

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

The financial information presented about Terrafame Ltd in this media release consists of unaudited IFRS figures. The figures in brackets refer to the corresponding period in the previous year unless otherwise stated.

April-June 2025 in brief:

- Net sales were EUR 110.7 (116.0) million, representing a decrease of 4.6% year-on-year.
- Net sales from the battery chemicals business increased to EUR 79.2 (29.4) million, or 71.5% (25.3) of the company's total net sales. Net sales growth was supported by the increased production and delivery volumes of battery chemicals. Net sales were negatively affected by lower prices of nickel sulphate and the weaker US dollar exchange rate compared to the comparison period.
- Net sales from the metal intermediates business decreased by 63.6% to EUR 31.5 (86.6) million. Net sales were negatively affected by lower prices, the weaker US dollar exchange rate and decreased delivery volumes compared to the comparison period.
- EBITDA was EUR 10.7 (-2.4) million, or 9.7% (-2.1) of net sales. EBITDA was positively affected by the increased production of metal intermediates, increase in work-in-progress inventory and improved cost efficiency, while lower market prices of nickel sulphate and metals, as well as the weaker US dollar exchange rate, had a negative impact on EBITDA.
- The operating result was EUR -17.5 (-20.3) million.
- Operating cash flow was EUR 42.5 (44.5) million.

January-June 2025 in brief:

- Net sales were EUR 233.6 (246.0) million, representing a decrease of 5.0% year-on-year.
- Net sales from the battery chemicals business increased to EUR 126.1 (65.0) million, or 54.0% (26.4) of the company's total net sales. Net sales were boosted by the increased production and delivery volumes of battery chemicals. Net sales were negatively affected by lower prices of nickel sulphate compared to the comparison period.
- Net sales from the metal intermediates business decreased by 40.6% to EUR 107.5 (181.0) million. Net sales were negatively affected by lower prices and delivery volumes compared to the comparison period.

- EBITDA was EUR 25.5 (37.5) million, or 10.9% (15.2) of net sales. EBITDA was weakened by lower market prices of nickel sulphate and metals. The increased production of metal intermediates, increase in work-in-progress inventory and improved cost efficiency had a positive impact on EBITDA.
- The operating result was EUR -24.1 (3.3) million. Increased depreciations decreased the operating result compared to the comparison period.
- Operating cash flow was EUR 32.6 (48.0) million.
- The total lost-time injury frequency rate on the industrial site was 3.5 (4.3).

Key figures

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 intermediates 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
Sustaining capital expenditure	28.0	59.4	-52.9%	39.3	92.5	-57.5%	159.6
Investments in productivity improvement and capacity growth	10.2	15.2	-32.9%	14.7	42.3	-65.2%	51.5

	30 Jun 2025	30 Jun 2024	Change	31 Dec 2024
Shareholders' equity, EUR million	687.7	746.2	-10.0%	733.9
Work in progress, EUR million	280.3	260.4	7.6%	269.7
Balance sheet total, EUR million	1,442.2	1,385.7	4.1%	1,451.9
Own personnel, FTE	954	935	2.0%	793
Partner companies' personnel on average on review period, FTE	1,088	1,248	-12.8%	1,217
Total lost-time injury frequency rate, 12-month LTIFR1	3.5	4.3	-18.6%	4.9
Own personnel	3.7	3.7	0.0%	5.2
Partner companies' personnel	3.5	4.6	-23.9%	4.7

*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.

Seppo Voutilainen, CEO

There were no significant changes in Terrafame's market environment during the second quarter of 2025. 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.

However, EBITDA for the second quarter of 2025 was positive compared to the corresponding period last year, supported by our cash flow and profitability improvement programme and increased production volumes of metal intermediates. In the comparison period, production at the battery chemicals plant was affected by a halt of about two months due to political strikes and a maintenance shutdown.

Production of both metal intermediates and battery chemicals was at a good level during the first half of the year. In addition, uranium recovery proceeded according to plan. During the spring, we successfully carried out our planned annual maintenance shutdowns, which naturally lowered the production of battery chemicals from the record level at the beginning of the year.

The cash flow and profitability improvement programme launched last year continued to progress well, and we have identified more areas for improvement in our production chain and support functions than we originally thought. These are related to, among other things, developing the procurement function, improving the efficiency of mining operations and increasing production. Our personnel have done a truly great job in implementing the programme. Some of the effects of the actions will be visible in the longer term, so we will continue to implement them persistently.

