RECSiLICON

SECOND QUARTER 2020

PRESENTATION

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Agenda

- Q2 Results
- Silicon Gases & Semiconductor Market Outlook
- Financial Review
- US/China Trade & US Manufacturing Update
- PV Market Outlook
- Yulin JV Update
- Battery Update
- Short-Term Business Plan
- Q&A

Highlights

Revenues: **$31.0M vs. $24.5M (Q1'20)**

EBITDA: **$ 2.9M vs. $1.0M (Q1'20)**

June 30, 2020 cash balance of $31.6M

- Cash increase of $1.3M
- Cash outflows from operations $5.1M

Silicon gas sales

- Sales volume of 831MT

Semiconductor segment polysilicon sales

- Semiconductor grade polysilicon sales volume of 203MT

Process to evaluate the sale of Butte, Montana plant

- Several interested parties
- Due diligence delayed due to COVID-19

Response to COVID-19

- Prioritize the health and safety of REC Silicon's workforce
- Focus on maintaining capability to continue operating

Impairment Charges of $23M

- Due to increase in right of use assets
- Extension of lease for process gas facility at Moses Lake

Key Metrics

Polysilicon Sales Volume **	
Total	385MT
Inventory Decrease	151MT

Total Polysilicon Production	
Actual	234MT
Prior Quarter*	242MT
Deviation	-3.4%

Semiconductor Production	
Actual	136MT
Prior Quarter*	168MT
Deviation	-19.1%

Silicon Gases Sales Vol.	
Actual	831MT
Prior Quarter*	730MT
Deviation	13.8%

* First Quarter Results Released May 12, 2020
** Excludes Fines and Powders

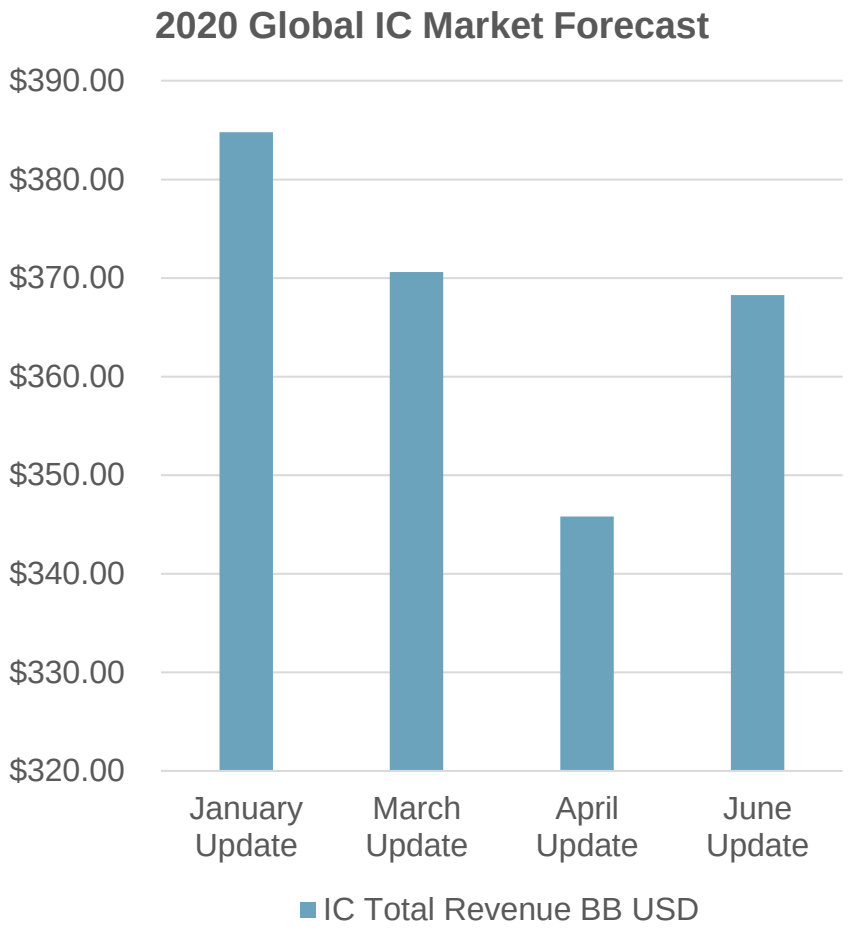
Silicon Gases and Semiconductor

Global Semiconductor Market

Mixed signals and 2nd Half uncertain

SECOND QUARTER 2020

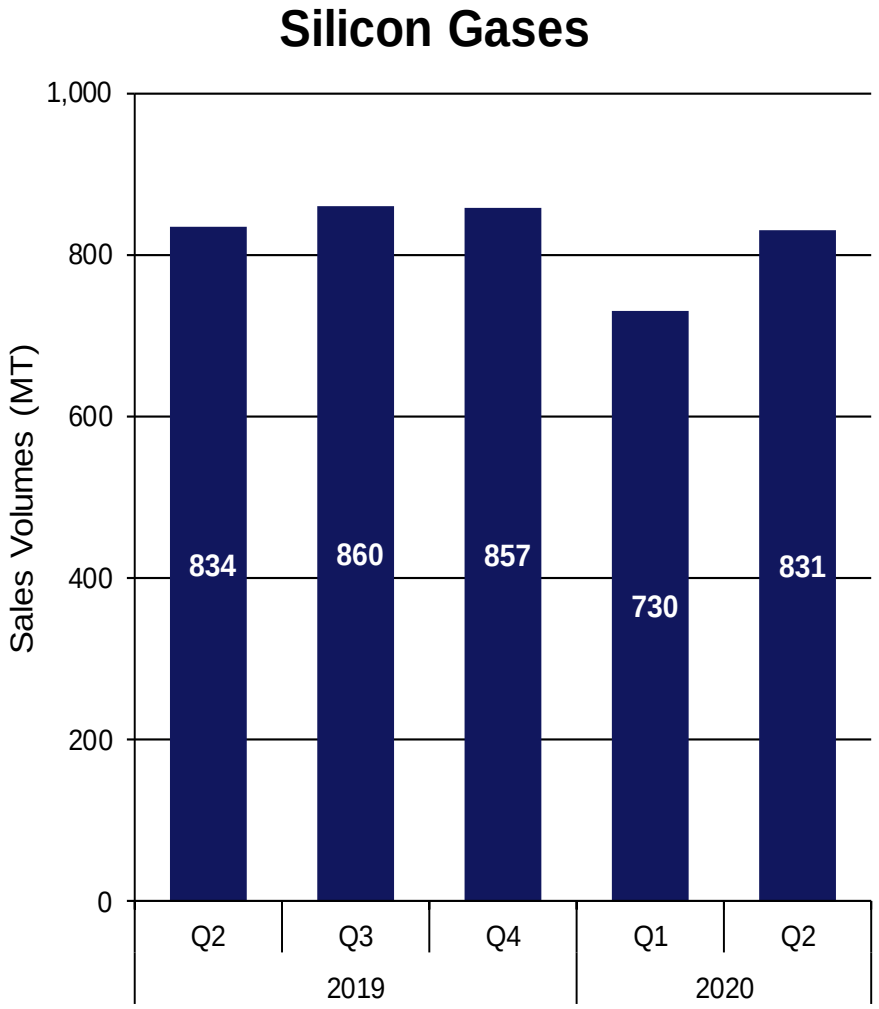
- Recent revenue forecasts are expected to grow 3% from 2019 to 2020
  - Primarily ASP driven
  - IC unit volume down 3% from 2019
- Polysilicon and silicon gas demand
  - Current forecasts are flat through the end of the year
  - Producers and value-added resellers report limited order visibility
  - Some specialized products are forecasted to continue increasing



