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DELTA REPORT

10-Q

EAF - GRAFTECH INTERNATIONAL LT

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1555
CHANGES	206
DELETIONS	666
ADDITIONS	683

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023 March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from______ to ______

Commission file number: 1-13888

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GRAFTECH INTERNATIONAL LTD.

(Exact name of registrant as specified in its charter)

Delaware	**27-2496053**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
982 Keynote Circle	**44131**
Brooklyn Heights, OH	**(Zip code)**
(Address of principal executive offices)	

Registrant's telephone number, including area code: (216) 676-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.01 par value per share	EAF	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ¨

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ý No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐	Emerging Growth Company	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 27, 2023 April 19, 2024, 256,807,900 257,167,127 shares of common stock were outstanding.

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Presentation of Financial, Market and Industry Data

We present our financial information on a consolidated basis. Unless otherwise noted, when we refer to dollars, we mean U.S. dollars.

Certain market and industry data included in this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 March 31, 2024 (the "Report") has been obtained or derived from third-party sources that we believe to be reliable. Market estimates are calculated by using independent industry publications, government publications and third-party forecasts in conjunction with our assumptions about our markets. We cannot guarantee the accuracy or completeness of this market and market share data and have not independently verified it. None of the sources consented to the disclosure or use of data in this Report. While we are not aware of any misstatements regarding any market, industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the headings "Cautionary Note Regarding Forward-Looking Statements" in this Report and "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023 ("Annual Report on Form 10-K") filed on February 14, 2023 February 14, 2024.

Cautionary Note Regarding Forward-Looking Statements

This Report may contain forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect our current views with respect to, among other things, financial projections, plans and objectives of management for future operations, and future economic performance. Examples of forward-looking statements include, among others, statements we make regarding future estimated volume, pricing and revenue, anticipated levels of capital expenditures the suspension and cost of goods sold, anticipated reduction in our dividend, including the frequency costs resulting from our cost rationalization initiatives and amount one-time costs of any dividend we may pay, implementation and guidance relating to earnings per share adjusted EBITDA and adjusted EBITDA. free cash flow. You can identify these forward-looking statements by the use of forward-looking words such as "will," "may," "plan," "estimate," "project," "believe," "anticipate," "expect," "foresee," "intend," "should," "would," "could," "target," "goal," "continue to," "positioned to," "are confident," or the negative versions of those words or other comparable words. Any forward-looking statements contained in this Report are based upon our historical performance and on our current plans, estimates and expectations considering information currently available to us. The inclusion of this forward-looking information should not be regarded as a representation by us that the future plans, estimates, or expectations contemplated by us will be achieved. Our expectations and targets are not predictions of actual performance and historically our performance has deviated, often significantly, from our expectations and targets. These forward-looking statements are subject to various risks and uncertainties and assumptions relating to our operations, financial results, financial condition, business, prospects, growth strategy and liquidity. Accordingly, there are or will be important factors that could cause our actual results to differ materially from those indicated in these statements. We believe that these factors include, but are not limited to:

- our dependence on the global steel industry generally and the electric arc furnace ("EAF") steel industry in particular;
- the cyclical nature of our business and the selling prices of our products, which may continue to decline in the future, and may lead to periods of reduced profitability and net losses; losses or adversely impact liquidity;
- the sensitivity of our business and operating results to economic conditions, including any recession, and the possibility others may not be able to fulfill their obligations to us in a timely fashion or at all;
- the possibility that we may be unable to implement our business strategies in an effective manner;

- the possibility that global graphite electrode overcapacity may adversely affect graphite electrode prices;
- the competitiveness of the graphite electrode industry;
- our dependence on the supply of raw materials, including decant oil and petroleum needle coke, and disruptions in supply chains for these materials;
- our primary reliance on one facility in Monterrey, Mexico for the manufacturing of connecting pins;
- the availability and cost of electric power and natural gas, particularly in Europe;
- our manufacturing operations are subject to hazards;
- the legal, compliance, economic, social and political risks associated with our substantial operations in multiple countries;
- the possibility that fluctuation of foreign currency exchange rates could materially harm our financial results;
- the possibility that our results of operations could further deteriorate if our manufacturing operations were substantially disrupted for an extended period, including as a result of equipment failure, climate change, regulatory issues, natural disasters, public health crises, such as the COVID-19 a global pandemic, political crises or other catastrophic events;
- the risks and uncertainties associated with litigation, arbitration, and like disputes, including disputes related to contractual commitments;
- our dependence on third parties for certain construction, maintenance, engineering, transportation, warehousing and logistics services;
- the possibility that we are subject to information technology systems failures, cybersecurity attacks, network disruptions and breaches of data security;
- the possibility that we are unable to recruit or retain key management and plant operating personnel or successfully negotiate with the representatives of our employees, including labor unions;
- the sensitivity of goodwill long-lived assets on our balance sheet to changes in the market;
- our dependence on protecting our intellectual property and the possibility that third parties may claim that our products or processes infringe their intellectual property rights;
- the impact of inflation and our ability to mitigate the effect on our costs;
- the impact of macroeconomic and geopolitical events including developments arising from the COVID-19 pandemic and the conflict between Russia and Ukraine, on our business, results of operations, financial condition and cash flows, and the disruptions and inefficiencies in our supply chain that may occur as a result of such events;
- the possibility that our indebtedness could limit our financial and operating activities or that our cash flows may not be sufficient to service our indebtedness;
- recent increases in benchmark interest rates and the fact that any future borrowings may subject us to interest rate risk;
- the possibility that disruptions in or our ability to access the capital and credit markets could adversely affect our results of operations, cash flows and financial condition, or those of our customers and suppliers;
- the possibility that restrictive covenants in our financing agreements could restrict or limit our operations;
- changes in, or more stringent enforcement of, health, safety and environmental regulations applicable to our manufacturing operations and facilities;
- the possibility that the market price of our common stock could be negatively affected by sales of substantial amounts of our common stock, including by Brookfield Corporation and its affiliates (together, “Brookfield”);
- the fact that our stockholders have the right to engage or invest in the same or similar businesses as us; and
- the possibility that the cash dividends on our common stock, which are currently suspended, will remain suspended and we may not pay cash dividends on our common stock in the future. future; and
- the outcome of our proxy contest.