In June, we received an interim decision from the Supreme Administrative Court (SAC) regarding the decisions issued by the Vaasa Administrative Court (VAC) in December 2024. This is a positive and very big deal for us. The interim decision makes production planning easier and allows us to avoid extra costs while the appeal is being processed by the SAC. In addition, the ongoing significant investments in the mining area can be carried out according to the original plans. In the longer term, however, it is essential that the SAC in its final ruling would overturn the decisions issued by the VAC. We have presented strong grounds for this in our application for leave to appeal.

We monitor the development of occupational safety with lost-time injury frequency rate, which indicates the number of occupational injuries leading to absence per million working hours. We have systematically developed our safety culture together with our partner companies, which is reflected in the results. We have also introduced proactive indicators, and we are now placing more emphasis on proactive safety work. In the second quarter, we achieved the best result in Terrafame's history for the entire personnel at the industrial site. The lost-time injury frequency rate was record low for the partner companies in particular, and the rate for Terrafame's own personnel was at the same level as in the record year 2017.

Despite the slow development of the European battery value chain, we continue our determined work to secure new customers. Uncertainty in the market environment has been amplified this year by the turbulence in international trade and geopolitics, which has contributed to pressure on market prices and increased exchange rate volatility. However, we are able to optimise our supply between intermediates and battery chemicals according to the prevailing market situation, which is a clear strength for us.

Finland's current government is planning an increase in the mining tax and a change in the electricity tax class for mines, which, if implemented, would cause Terrafame tens of millions in additional annual costs. Over EUR 200 million in tax revenue is returned to the state annually from Terrafame's operations, so we consider the planned changes unreasonable. Furthermore, the tax changes would conflict with the EU's efforts to strengthen Europe's self-sufficiency in raw materials essential for the economy and the clean transition. Such additional costs would significantly shorten the operating life of mining companies, including Terrafame.

We continue Terrafame's tenth year of operation with determined development of production and operations, and we are moving forward with our strategy aimed at enhancing low-carbon mobility. Finally, I would like to welcome Markus Mannström, who joined the Board as a new member in April.

Market environment

Electric vehicle and battery markets

According to Rho Motion's Monthly EV Battery Chemistry Assessment report, a total of around 7.28 (5.65) million electric passenger cars and light commercial vehicles were sold worldwide in January–May 2025, representing an increase of around 30% from the corresponding period in 2024. The growth was driven especially by China, but sales also developed well in other markets, with the exception of North America.

Sold electric passenger cars and light commercial vehicles

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

Source: Rho Motion Monthly EV Battery Chemistry Assessment

Manufacturers of battery cells and cathode materials have announced investments in giga factories that will strengthen the European and North American battery markets. However, some of these projects have progressed more slowly than previously anticipated. According to Rho Motion, the global sales of electric vehicles are expected to continue to increase in 2025, albeit at a slightly more moderate pace. Sales are expected to increase by around 23% to 21.7 million cars.

In May 2025, including all vehicle categories, the sales-weighted average pack size was 52.8 kWh (52.4 kWh).

The electric vehicle battery market is divided between high-nickel-content NCM batteries and LFP batteries. The market share of NCM 811 batteries, which have a high nickel content, was 18% (21%) in May 2025. The market share of LFP batteries was 52% in May 2025 (47% in May 2024).

In January–May 2025, 2.4 (2.1) million electric vehicles utilising NCM battery technology were sold. Sales increased by 14.7% compared to the comparison period. Sales of electric vehicles utilising LFP battery technology increased by 57.8% to 3.7 (2.4) million cars sold.

In terms of gigawatt hours, the demand for NCM batteries in January–May 2025 increased by around 14% to 173.4 (152.3) GWh compared to the comparison period. The share of NCM 811 batteries increased by around 18% to 78.7 (67.0) GWh. The share of LFP batteries increased by around 64% to 200.9 (122.5) GWh. (Source: Rho Motion Monthly EV Battery Chemistry Assessment)

Nickel market

The price of nickel on the London Metal Exchange (LME) in January–June 2025 was lower than in the comparison period. The average market price was 15,374 (17,495) USD/t, which was 12.1% lower than in January–June 2024.

