.5	-20.3	n.a.	-24.1	3.3	n.a.	-12.6
Operating cash flow*	42.5	44.5	-4.5%	32.6	48.0	-32.1%	69.2
Total capital expenditure	38.2	74.6	-48.8%	54.0	134.8	-59.9%	211.1

*Operating cash flow = EBITDA - change in working capital. The figure for 2024 has been corrected in the publication of the results on 18 July 2025.

»» Near-term outlook

- The battery chemicals market is expected to continue to be challenging in 2025, but Terrafame's production process enables flexible operations also in the intermediates market.
- The price development of base metals and battery chemicals involves considerable uncertainty.
- The development of occupational safety, operational efficiency and profitability will continue.





Terrafame

**Enhancing low-carbon
mobility with responsible
battery chemicals.**

www.terrafame.com