These factors should not be construed as exhaustive and should be read in conjunction with the Risk Factors and other cautionary statements that are included in our most recent Annual Report on Form 10-K and other filings with the Securities and Exchange Commission ("SEC"). The forward-looking statements made in this Report relate only to events as of the date on which the statements are made. Except as required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, our actual results may vary materially from what we may have expressed or implied by these forward-looking statements. We caution that you should not place undue reliance on any of our forward-looking statements. You should specifically consider the factors identified in this Report that could cause actual results to differ before making an investment decision to purchase our common stock. Furthermore, new risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except per share data)
(Unaudited)

		September 30, 2023	December 31, 2022		
	March 31, 2024			March 31, 2024	December 31, 2023
ASSETS	**ASSETS**				
Current assets:	Current assets:				
Current assets:					
Current assets:					
Cash and cash equivalents	Cash and cash equivalents	$ 172,807	$ 134,641		
Accounts and notes receivable, net of allowance for doubtful accounts of $7,898 as of September 30, 2023 and $8,019 as of December 31, 2022		97,328	145,574		
Cash and cash equivalents					
Cash and cash equivalents					
Accounts and notes receivable, net of allowance for doubtful accounts of $8,076 as of March 31, 2024 and $7,708 as of December 31, 2023					
Inventories	Inventories	378,970	447,741		
Prepaid expenses and other current assets	Prepaid expenses and other current assets	64,253	87,272		
Total current assets	Total current assets	713,358	815,228		
Property, plant and equipment	Property, plant and equipment	894,262	869,168		
Less: accumulated depreciation	Less: accumulated depreciation	383,018	350,022		
Net property, plant and equipment	Net property, plant and equipment	511,244	519,146		
Deferred income taxes	Deferred income taxes	23,315	11,960		
Goodwill		171,117	171,117		
Other assets	Other assets	64,111	86,727		
Total assets	Total assets	$1,483,145	$1,604,178		
LIABILITIES AND STOCKHOLDERS’ EQUITY	**LIABILITIES AND STOCKHOLDERS’ EQUITY**				
Current liabilities:	Current liabilities:				
Current liabilities:					
Current liabilities:					
Accounts payable					
Accounts payable					
Accounts payable	Accounts payable	$ 54,935	$ 103,156		

Long-term debt, current maturities	Long-term debt, current maturities	127	124
Accrued income and other taxes	Accrued income and other taxes	8,441	40,592
Other accrued liabilities	Other accrued liabilities	100,605	89,349
Related party payable - Tax Receivable Agreement		5,137	4,631
Tax Receivable Agreement			
Total current liabilities	Total current liabilities	169,245	237,852
Long-term debt	Long-term debt	924,375	921,803
Other long-term obligations	Other long-term obligations	51,309	50,822
Deferred income taxes	Deferred income taxes	43,554	45,065
Related party payable - Tax Receivable Agreement long-term		5,784	10,921
Tax Receivable Agreement long-term			
Commitments and contingencies - Note 7	Commitments and contingencies - Note 7		
Stockholders’ equity:	Stockholders’ equity:		
Stockholders’ equity:			
Stockholders’ equity:			
Preferred stock, par value $0.01, 300,000,000 shares authorized, none issued	Preferred stock, par value $0.01, 300,000,000 shares authorized, none issued	—	—
Common stock, par value $0.01, 3,000,000,000 shares authorized, 256,807,900 and 256,597,342 shares issued and outstanding as of September 30, 2023 and December 31, 2022, respectively		2,568	2,566
Preferred stock, par value $0.01, 300,000,000 shares authorized, none issued			
Preferred stock, par value $0.01, 300,000,000 shares authorized, none issued			
Common stock, par value $0.01, 3,000,000,000 shares authorized, 257,161,175 and 256,831,870 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively			
Additional paid-in capital	Additional paid-in capital	748,903	745,164
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(17,612)	(8,070)
Accumulated deficit	Accumulated deficit	(444,981)	(401,945)
Total stockholders’ equity	Total stockholders’ equity	288,878	337,715
Total liabilities and stockholders’ equity	Total liabilities and stockholders’ equity	$1,483,145	$1,604,178

Total liabilities and stockholders’ equity
Total liabilities and stockholders’ equity