In April–June 2025, the average market price of nickel was 15,171 (18,415) USD/t, which was 17.6% lower than a year earlier. Compared to the first quarter of 2025, the average market price of nickel decreased by 2.6%.

The price of nickel sulphate (SPOT China) also fell, and the average price in January–June 2025 was 15,050 (16,265) USD/t, which was 7.5% lower than in January–June 2024. In April–June 2025, the average market price of nickel sulphate was 14,751 (17,039) USD/t, which was 13.4% lower than a year earlier. Compared to the first quarter of 2025, the average market price of nickel sulphate decreased by 3.9%. The spot price (SPOT China) of nickel sulphate has not been linked to the LME price since 2022.

The total combined nickel stocks on the LME and the Shanghai Futures Exchange (SHFE) at the end of June 2025 were 228,604 tonnes, which was almost twice as high as at the end of the corresponding period in 2024 (117,872). The stocks at the end of June 2025 were 3.1% lower than at the end of the previous quarter (235,945). The stock level at the end of June 2025 corresponded to demand for 3.4 weeks (1.8).

Net sales and financial performance

April–June 2025

Net sales were EUR 110.7 (116.0) million, representing a decrease of 4.6% year-on-year. The lower prices of nickel sulphate and metals, as well as the weaker US dollar exchange rate, had a negative impact on net sales.

Net sales from the battery chemicals business totalled EUR 79.2 (29.4) million, or 71.5% (25.3) of the company's net sales. Net sales from the metal intermediates business totalled EUR 31.5 (86.6) million.

EBITDA was EUR 10.7 (-2.4) million, or 9.7% (-2.1) of net sales. The operating result was EUR -17.5 (-20.3) million. Higher production volumes of metal intermediates, increase in the volume of work in progress and improved cost efficiency had a positive impact on the result. The lower market prices for nickel sulphate and metals had a negative effect on EBITDA and the operating result, although price hedging softened the impact. In addition, profitability was weakened by unfavourable exchange rate fluctuations due to the weakened US dollar. The net sales and result for the comparison period were negatively affected by the approximately two-month halt of the battery chemicals plant operations due to political strikes and a maintenance shutdown.

Operating cash flow* was EUR 42.5 (44.5) million. Cash flow was affected by the increase in inventory and the decrease in accounts payable.

*Operating cash flow = EBITDA - change in net working capital

January–June 2025

Net sales were EUR 233.6 (246.0) million, representing a decrease of 5.0% year-on-year. The lower prices of nickel sulphate and metals had a negative impact on net sales.

Net sales from the battery chemicals business totalled EUR 126.1 (65.0) million, or 54.0% (26.4) of the company's net sales. Net sales from the metal intermediates business totalled EUR 107.5 (181.0) million.

EBITDA was EUR 25.5 (37.5) million, or 10.9% (15.2) of net sales. The operating result was EUR -24.1 (3.3) million. EBITDA and the operating result were weakened by lower market prices of nickel sulphate and metals, although price hedging softened the impact of lower sales prices on net sales and the result. Higher production volumes of metal intermediates, increase in work-in-progress inventory and improved cost efficiency had a positive impact on the result. The net sales and result for the comparison period were negatively affected by the approximately two-month halt of the battery chemicals plant operations due to political strikes and a maintenance shutdown.

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Key events in April–June 2025

Terrafame strengthened its commercial organisation

On 25 June 2025, Terrafame announced that it has appointed Mr. Sander de Leeuw as Chief Commercial Officer (CCO), with the objective of driving sustainable growth of Terrafame's commercial operations. De Leeuw reports to Seppo Voutilainen, CEO of Terrafame.

Permit and interim decisions granted in June

Terrafame received interim decisions from the Supreme Administrative Court (SAC) regarding the environmental and water permit covering all of Terrafame's operations and the KL1 waste rock area. In addition, the Regional State Administrative Agency for Northern Finland issued two permit decisions on Terrafame's closure structures and one permit decision related to the final disposal of water treatment sludge. The permit decisions are described in more detail in the section Permits of the release.

Terrafame achieved Gold level in its first EcoVadis sustainability assessment

On 24 April 2025, Terrafame reported that it had achieved the second highest Gold level in the EcoVadis sustainability assessment, which has been reached by five per cent of the companies evaluated in the past 12 months. Terrafame was now assessed for the first time using EcoVadis' extensive criteria. The assessment includes 21 criteria in four themes: environment, labour and human rights, ethics, and sustainable procurement.