Source: IC Insights, McClean Report 2020 June Update V2

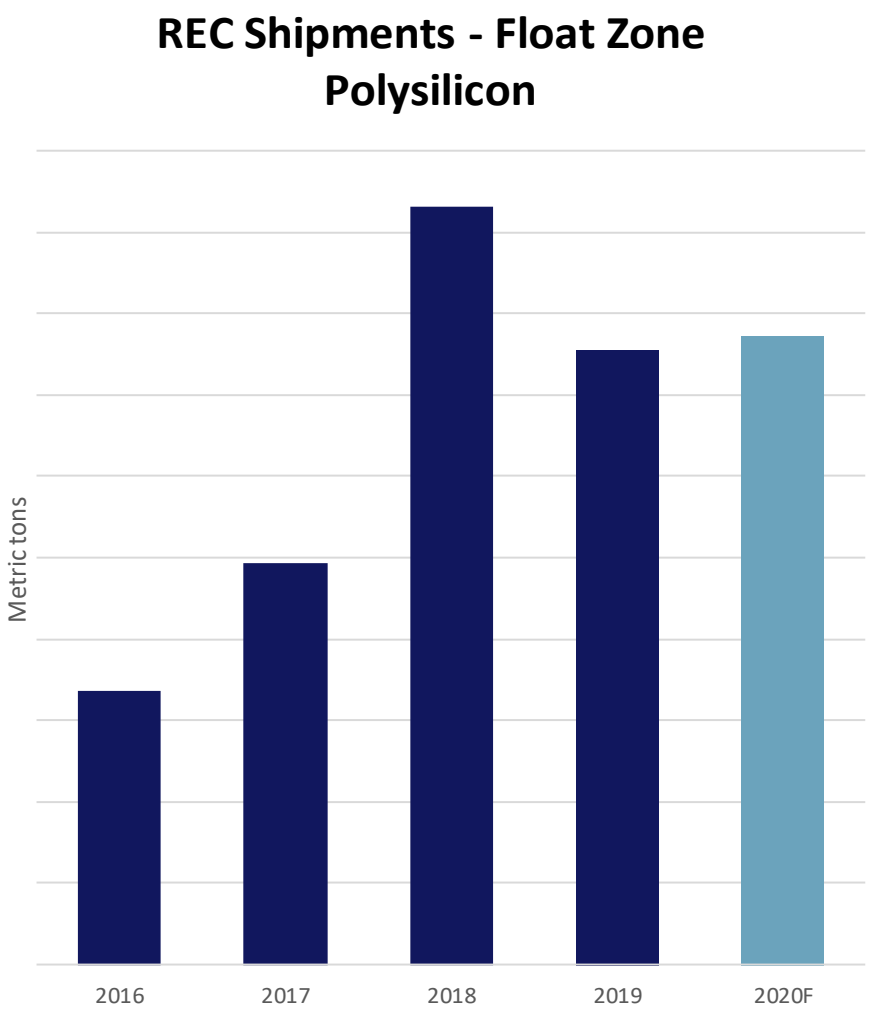
Silicon Gas Sales Rebound

- Silicon gas sales volumes
  - Q2’20 831MT
- Silicon gas markets
  - Stable demand through Q3’20
  - Chinese tariffs on silicon gases reduced from 10% to 7.5%
  - Continued uncertainty due to COVID-19



Electronic Grade Polysilicon Increase

- Semiconductor grade polysilicon sales
  - 203MT in Q2'20 vs. 85MT in Q1'20
  - (8.6%) Semiconductor grade average price decrease vs. Q1'20
- Expect higher sales volumes of semiconductor grade polysilicon in H2'20
  - Chinese tariffs on semiconductor polysilicon reduced from 25% to 0%
  - Uncertainty due to COVID-19
- Focus on high end float zone polysilicon
  - 2 Producers of float zone
  - Product mix optimized for highest value creation



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Financial Review

Summary of Segments

(USD million)	Q2 2020		Q1 2020		2019	
	Revenues	EBITDA	Revenues	EBITDA	Revenues	EBITDA
Semiconductor Materials	30.7	9.4	24.5	8.0	126.7	37.8
Solar Materials	0.3	(2.3)	0.2	(2.8)	33.4	(26.6)
Other	0.0	(4.1)	0.0	(4.1)	0.0	(24.1)
Eliminations	-	-	-	-	0.0	0.0
REC Silicon Group	31.0	2.9	24.7	1.0	160.2	(12.9)

Key Financial Results – Semiconductor Materials

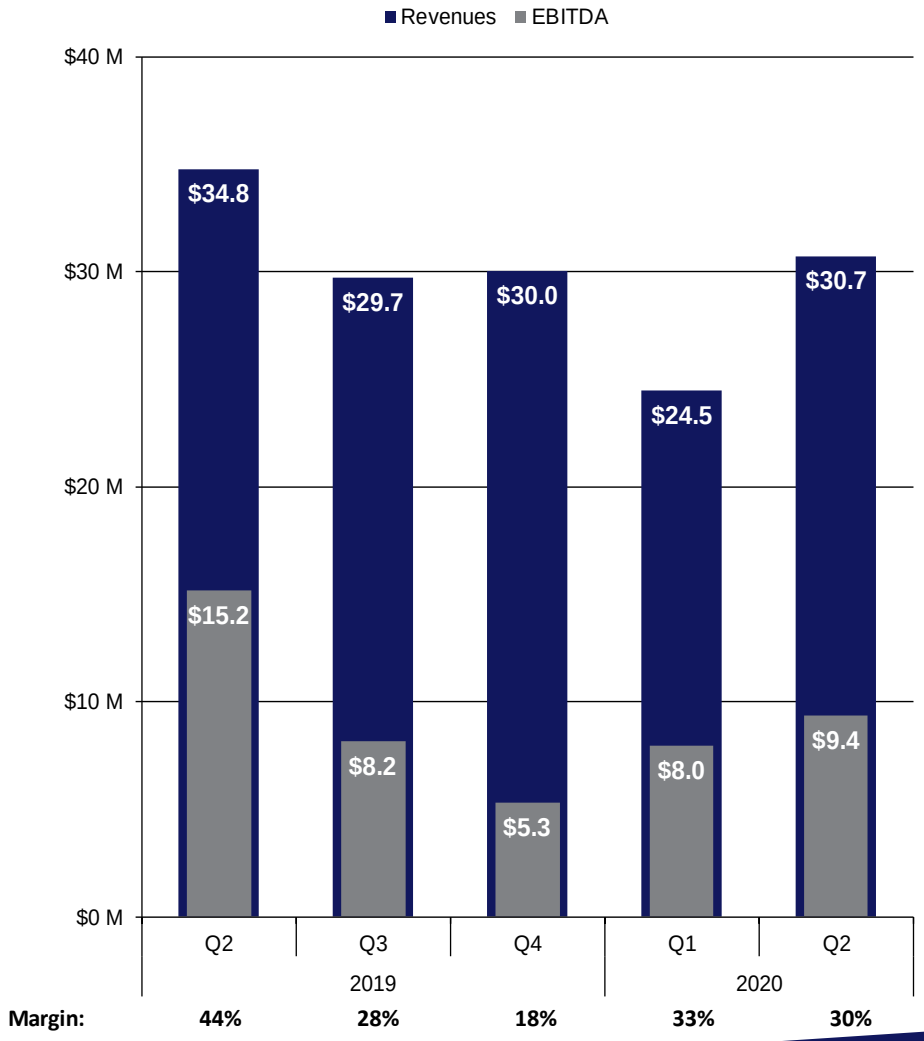
Revenues: $30.7M (25.5% increase vs. Q1'20)