See accompanying Notes to the Condensed Consolidated Financial Statements

GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME LOSS
(Dollars in thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS				
Net sales	$ 158,992	$ 303,840	$ 483,355	$ 1,033,731
Cost of goods sold	157,603	170,171	427,464	562,881
Gross profit	1,389	133,669	55,891	470,850
Research and development	1,295	1,014	3,683	2,617
Selling and administrative expenses	18,231	18,578	58,933	57,862
Operating (loss) income	(18,137)	114,077	(6,725)	410,371
Other expense (income), net	153	(598)	1,261	(1,358)
Interest expense	15,719	6,424	42,432	25,035
Interest income	(1,144)	(241)	(1,758)	(2,197)
(Loss) income before (benefit) provision for income taxes	(32,865)	108,492	(48,660)	388,891
(Benefit) provision for income taxes	(10,244)	15,041	(10,819)	56,260
Net (loss) income	$ (22,621)	$ 93,451	$ (37,841)	$ 332,631
Basic (loss) income per common share:				
Net (loss) income per share	$ (0.09)	$ 0.36	$ (0.15)	$ 1.28
Weighted average common shares outstanding	257,090,113	256,848,575	256,987,778	259,415,295
Diluted (loss) income per common share:				
Net (loss) income per share	$ (0.09)	$ 0.36	$ (0.15)	$ 1.28
Weighted average common shares outstanding	257,090,113	256,853,454	256,987,778	259,424,885
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME				
Net (loss) income	$ (22,621)	$ 93,451	$ (37,841)	$ 332,631
Other comprehensive (loss) income:				
Foreign currency translation adjustments, net of tax of $0, $0, $0 and $2, respectively	(8,035)	(13,311)	(463)	(24,911)
Commodities, interest rate and foreign currency derivatives, net of tax (expense) benefit of $1,218, $369, $3,123 and $(2,659), respectively	(2,906)	(2,426)	(9,079)	5,980
Other comprehensive loss, net of tax	(10,941)	(15,737)	(9,542)	(18,931)
Comprehensive (loss) income	$ (33,562)	$ 77,714	$ (47,383)	$ 313,700

	Three Months Ended March 31,	
	2024	**2023**
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS		
Net sales	$ 136,584	$ 138,802
Cost of goods sold	$ 135,204	$ 112,645
Lower of cost or market inventory valuation adjustment	2,692	—
Gross (loss) profit	(1,312)	26,157

Research and development	1,627	1,192
Selling and administrative expenses	15,277	22,151
Rationalization expenses	3,145	—
Operating (loss) income	(21,361)	2,814
Other (income) expense, net	(393)	653
Interest expense	15,626	12,806
Interest income	(1,524)	(372)
Loss before benefit for income taxes	(35,070)	(10,273)
Benefit for income taxes	(4,201)	(2,904)
Net loss	$ (30,869)	$ (7,369)
Basic loss per common share:		
Net loss per share	$ (0.12)	$ (0.03)
Weighted average common shares outstanding	257,399,365	256,974,904
Diluted loss per common share:		
Net loss per share	$ (0.12)	$ (0.03)
Weighted average common shares outstanding	257,399,365	256,974,904

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

Net loss	$ (30,869)	$ (7,369)
Other comprehensive (loss) income:		
Foreign currency translation adjustments, net of tax of $45 and $0, respectively	(6,472)	4,623
Commodities, interest rate and foreign currency derivatives, net of tax (expense) benefit of $1,152 and $953, respectively	(4,253)	(2,577)
Other comprehensive (loss) income, net of tax	(10,725)	2,046
Comprehensive loss	$ (41,594)	$ (5,323)

See accompanying Notes to the Condensed Consolidated Financial Statements

GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2023	**2022**
Cash flow from operating activities:		
Net (loss) income	$ (37,841)	$ 332,631
Adjustments to reconcile net (loss) income to cash provided by operations:		
Depreciation and amortization	43,053	41,708
Deferred income tax (benefit) provision	(10,297)	11,216
Non-cash stock-based compensation expense	3,809	1,666
Non-cash interest expense	10,249	(3,103)
Other adjustments	(3,278)	230
Net change in working capital*	64,833	(101,622)
Change in related party Tax Receivable Agreement	(4,631)	(3,828)
Change in long-term assets and liabilities	1,372	(4,293)
Net cash provided by operating activities	67,269	274,605
Cash flow from investing activities:		
Capital expenditures	(48,287)	(45,281)

Proceeds from the sale of fixed assets	220	161
Net cash used in investing activities	(48,067)	(45,120)
Cash flow from financing activities:		
Interest rate swap settlements	27,453	3,762
Debt issuance and modification costs	(8,133)	(2,232)
Proceeds from the issuance of long-term debt, net of original issuance discount	438,552	—
Principal payments on long-term debt	(433,708)	(110,000)
Repurchase of common stock	—	(60,000)
Payments for taxes related to net share settlement of equity awards	(129)	(230)
Proceeds from exercise of stock options	—	225
Dividends paid to non-related party	(3,854)	(5,843)
Dividends paid to related party	(1,280)	(1,919)
Principal payments under finance lease obligations	(20)	—
Net cash provided by (used in) financing activities	18,881	(176,237)
Net change in cash and cash equivalents	38,083	53,248
Effect of exchange rate changes on cash and cash equivalents	83	(1,368)
Cash and cash equivalents at beginning of period	134,641	57,514
Cash and cash equivalents at end of period	$ 172,807	$ 109,394
* Net change in working capital due to changes in the following components:		
Accounts and notes receivable, net	$ 48,007	$ 22,229
Inventories	69,258	(146,501)
Prepaid expenses and other current assets	4,974	1,690
Income taxes payable	(31,356)	(20,226)
Accounts payable and accruals	(43,391)	35,373
Interest payable	17,341	5,813
Net change in working capital	$ 64,833	$ (101,622)
Net cash paid during the periods for:		
Interest(1)	$ 1,470	$ 22,998
Income taxes	$ 36,471	$ 63,446
Non-cash investing activities:		
Capital expenditures in accounts payable	$ (19,098)	$ 1,256

(1)Includes cash received from the monthly settlements and the termination of our interest rate swaps in the first nine months of 2023.