Capital expenditure

In January–June 2025, capital expenditure totalled EUR 54.0 (134.8) million. Of this total, EUR 14.7 (42.3) million was used to improve productivity and increase capacity, and EUR 39.3 (92.5) million was used to sustain production.

Capital expenditure, EUR million	1–6/2025	1–6/2024	Change
Sustaining capital expenditure	39.3	92.5	-57.5 %
Investments in productivity improvement and capacity growth	14.7	42.3	-65.2 %
Total capital expenditure	54.0	134.8	-59.9 %

Sustaining capital expenditure mainly consisted of preparatory work related to the exploitation of the next sections of the Kuusilampi mine. Other significant sustaining capital expenditure included the start of the construction of a new section of the waste rock area, and preparatory work for the new secondary sections (5–6).

The most significant investments in productivity improvement and capacity growth were related to the preparatory work for the exploitation of the Kolmisoppi ore deposit.

In August 2023, Terrafame decided to invest more than EUR 200 million in a new secondary leaching area, which is planned to be introduced in 2026. In January–June 2025, investments in the new secondary area totalled EUR 10.3 million. New secondary leaching areas are needed on the industrial site when old ones become full.

Financing arrangements

On 27 February 2025, Terrafame announced that the company has negotiated a financing arrangement to fund the company's investment programme over the next few years. As part of the financing solution, Terrafame and its main owners – Finnish Minerals Group and the Galena funds – agreed on a EUR 100 million financing arrangement consisting of a EUR 50 million shareholder loan and a EUR 50 million equity financing commitment. In addition, Terrafame agreed on a EUR 50 million advance payment arrangement with Trafigura.

In the same context, Terrafame agreed on a one-year extension to the maturity of an existing EUR 250 million bank loan agreement as well as on extending a EUR 65 million revolving credit facility previously received from Finnish Minerals Group for the same period. The new maturity of the bank loan and the revolving credit facility end in December 2028.

Shares and shareholders

Terrafame has one series of shares. At the end of June 2025, the company had 5,968,655 (5,968,655) shares. Its share capital was EUR 2.0 (2.0) million, and its shareholders' equity was EUR 687.7 (782.0) million.

At the end of June 2025, Finnish Minerals Group, a special-assignment company of the state of Finland, owned 56.1% (56.1), Galena funds 39.4% (39.4) and Mandatum owned 4.5% (4.5) of Terrafame.

Finnish Minerals Group's holding may decrease to no lower than 50.1% in the future if Galena funds and Mandatum exercise all their option rights. In such a case, the holding of Galena funds would be around 45.0% and the holding of Mandatum around 5.0%.

Governance

Terrafame's Annual General Meeting (AGM) was held on 25 March 2025. The AGM adopted the financial statements for 2024, decided on profit distribution in accordance with the Board of Directors' proposal and discharged the members of the Board and the CEO from liability.

The AGM confirmed the number of Board members as six. Matti Hietanen, Julian Sanchez, Peter Schuhmacher and Jyrki Vainionpää were re-elected as Board members, while Patrick Burke and Markku Teräsvasara were elected as new Board members, the latter as of 15 May 2025. Markku Teräsvasara was elected as Chair of the Board as of 15 May 2025 and Matti Hietanen as Vice Chair, with the latter acting as Chair of the Board until 14 May 2025. Lauri Ratia, Jesus Fernandez and Riitta Mynttinen had previously announced that they were not available to be elected as members of the Board.

The AGM decided to keep the Board members' fees unchanged. The annual fee for the Chair of the Board is EUR 72,000. The annual fee for each member of the Board is EUR 36,000. In addition, the Chair and members of the Board are paid EUR 600 for each Board meeting or Board committee meeting they attend.

KPMG Oy Ab, Authorised Public Accountants, was elected as the auditor, with APA Toni Aaltonen as the principal auditor.

Terrafame's Extraordinary General Meeting was held on 30 April 2025. The EGM confirmed the number of Board members as seven and elected Markus Mannström as a new member of the Board.

Personnel and partner network

Around 2,000 people work regularly on Terrafame's industrial site. Terrafame had 954 (935) full-time equivalent employees (FTE) at the end of June 2025. Of these, around 140 were summer employees.