- Polysilicon sales volumes 323MT
  (267.9% increase vs. 88MT in Q1'20)
  - Semiconductor grade volumes 203MT
    (139.9% increase vs. 85MT in Q1'20)
  - (37.3%) Average price decrease vs. Q1'20
  - (8.6%) Semiconductor grade price decrease vs. Q1'20
- Silicon gas sales volumes 831MT
  (13.8% increase vs. 730MT in Q1'20)
  - (7.6%) Silane price decrease vs. Q1'20

EBITDA Contribution of $9.4M

Compared to Q1'20 EBITDA contribution of $8.0M

- Higher silicon gas sales volumes



Key Financial Results – Solar Materials and Other

Solar Materials

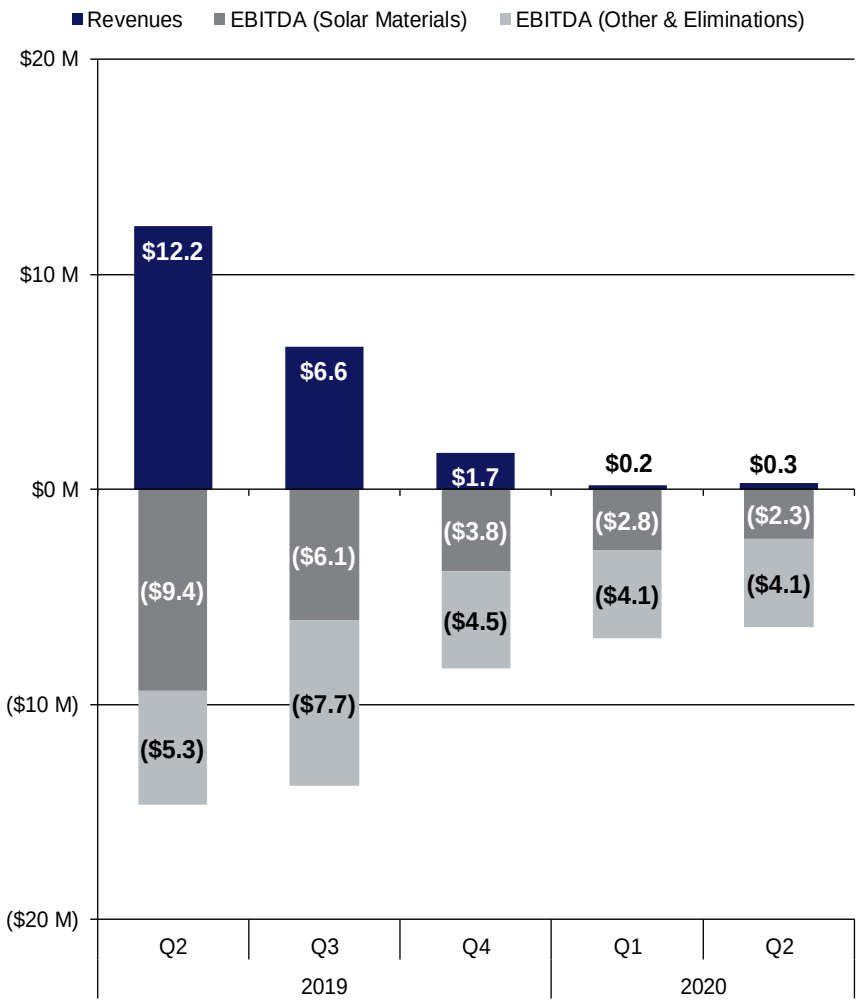
Revenues: $0.3M

EBITDA Contribution: ($2.3M) Loss

- Polysilicon sales volumes 62MT
  - Sales of remaining inventories only
- Net Expense of $2.3M reflects minimum expenditures to maintain the FBR facility in a non-operating status

Other and Eliminations

- Net cost: ($4.1M) (compared to $4.1M in Q1'20)



Cash Flows

Cash outflows from operating activities ($5.1M)