	Three Months Ended March 31,	
	2024	2023
Cash flow from operating activities:		
Net loss	$ (30,869)	$ (7,369)
Adjustments to reconcile net loss to cash (used in) provided by operations:		
Depreciation and amortization	13,883	10,777
Deferred income tax benefit	(4,581)	(3,750)
Non-cash stock-based compensation expense	1,047	796
Non-cash interest expense	(1,469)	2,184
Lower of cost or market inventory valuation adjustment	2,692	—
Other adjustments	1,464	105
Net change in working capital*	23,062	25,657
Change in Tax Receivable Agreement	(5,417)	(4,631)
Change in long-term assets and liabilities	(342)	1,029
Net cash (used in) provided by operating activities	(530)	24,798
Cash flow from investing activities:		
Capital expenditures	(10,511)	(25,271)
Proceeds from the sale of fixed assets	3	92

Net cash used in investing activities	(10,508)	(25,179)
Cash flow from financing activities:		
Interest rate swap settlements	—	3,630
Debt issuance and modification costs	—	(128)
Payments for taxes related to net share settlement of equity awards	(82)	(129)
Dividends paid	—	(2,566)
Principal payments under finance lease obligations	(16)	—
Net cash (used in) provided by financing activities	(98)	807
Net change in cash and cash equivalents	(11,136)	426
Effect of exchange rate changes on cash and cash equivalents	(552)	373
Cash and cash equivalents at beginning of period	176,878	134,641
Cash and cash equivalents at end of period	$ 165,190	$ 135,440
* Net change in working capital due to changes in the following components:		
Accounts and notes receivable, net	$ 8,575	$ 62,350
Inventories	25,328	(16,897)
Prepaid expenses and other current assets	4,313	12,588
Income taxes payable	(2,433)	(25,594)
Accounts payable and accruals	(29,598)	(12,495)
Interest payable	16,877	5,705
Net change in working capital	$ 23,062	$ 25,657
Net cash paid during the periods for:		
Interest	$ 216	$ 5,038
Income taxes	$ 2,569	$ 28,012
Non-cash investing activities:		
Change in capital expenditures in accounts payable	$ (6,936)	$ (8,963)

See accompanying Notes to the Condensed Consolidated Financial Statements

GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Dollars in thousands, except per share data)
(Unaudited)

	Issued Shares of Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Stockholders' Equity
Balance as of December 31, 2022	256,597,342	$ 2,566	$ 745,164	$ (8,070)	$ (401,945)	$ 337,715
Net loss	—	—	—	—	(7,369)	(7,369)
Other comprehensive (loss) income:						
Commodity, interest rate and foreign currency derivatives income, net of tax of $67	—	—	—	(241)	—	(241)
Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $886	—	—	—	(2,336)	—	(2,336)
Foreign currency translation adjustments, net of tax of $0	—	—	—	4,623	—	4,623
Total other comprehensive income	—	—	—	2,046	—	2,046
Stock-based compensation	104,533	1	795	—	—	796
Payments for taxes related to net share settlement of equity awards	(23,577)	—	(68)	—	(61)	(129)
Dividends paid to related party ($0.01 per share)	—	—	—	—	(640)	(640)
Dividends paid to non-related party ($0.01 per share)	—	—	—	—	(1,926)	(1,926)
Balance as of March 31, 2023	256,678,298	$ 2,567	$ 745,891	$ (6,024)	$ (411,941)	$ 330,493
Net loss	—	—	—	—	(7,851)	(7,851)
Other comprehensive loss:						
Commodity, interest rate and foreign currency derivatives loss, net of tax of $(146)	—	—	—	2,513	—	2,513

Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $1,098	—	—	—	(6,109)	—	(6,109)
Foreign currency translation adjustments, net of tax of $0	—	—	—	2,949	—	2,949
Total other comprehensive loss	—	—	—	(647)	—	(647)
Stock-based compensation	117,170	1	1,384	—	—	1,385
Payments for taxes related to net share settlement of equity awards	(48)		—		—	—
Dividends paid to related party stockholder ($0.01 per share)	—	—	—	—	(640)	(640)
Dividends paid to non-related party stockholders ($0.01 per share)	—	—	—	—	(1,928)	(1,928)
Balance as of June 30, 2023	256,795,420	$ 2,568	$ 747,275	$ (6,671)	$ (422,360)	$ 320,812
Net loss	—	—	—	—	(22,621)	(22,621)
Other comprehensive loss:						
Commodity, interest rate and foreign currency derivatives income, net of tax of $80	—	—	—	(611)	—	(611)
Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $1,138	—	—	—	(2,295)	—	(2,295)
Foreign currency translation adjustments, net of tax of $0	—	—	—	(8,035)	—	(8,035)
Total other comprehensive loss	—	—	—	(10,941)	—	(10,941)
Stock-based compensation	12,480	—	1,628	—	—	1,628
Balance as of September 30, 2023	256,807,900	$ 2,568	$ 748,903	$ (17,612)	$ (444,981)	$ 288,878

GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Dollars in thousands, except per share data)
(Unaudited)

	Issued Shares of Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Stockholders' Equity
Balance as of December 31, 2021	263,255,708	$ 2,633	$ 761,412	$ (7,444)	$ (733,199)	$ 23,402
Net income	—	—	—	—	124,183	124,183
Other comprehensive income (loss):						
Commodity, interest rate and foreign currency derivatives income, net of tax of $(4,181)	—	—	—	14,800	—	14,800
Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $519	—	—	—	(1,837)	—	(1,837)
Foreign currency translation adjustments, net of tax of $1	—	—	—	7,022	—	7,022
Total other comprehensive income	—	—	—	19,985	—	19,985
Repurchase of common stock	(3,035,830)	(31)	(8,530)	—	(21,439)	(30,000)
Stock-based compensation	—	—	465	—	—	465
Options exercised	25,000	—	225	—	—	225
Payments for taxes related to net share settlement of equity awards	(22,293)	—	(63)	—	(167)	(230)
Dividends paid to related party ($0.01 per share)	—	—	—	—	(640)	(640)
Dividends paid to non-related party ($0.01 per share)	—	—	—	—	(1,985)	(1,985)
Balance as of March 31, 2022	260,222,585	$ 2,602	$ 753,509	$ 12,541	$ (633,247)	$ 135,405
Net income	—	—	—	—	114,997	114,997
Other comprehensive income:						
Commodity, interest rate and foreign currency derivatives income, net of tax of $347	—	—	—	(2,498)	—	(2,498)
Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $287	—	—	—	(2,059)	—	(2,059)
Foreign currency translation adjustments, net of tax of $1	—	—	—	(18,622)	—	(18,622)
Total other comprehensive income	—	—	—	(23,179)	—	(23,179)
Repurchase of common stock	(3,626,591)	(36)	(10,191)	—	(19,773)	(30,000)
Stock-based compensation	1,348	—	573	—	—	573
Dividends paid to related party stockholder ($0.01 per share)	—	—	—	—	(639)	(639)

	Issued Shares of Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
Dividends paid to non-related party stockholders ($0.01 per share)	—	—	—	—	(1,932)	(1,932)
Balance as of June 30, 2022	256,597,342	$ 2,566	$ 743,891	$ (10,638)	$ (540,594)	$ 195,225
Net income	—	—	—	—	93,451	93,451
Other comprehensive income (loss):						
Commodity, interest rate and foreign currency derivatives income, net of tax of $(794)	—	—	—	1,658	—	1,658
Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $1,163	—	—	—	(4,084)	—	(4,084)
Foreign currency translation adjustments of $0	—	—	—	(13,311)	—	(13,311)
Total other comprehensive loss	—	—	—	(15,737)	—	(15,737)
Stock-based compensation	—	—	628	—	—	628
Dividends paid to related party stockholder ($0.01 per share)	—	—	—	—	(640)	(640)
Dividends paid to non-related party stockholders ($0.01 per share)	—	—	—	—	(1,926)	(1,926)
Balance as of September 30, 2022	256,597,342	$ 2,566	$ 744,519	$ (26,375)	$ (449,709)	$ 271,001

GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Dollars in thousands, except per share data)
(Unaudited)

	Issued Shares of Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
Balance as of December 31, 2023	256,831,870	$ 2,568	$ 749,527	$ (11,458)	$ (662,390)	$ 78,247
Net loss	—	—	—	—	(30,869)	(30,869)
Other comprehensive loss:						
Commodity, interest rate and foreign currency derivatives income, net of tax of $17	—	—	—	(121)	—	(121)
Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $1,135	—	—	—	(4,132)	—	(4,132)
Foreign currency translation adjustments, net of tax of $45	—	—	—	(6,472)	—	(6,472)
Total other comprehensive loss	—	—	—	(10,725)	—	(10,725)
Stock-based compensation	390,490	4	1,043	—	—	1,047
Payments for taxes related to net share settlement of equity awards	(61,185)	—	(173)	—	91	(82)
Balance as of March 31, 2024	257,161,175	$ 2,572	$ 750,397	$ (22,183)	$ (693,168)	$ 37,618
Balance as of December 31, 2022	256,597,342	$ 2,566	$ 745,164	$ (8,070)	$ (401,945)	$ 337,715
Net loss	—	—	—	—	(7,369)	(7,369)
Other comprehensive (loss) income:						
Commodity, interest rate and foreign currency derivatives income, net of tax of $67	—	—	—	(241)	—	(241)
Commodity, interest rate and foreign currency derivatives reclassification adjustments, net of tax of $886	—	—	—	(2,336)	—	(2,336)
Foreign currency translation adjustments, net of tax of $0	—	—	—	4,623	—	4,623
Total other comprehensive income	—	—	—	2,046	—	2,046
Stock-based compensation	104,533	1	795	—	—	796
Payments for taxes related to net share settlement of equity awards	(23,577)	—	(68)	—	(61)	(129)
Dividends paid ($0.01 per share)	—	—	—	—	(2,566)	(2,566)
Balance as of March 31, 2023	256,678,298	$ 2,567	$ 745,891	$ (6,024)	$ (411,941)	$ 330,493

See accompanying Notes to the Condensed Consolidated Financial Statements

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(1) Organization and Summary of Significant Accounting Policies