An average of 1,088 (1,248) people (FTE) employed by contractors and subcontractors worked on the industrial site during the review period. Terrafame has transferred some work ordered previously from partners to its own personnel as part of the implementation of the cash flow and profitability improvement programme.

Sustainability

In March 2025, Terrafame published its first Sustainability Report. The report has been prepared by applying the reporting requirements of the EU's Corporate Sustainability Reporting Directive (CSRD) and the national legislation derived from it, which have guided the content and structure of the report. The Sustainability Report replaced the previously published annual Sustainability Review.

In April 2025, Terrafame announced that it had achieved at least an A level rating in all areas of the external verification based on the Towards Sustainable Mining (TSM) standard in Finland, in line with its targets. Terrafame has been assessing its operations against the TSM Finland assessment tools since 2017, and the results have improved year by year. In the verification now carried out, the most progress

had been made in the tools for climate change management and stakeholder engagement. The next external verification will be in 2027.

Terrafame's previous sustainability programme ended at the end of 2024. The company will prepare a new responsibility programme during 2025. The new responsibility programme is based on the double materiality analysis underlying the EU's CSRD directive, which defines the responsibility topics that are essential to Terrafame's operations.

Terrafame's Sustainability Report for 2024 is available on the company's website at www.terrafame.com > Company > Reports and publications.

Key occupational safety indicators

Safety is one of Terrafame's values, and the continuous development of a safety culture has been one of the main priorities since the company was established. Operations within the industrial site must be safe both for the company's own employees and its partners in all circumstances and situations. We aim for zero accidents.

In terms of occupational safety, Terrafame's partner companies achieved an all-time best result. In addition, the total accident frequency rate of Terrafame and its partners was record low. Terrafame's own employees have also successfully moved occupational safety development in the right direction. The decrease in the accident frequency rate was due to the long-term joint efforts of Terrafame and its partner companies to improve safety at work. The company has drawn up an occupational safety development programme for 2025, with increased focus on proactive safety work through, for example, safety observations.

Lost-time injury frequency rate, 12-month LTIFR1	30 Jun 2025	30 Jun 2024	Change
Terrafame employees	3.7	3.7	0.0%
Partner companies	3.5	4.6	-23.9%
Total lost-time injury frequency rate on the industrial site	3.5	4.3	-18.6%

Environmental monitoring

Terrafame monitors the state of the environment on the industrial site in accordance with the permit decisions and the monitoring programme approved by the authorities. Terrafame's annual environmental monitoring reports are available in Finnish on its website at www.terrafame.fi > [Naapureille > Ympäristötarkkailuraportit](#). The report for 2024 was published in April 2025.

Sulphate loading of natural waterways is one of the most significant environmental impacts of Terrafame's production. Sulphate loading is caused by the treatment of runoff waters and the discharge of purified water. The decrease in sulphate loading in January–June 2025 resulted from lower volumes of purified discharge water. Sulphate loading was clearly below the annual permit quota.

Key indicators related to discharge waters	1–6/2025	1–6/2024
Purified discharge waters, Mm ³	4.4	5.6
Sulphate in discharge waters, tonnes (permit quota 16,200 tonnes)	5,507	6,057

Permits

Kolmisoppi project

On 20 June 2022, Terrafame announced that it had submitted its environmental permit application for the exploitation of Kolmisoppi and the expansion of the mining concession to the Regional State Administrative Agency for Northern Finland. Kolmisoppi, which remains unexploited, is the second ore deposit located in Terrafame's mining concession. Including Kolmisoppi, Europe's largest nickel ore reserves are located in Terrafame's mining concession in Sotkamo. In addition to nickel, zinc, cobalt, copper and uranium are also recovered from the ore. Since 2021, nickel and cobalt have been processed into battery chemicals at the company's battery chemicals plant for use in electric car batteries.

On 17 February 2023, the Regional State Administrative Agency for Northern Finland decided to not process the Kolmisoppi project permit application. A key obstacle to processing the permit application in accordance with the scope of the application submitted in June 2022 was the fact that the procedure to deviate from the objectives of the water management plan requires a legislative amendment, which was still under preparation when the permit application was submitted. The legislative amendment entered into force from the beginning of the year 2025.