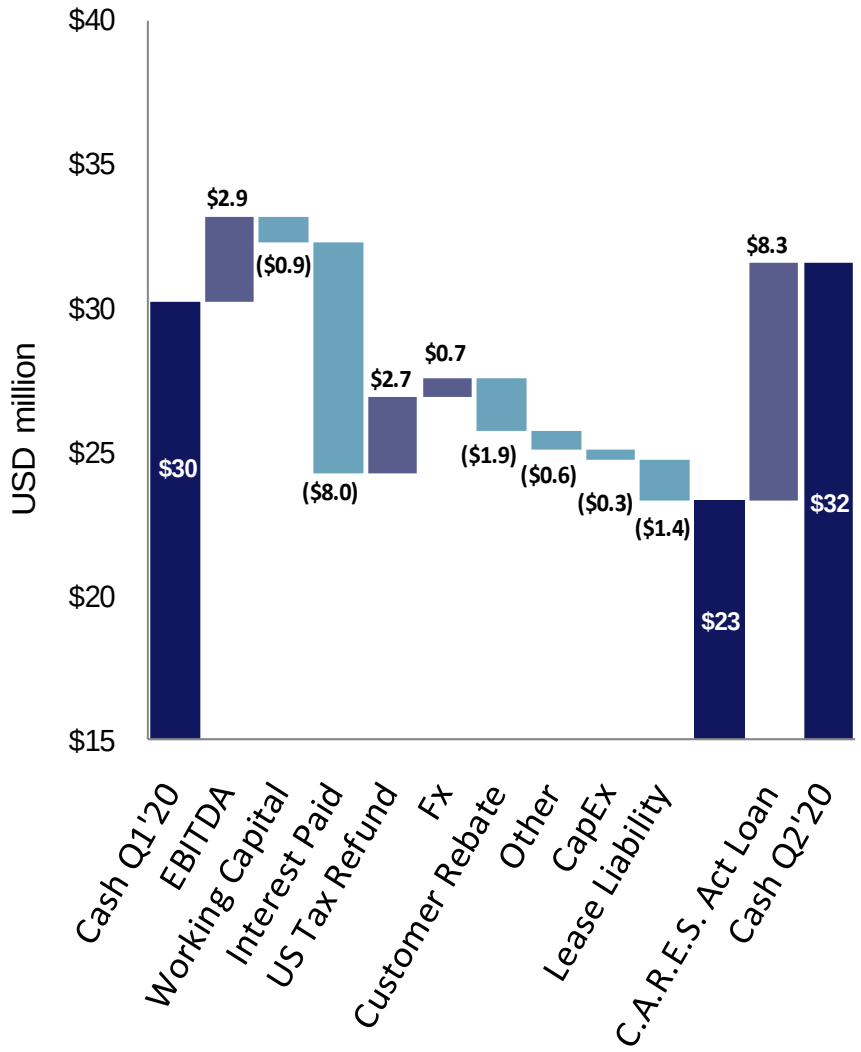
- EBITDA of $2.9M
- Working capital increase ($0.9M)
  - Decrease in inventories $2.2M
  - Increase in trade receivables ($2.4M)
  - Decrease in payables and accruals ($0.7M)
- Interest paid ($8.0M)
- U.S. tax refund $2.7M
- Currency gain of $0.7M (Weaker USD vs. NOK)
- Customer rebate ($1.9M)
- Other ($0.6M)

Cash outflows from investing activities ($0.4M)

- Capex ($0.3M)
- Increase in restricted cash ($0.3M)
- Reimbursement for damaged equipment $0.2M

Cash inflows from financing activities $6.8M

- Payment of lease liabilities ($1.4M)
- Proceeds from C.A.R.E.S. Act loan $8.3M



Debt

Nominal debt - $210.3M

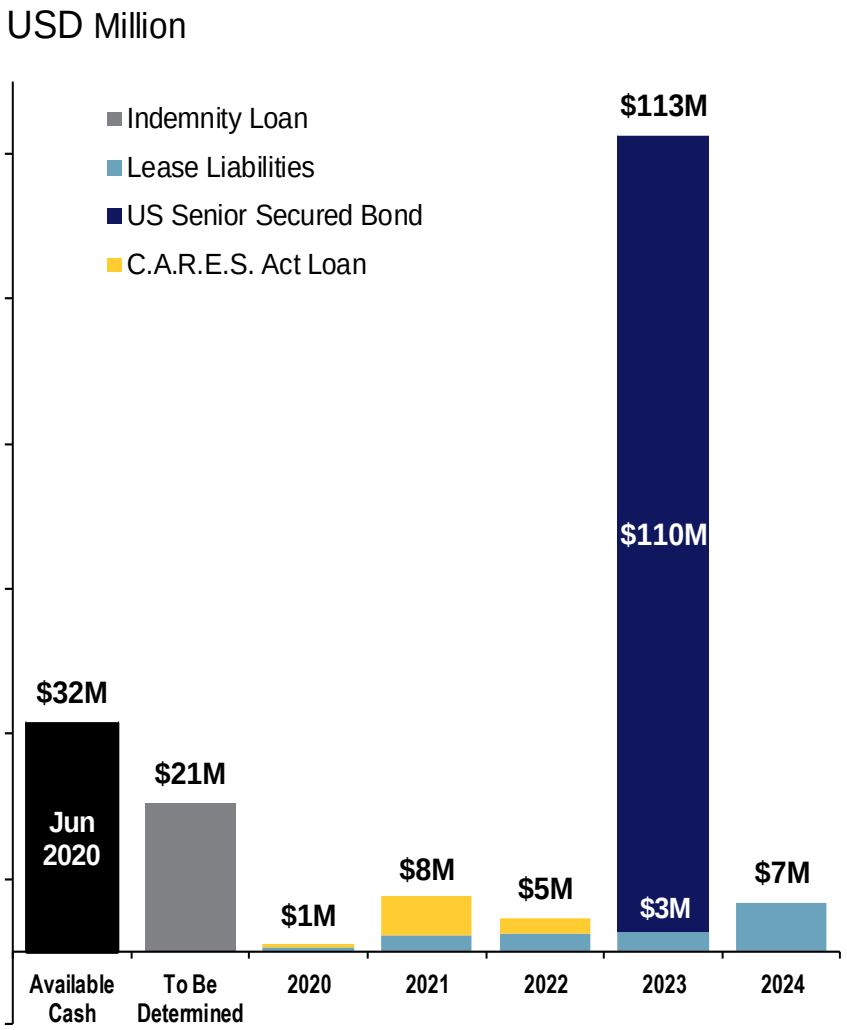
- Increase of $34.4M in Q2'20
  - $24.6M Increase in lease liabilities (IFRS 16)
    - $26.0M Increase due to lease modification
    - ($1.4M) Repayment of lease liabilities
  - $1.5M Increase due to a weaker USD relative to the NOK
  - $8.3M C.A.R.E.S. Act loan