A. Organization

GrafTech International Ltd. (the “Company” or “GrafTech”) is a leading manufacturer of high-quality graphite electrode products essential to the production of electric arc furnace (“EAF”) steel and other ferrous and non-ferrous metals. References herein to “GTI,” “we,” “our,” or “us” refer collectively to the Company and its subsidiaries. On August 15, 2015, GTI became an indirect wholly owned subsidiary of Brookfield. In April 2018, the Company completed its initial public offering (“IPO”) of 38,097,525 shares of its common stock held by Brookfield at a price of $15.00 per share. The Company did not receive any proceeds related to the IPO. The Company’s common stock is listed on the New York Stock Exchange under the symbol “EAF.” Brookfield has since distributed a portion of its GrafTech common stock to the owners in the Brookfield consortium and sold shares of GrafTech common stock in public and private transactions, resulting in a reduction of Brookfield's ownership of outstanding shares of GrafTech common stock to 24.9% as of September 30, 2023 and December 31, 2022.

The Company’s only reportable segment, Industrial Materials, is comprised of its two major product categories: graphite electrodes and petroleum needle coke products. Petroleum needle coke is our key raw material used in the production of graphite electrodes. The Company's vision is to provide highly engineered graphite electrode products, services and solutions to EAF operators.

B. Basis of Presentation

The interim condensed consolidated financial statements are unaudited; however, in the opinion of management, they have been prepared in accordance with Rule 10-01 of Regulation S-X and in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The December 31, 2022 December 31, 2023 Consolidated Balance Sheet data included herein was derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023, filed on February 14, 2023 February 14, 2024, but does not include all disclosures required by GAAP in audited financial statements. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements, including the accompanying notes, contained in the Company's Annual Report on Form 10-K.

The unaudited condensed consolidated financial statements reflect all adjustments (all of which are of a normal, recurring nature) which management considers necessary for a fair presentation of our financial statements for the interim periods presented. The results for the interim periods are not necessarily indicative of results which may be expected for any other interim period or for the full year.

C. New Accounting Standards

Recently Adopted Issued Accounting Standards Pronouncements Not Yet Adopted

In September 2022, November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2022-04, No. 2023-07, *Liabilities - Supplier Finance Programs (Subtopic 405-50) Segment Reporting (Topic 280): Disclosure of Supplier Finance Program Obligations Improvements to Reportable Segment Disclosures*, which requires disclosures is intended to enhance the transparency of supplier finance programs. improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The amendments in this ASU require buyers in a supplier finance program to disclose sufficient information about the program to allow a user of financial statements to understand the program’s nature, activity during the period, changes from period to period, and potential magnitude. The amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the disclosure of rollforward information, which guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should guidance is to be applied retrospectively to each period all prior periods presented in which a balance sheet is presented, except for disclosure of rollforward information, which the financial statements. Upon transition, the segment expense categories and amounts disclosed in the prior periods should be applied prospectively. based on the significant segment expense categories identified and disclosed in the period of adoption. We are currently evaluating the potential impact of adopting this new guidance on our consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which is intended to enhance the transparency, decision usefulness and effectiveness of income tax disclosures. The amendments in this ASU require a public entity to disclose a tabular tax rate reconciliation, using both percentages and currency, with specific categories. A public entity is also required to provide a qualitative description of the states and local jurisdictions that make up the majority of the effect of the state and local income tax category and the net amount of income taxes paid, disaggregated by federal, state and foreign taxes and also disaggregated by individual jurisdictions. The amendments also remove certain disclosures that are no longer considered cost beneficial. The amendments are effective prospectively for annual periods beginning after December 15, 2024, and early adoption and retrospective application are permitted. Although the ASU only modifies the Company’s required income tax disclosures, the Company adopted is currently evaluating the impact of adopting this guidance on January 1, 2023 its consolidated financial statements and the adoption did not have a material impact on its financial position, results of operations, cash flows or related disclosures.

(2) Revenue from Contracts with Customers

Disaggregation of Revenue

The following table provides information about disaggregated revenue by type of product and contract, including our take or pay contracts with initial terms of three to five years (“LTA”) and short-term agreements and spot sales (“non-LTA”):

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		(Dollars in thousands)			
		Three Months Ended March 31, Three Months Ended March 31, Three Months Ended March 31,			
		2024	2024	2023	
		(Dollars in thousands)		(Dollars in thousands)	
Graphite Electrodes - LTAs	Graphite Electrodes - LTAs	$ 66,344	$212,087	$212,579	$ 683,858
Graphite Electrodes - Non-LTAs	Graphite Electrodes - Non-LTAs	88,629	79,710	246,726	296,954
By-products and other	By-products and other	4,019	12,043	24,050	52,919
Total Revenues	**Total Revenues**	$158,992	$303,840	$483,355	$1,033,731

Contract Balances

Substantially all of the Company’s receivables relate to contracts with customers. Accounts receivables are recorded when the right to consideration becomes unconditional. Payment terms on invoices range from 30 to 120 days depending on the customary business practices of the jurisdictions in which we do business.

Certain short-term and longer-term sales contracts require up-front payments prior to the Company’s fulfillment of any performance obligation. These contract liabilities are recorded as current or long-term deferred revenue, depending on the lag between the pre-payment and the expected delivery of the related products. Additionally, deferred revenue or contract assets originate from contracts where the allocation of the transaction price to the performance obligations based on their relative stand-alone selling prices results in the timing of revenue recognition being different from the timing of the invoicing. In this case, deferred revenue is amortized into revenue based on the transaction price allocated to the remaining performance obligations and contract assets are realized through the contract invoicing.