Terrafame decided to change the Kolmisoppi project plans so that the project will proceed in two phases. In the first phase, the company will apply for a permit to exploit the ore deposit in the Kolmisoppi land area, with mining scheduled for 2028–2033. The first-phase permit application was submitted to the Regional State Administrative Agency for Northern Finland in the summer of 2023. In the second phase, Terrafame will apply for a permit to expand the mine into a water area to be drained, with mining planned to begin in the 2030s. The permit for water area expansion will be submitted to the Regional State Administrative Agency for Northern Finland at the end of 2025.

In August 2024, Terrafame applied for a strategic status for the Kolmisoppi ore deposit as part of a supply chain that complies with the EU's Critical Raw Materials Act (CRMA). The Kolmisoppi project was granted strategic project status by the European Commission on 25 March 2025. The status was granted to the Kolmisoppi project in full, including the water area excavation. The strategic project status will ensure that permitting processes proceed according to the set deadlines.

Environmental and water permit and waste rock area KL1

In December 2024, the Vaasa Administrative Court (VAC) passed two decisions relating to Terrafame, one of which concerns the environmental and water permit covering all of Terrafame's operations, i.e. the main permit, and the other concerns the KL1 waste rock area. The Regional State Administrative Agency for Northern Finland issued a permit decision on the main permit in 2022 and a permit decision on the KL1 waste rock area in 2023. In January 2024, the VAC passed interim decisions on the abovementioned permits, restricting the ore and waste rock extraction volumes, among other things

In its final decisions, the VAC confirmed the increase in the ore extraction volume to 18 million tonnes per year, approved earlier by the Regional State Administrative Agency for Northern Finland, but restricted the waste rock extraction volume to 30 million tonnes per year. In its own decision, the Regional State Administrative Agency for Northern Finland had approved an increase in the waste rock extraction volume from 30 million tonnes to 45 million tonnes per year. The VAC's decisions partly restricted the construction and use of the new secondary leaching area SEK5–8 and the new waste rock area KL1.

On 27 January 2025, Terrafame announced that it has sought leave to appeal in the Supreme Administrative Court (SAC) regarding the decisions passed by the Vaasa Administrative Court (VAC) in December 2024. Additionally, Terrafame requested the SAC to pass an interim decision regarding key restrictions on operations.

In June 2025, the SAC issued interim decisions to Terrafame regarding the decisions issued by the VAC in December 2024. The interim decision concerns the enforcement of the VAC's decisions during the processing of the appeal. In its interim decision, the SAC raised the waste rock extraction volume to 35 million tonnes per year for the duration of the proceedings. In addition, the SAC permits the construction of blocks 5–6 of the secondary leaching area SEK5-8 and block 2 of the waste rock area KL1 during the proceedings, in accordance with the permit granted by the Regional State Administrative Agency for Northern Finland. These blocks may not be commissioned before the SAC's final decision.

Closure structures

In June 2025, the Regional State Administrative Agency for Northern Finland (PSAVI) issued two permit decisions on Terrafame's closure structures. The company has been preparing for the closure of decommissioned production and waste areas for years alongside its active production operations and submitted a comprehensive closure plan to PSAVI at the end of 2024.

In its permit decisions, PSAVI approved the closure structures presented by Terrafame for the most part, with the exception of the protective and growth layer above the liner structure, where PSAVI increased its thickness.

In addition, PSAVI issued a permit decision which enables the disposal of the old water treatment sludge in the industrial site in geotubes in their current location.

Key events after the financial period

Terrafame had no significant events after the review period.

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.

Further information

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A Finnish-language webcast will be held on 18 July 2025 at 12:00 EEST. At the event, Seppo Voutilainen, CEO of Terrafame, and Ville Sirviö, CFO, will discuss the company's performance. The webcast can be followed live at terrafame.videosync.fi/q2-2025. Questions can be submitted using the form at the bottom of the page.



Terrafame enhances low-carbon mobility by delivering responsibly produced battery chemicals to the global battery industry. One of the world's largest production lines for chemicals used in electric vehicle batteries is located on Terrafame's industrial site. The plant is capable of producing nickel sulphate for around 1 million EVs per year. The carbon footprint of the nickel sulphate produced by Terrafame is among the smallest in the industry.

Terrafame's integrated, unique and energy-efficient production process from the mine to battery chemicals is located on a single industrial site. It provides customers with a transparent, traceable and truly European battery chemical supply chain.

Terrafame Ltd was founded in 2015. Its net sales in 2024 were EUR 544.5 million. Around 2,000 people work on its industrial site, approximately 1,200 of whom are employees of partner companies.