Nominal net debt - $178.8M

- Increase of $33.1M in Q2'20
  - Increase in cash of ($1.3M)
  - Increase in nominal debt of $34.4M

Contingent Liabilities

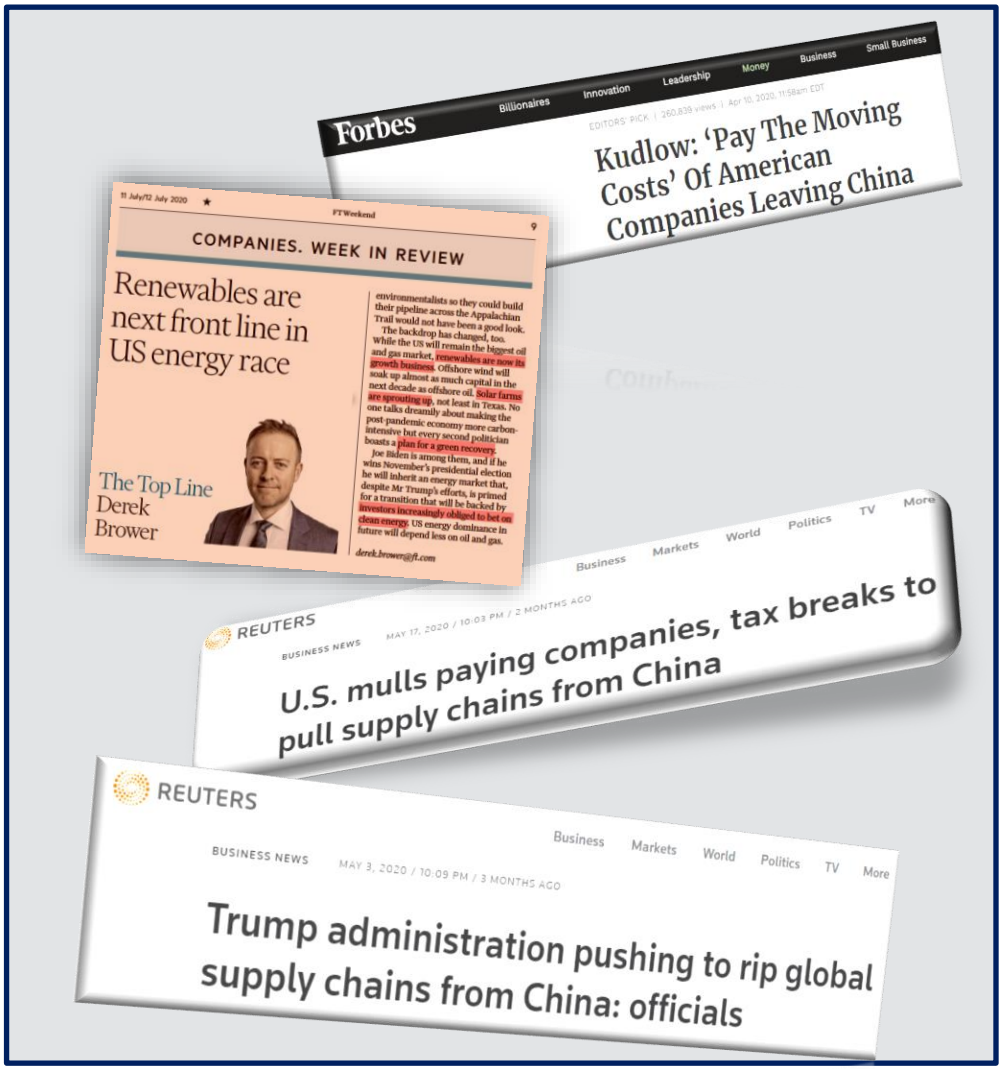
- Reassessment of tax - $21.9M
- Indemnity loan - $20.5M
- 2012 Property tax appeal - $8.1M