Contract assets are included in “Prepaid expenses and other current assets,” on the Condensed Consolidated Balance Sheets. We did not have any contract asset balances as of September 30, 2023 March 31, 2024 or December 31, 2022 December 31, 2023.

Current deferred revenue is included in “Other accrued liabilities” on the Condensed Consolidated Balance Sheets. The following table provides our contract liability balances as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023:

	September 30, 2023	December 31, 2022
	(Dollars in thousands)	
Current deferred revenue	$ 25,122	$ 27,878

	March 31, 2024	December 31, 2023
	(Dollars in thousands)	
Current deferred revenue	$ 23,695	$ 31,583

The amount of revenue recognized in 2023 the first quarter of 2024 that was included in the December 31, 2022 December 31, 2023 current deferred revenue balance was $10.0 $13.6 million. The decrease in the current deferred revenue balance since December 31, 2022 December 31, 2023 is due to revenue recognized in the current year, partially offset by customer prepayments. The current deferred revenue balance includes cashed bank guarantees related to outstanding arbitration proceedings the outcome of which will determine the timing of revenue recognition.

Transaction Price Allocated to the Remaining Performance Obligations

The following table presents estimated revenues expected to be recognized in the corresponding period below related to performance obligations that are unsatisfied (or partially unsatisfied) at the end of reporting period. The revenue associated with our LTAs is expected to be approximately as follows for the full years year of 2023 and 2024:

	2023	2024
	(Dollars in millions)	
Estimated LTA revenue	\$245-\$255	\$100-\$135(1)

	2024
	(Dollars in millions)
Estimated LTA revenue	\$100-\$135(1)

(1) Includes expected termination fees from a few customers that have failed to meet certain obligations under their LTAs.

We recorded \$212.6 million of LTA revenue in the nine months ended September 30, 2023, and we expect to record approximately \$32.0 million to \$42.0 million of LTA revenue for the remainder of 2023.

The majority of the LTAs are defined as pre-determined fixed annual volume contracts while a small portion are defined with a specified volume range. For the years 2023 and 2024, the contractual revenue amounts above are based upon the minimum volume for those contracts with specified ranges. The actual revenue realized from these contracted volumes may vary in timing and total due to contract non-performance, force majeure notices, arbitrations, credit risk associated with certain customers facing financial challenges and customer demand related to contracted volume ranges.

(3) Goodwill and Other Intangible Assets

The goodwill balance was \$171.1 million as of September 30, 2023 and December 31, 2022.

The following table summarizes intangible assets with determinable useful lives by major category, which are included in "Other assets" on our Condensed Consolidated Balance Sheets:

	September 30, 2023			December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(Dollars in thousands)					
Trade names	\$ 22,500	\$ (17,161)	\$ 5,339	\$ 22,500	\$ (15,869)	\$ 6,631
Technology and know-how	55,300	(44,982)	10,318	55,300	(42,371)	12,929
Customer-related intangibles	64,500	(35,734)	28,766	64,500	(32,513)	31,987
Total finite-lived intangible assets	\$ 142,300	\$ (97,877)	\$ 44,423	\$ 142,300	\$ (90,753)	\$ 51,547

Amortization expense for intangible assets was \$2.2 million and \$2.5 million in the three months ended September 30, 2023 and 2022, respectively, and \$7.1 million and \$7.7 million in the nine months ended September 30, 2023 and 2022, respectively. Amortization expense is expected to be approximately \$2.1 million for the remainder of 2023, \$8.0 million in 2024, \$7.3 million in 2025, \$6.7 million in 2026, \$6.1 million in 2027 and \$5.5 million in 2028. Amortization expense is included in "Cost of goods sold" on the Condensed Consolidated Statement of Operations.

We recorded \$36.1 million of LTA revenue in the three months ended March 31, 2024, and we expect to record approximately \$64.0 million to \$99.0 million of LTA revenue for the remainder of 2024.

The remaining LTAs are defined as pre-determined fixed annual volume contracts. The actual revenue realized from these contracted volumes may vary in timing and total due to contract non-performance, force majeure notices, arbitrations and credit risk associated with certain customers facing financial challenges.

(3) Intangible Assets

The following table summarizes intangible assets with determinable useful lives by major category, which are included in “Other assets” on our Condensed Consolidated Balance Sheets:

	March 31, 2024	December 31, 2023

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(Dollars in thousands)					
Trade names	$ 22,500	$ (17,597)	$ 4,903	$ 22,500	$ (17,379)	$ 5,121
Technology and know-how	55,300	(46,511)	8,789	55,300	(45,746)	9,554
Customer-related intangibles	64,500	(37,870)	26,630	64,500	(36,802)	27,698
Total finite-lived intangible assets	$ 142,300	$ (101,978)	$ 40,322	$ 142,300	$ (99,927)	$ 42,373

Amortization expense for intangible assets was $2.1 million and $2.4 million in the three months ended March 31, 2024 and 2023, respectively. Amortization expense is expected to be approximately $5.9 million for the remainder of 2024, $7.3 million in 2025, $6.7 million in 2026, $6.1 million in 2027, $5.5 million in 2028 and $4.9 million in 2029.