US / China Trade and US Manufacturing Update

US/China Trade & US Manufacturing Update

- China's Phase 1 commitments intact
  - US Government recognition of strategic importance of US polysilicon
  - Impact is to open the China market for US polysilicon
  - US has enforcement options
  - COVID-19 causing delay and complication
- Trump Administration will increase support for US manufacturing & re-shoring supply chains from China
  - Push to re-shore semiconductor
  - Clean energy is a US growth industry
  - Clean energy dependence on China is not acceptable
  - Solar energy manufacturing provides high tech manufacturing jobs
- A Biden Administration will support US clean energy, and "Made in US" is a Biden priority



PV Market Outlook

PV Market Set to Gain Outside China Manufacturing Support

- The European Commission Green Hydrogen Agenda over the next decade calls for:
  - 340 Billion Euro in solar and wind investment
  - 120 GW of renewable capacity
- Covid-19 has increased political awareness of China reliance risk and created calls for more manufacturing re-shoring or on-shoring
  - EU Green Fund looking to bring back manufacturing to Europe
  - South Korea implements carbon footprint criteria similar as the French model
- Trump supports US manufacturing
- Biden campaign promising a “clean energy revolution”, leading to 100% clean energy by 2035 and net zero emissions
  - 500 million solar panels in 5 years
  - $2 trillion investment

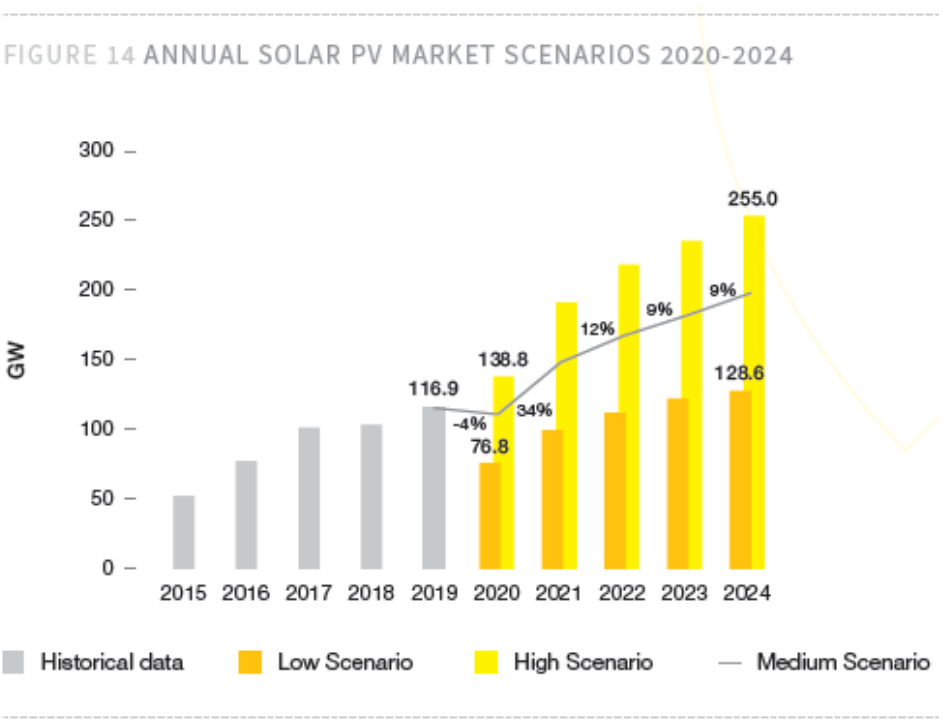
I. ENSURE THE U.S. ACHIEVES A 100% CLEAN ENERGY ECONOMY AND NET-ZERO EMISSIONS NO LATER THAN 2050

https://joebiden.com/Climate/

Strong PV demand expected in the next years

Spurred by Covid-19 stimulus

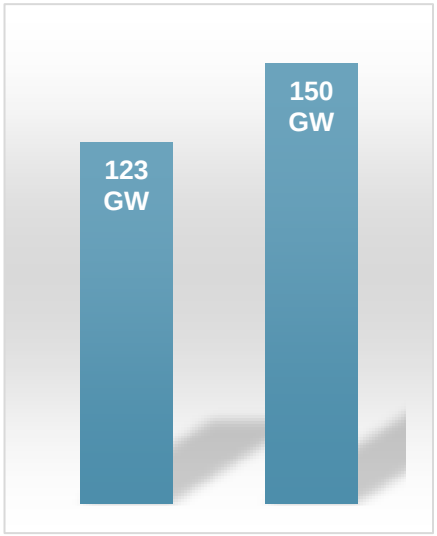
- Global demand expected to rebound with solid growth
  - EU Covid-19 support plan
  - US to increase support for PV
  - China installation remain steady ~ 40GW per year
  - APAC and MEA increased PV installation
- LCOE dropping faster than forecasted improves competitiveness
- Decision to move to carbon neutrality leads to demand growth



Source: Solar Power Europe – Global Market Outlook

Polysilicon Market may already be in balance in 2021

- Covid-19 stimulus packages prioritize investments in renewable energy
- 2021 Medium demand ~150 GW
  - 532k MT Polysilicon
  - Restart of idle and cost competitive capacity
- Chinese companies continue to announce new expansions
  - New investments will require $15/kg polysilicon price without subsidized funding



(kMT)	2019	2021
PV	465	532
Semi	38	40
Total	503	572
g/w	3.8	3.6

Source: CSIA and REC Market Research, – JUNE 2020

Restart of REC Silicon's Moses Lake plant

Dependent on the US/China Phase 1 Agreement and PV Market Outlook

- 2021/22 Installations ~150 GW
  - Polysilicon ~532 kMT
- 2021/22 Polysilicon capacity support ~150 GW
  - Production 2020 ~410 kMT
  - Idle capacity ~87 kMT
  - New capacity ~60 kMT
- High cost/low quality Chinese producers to halt production
- A consolidated market with a limited number of polysilicon companies

Company	PV Production 2020	Restarted PV Production 2022	Added PV Capacity 2022	Total PV Capacity 2022
East Hope	30	10	30	70
Tongwei	75	5	30	110
Daqo	65	5		70
Xinte	65	5		70
GCL	55	25		80
Other Chinese	50	0	0	50
Total China	***340***	***50***	***60***	***450***
REC Silicon US	0	17		17
Other Outside China	70	20		90
TOTAL	**410**	**87**	**60**	**557**

Source: CSIA and REC Market Research, – JUNE 2020

Yulin JV Update

Yulin, China – REC Silicon Presence in Primary Market

Plant characteristics

- Construction completed in 2018
- Large scale silicon manufacturing facility with
  - 19,000 MT FBR-B granular Polysilicon
  - 300 MT Siemens semiconductor grade Polysilicon
  - 500 MT Silane Gas loading

Positioned to capitalize on growing PV industry

- FBR-B is semiconductor grade capable which is optimal for monocrystalline PV applications
  - Tested and approved by the largest mono wafer company
- Current REC ownership of 15%, option to increase exposure to 49% from January 2021
- Installment of $4.7M to be delayed
- Continued support from REC Silicon to Yulin JV agreed.

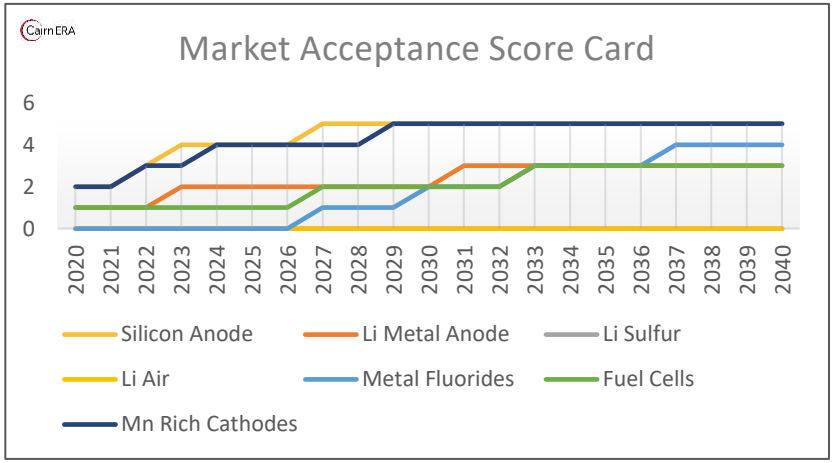
2nd Quarter Production

- Q2 Production
  - 29 MT of Loaded Silane
  - 1063 MT of FBR Granular
  - 19 MT of Siemens
- Q2 FBR production reduced from plan due to Covid-19 impacts including insufficient FBR liner supply.

Battery Update

Strong Silane Interest from Anode Makers

- Silicon anodes the next generation LIB technology expected to dominate battery market by 2025
- Most silicon anode development companies located in the US
  - Most technologies mix silicon and carbon, some obviate the need for graphite, the most exciting and promising technologies use a high % silicon
- Preferred form of silicon is silane, given the stability & flexibility of silane
  - REC the only silane producer in the United States
  - REC's silane has lowest carbon footprint and REC's silane reputation and competence is unsurpassed
- Silicon anode production should be co-located with silane production in order to develop the most commercial solutions
- Strong Interest from several companies to on-site start pilot testing, and collaboration with REC
  - Will take time before industrial scale



Market Acceptance Scale:
1=Selling samples and small hand-made orders
2=Selling 1-10 MWh's to niche markets
3=Large scale production and orders for hundreds of MWh's of batteries
4=Multiple vendors selling into the wholesale battery market
5=Domination of battery market and contained in most batteries, including automotive

Short Term Business Plan and Guidance

2020 Business Plan for REC Silicon

- Continue to operate stable and profitable Butte facility
- Restart of the Moses Lake FBR plant postponed
  - Verify compliance by China with Phase 1 Trade Agreement commitments
  - Monitor PV market development
  - Moses Lake restart will require additional capital
- Divestment of the Butte facility if an acceptable offer is received
  - Interested parties' due diligence delayed due to COVID-19
- Continued support from REC Silicon to Yulin JV
- Continue dialog with silicon anode battery companies for pilot testing and industrial scale production of silicon anode materials

Q3 2020 Reporting
October 29, 2020

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