(4) Debt and Liquidity

The following table presents our long-term debt:

March 31, 2024				March 31, 2024	December 31, 2023
		September 30, 2023	December 31, 2022	*(Dollars in thousands)*	
		(Dollars in thousands)			
2018 Term Loan Facility		$ —	$ 433,708		
2020 Senior Secured Notes	2020 Senior Secured Notes	500,000	500,000		
2023 Senior Secured Notes	2023 Senior Secured Notes	450,000	—		
Other debt	Other debt	266	268		
Unamortized debt discount and issuance costs	Unamortized debt discount and issuance costs	(25,764)	(12,049)		
Total debt	Total debt	924,502	921,927		
Less: Long-term debt, current portion	Less: Long-term debt, current portion	(127)	(124)		
Long-term debt	Long-term debt	$ 924,375	$ 921,803		

The fair value of our debt was approximately $811.5 million $655.6 million and $843.2 million $676.6 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The fair values were determined using Level 2 quoted market prices for the same or similar debt instruments.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

2018 Term Loan and 2018 Revolving Credit Facility

In February 2018, the Company entered into a credit agreement (as amended, the “2018 Credit Agreement”), which provided for (i) a $2,250 million senior secured term facility (the “2018 Term Loan Facility”) after giving effect to the June 2018 amendment (the “First Amendment”) that increased the aggregate principal amount of the 2018 Term Loan Facility from $1,500 million to $2,250 million and (ii) a $330 million senior secured revolving credit facility after giving effect to the May 2022 amendment that increased the revolving commitments under the 2018 Credit Agreement by $80 million from $250 million (the “2018 Revolving Credit Facility”). GrafTech Finance Inc. (“GrafTech Finance”) was the sole borrower under the 2018 Term Loan Facility while GrafTech Finance, GrafTech Switzerland SA (“Swissco”) and GrafTech Luxembourg II S.à r.l. (“Luxembourg Holdco” and, together with GrafTech Finance and Swissco, the “Co-Borrowers”) are co-borrowers under the 2018 Revolving Credit Facility. The 2018 Revolving Credit Facility matures on May 31, 2027.

The net proceeds from the 2023 Senior Secured Notes (as defined below) were used to repay outstanding borrowings under our 2018 Term Loan Facility. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the availability under our 2018 Revolving Credit Facility was $112.3 $110.0 million and $327.0 $112.4 million, respectively. As any borrowings under the 2018 Revolving Credit Facility remain subject to compliance with the financial covenant thereunder, our operating performance as of September 30, 2023 March 31, 2024 and December 31, 2023 resulted in a reduction of the availability under the facility. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there were no borrowings outstanding on the 2018 Revolving Credit Facility and there was $3.2 $5.5 million and $3.0 $3.1 million of letters of credit drawn against the 2018 Revolving Credit Facility as of each date, respectively.

The 2018 Revolving Credit Facility bears interest, at our option, at a rate equal to either (i) the Adjusted Term SOFR Rate and Adjusted EURIBOR Rate (each, as defined in the 2018 Credit Agreement), plus an applicable margin initially equal to 3.00% per annum or (ii) the ABR Rate, plus an applicable margin initially equal to 2.00% per annum, in each case with two 25 basis point step downs based on achievement of certain senior secured first lien net leverage ratios. In addition, we are required to pay a quarterly commitment fee on the unused commitments under the 2018 Revolving Credit Facility in an amount equal to 0.25% per annum.

The 2018 Revolving Credit Facility is guaranteed by each of our domestic subsidiaries, subject to certain customary exceptions, and by GrafTech Luxembourg I S.à r.l., a Luxembourg *société à responsabilité limitée* and an indirect wholly owned subsidiary of GrafTech, Luxembourg HoldCo, and Swissco (collectively, the “Guarantors”) with respect to all obligations under the 2018 Revolving Credit Facility of each of our foreign subsidiaries that is a Controlled Foreign Corporation (within the meaning of Section 956 of the Internal Revenue Code of 1986, as amended from time to time (the “Code”)).

Any obligations under the 2018 Revolving Credit Facility are secured, subject to certain exceptions, by: (i) a pledge of no more than 65% all of the equity securities of each domestic Guarantor and of each other direct, wholly owned domestic subsidiary of GrafTech and any Guarantor, (ii) a pledge on no more than 65% of the equity interests of each subsidiary that is a Controlled Foreign Corporation (within the meaning of Section 956 of the Code), and (iii) security interests in, and mortgages

on, personal property and material real property of each domestic Guarantor, subject to permitted liens and certain exceptions specified in the 2018 Revolving Credit Facility. The obligations of each foreign subsidiary of GrafTech that is a Controlled Foreign Corporation under the 2018 Revolving Credit Facility are secured by (i) a pledge of all no more than 65% of the equity securities of each Guarantor that is a Controlled Foreign Corporation and of each direct, wholly owned subsidiary of any Guarantor that is a Controlled Foreign Corporation, and (ii) security interests in certain receivables and personal property of each Guarantor that is a Controlled Foreign Corporation, subject to permitted liens and certain exceptions specified in the 2018 Revolving Credit Facility.

The 2018 Revolving Credit Facility contains customary representations and warranties and customary affirmative and negative covenants applicable to GrafTech and restricted subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, fundamental changes, dispositions, and dividends and other distributions. The 2018 Revolving Credit Facility contains a financial covenant that requires GrafTech to maintain a senior secured first lien net leverage ratio not greater than 4.00 to 1.00 when the aggregate principal amount of borrowings under the 2018 Revolving Credit Facility and outstanding letters of credit issued under the 2018 Revolving Credit Facility (except for undrawn letters of credit in an aggregate amount equal to or less than $35.0 million), taken together, exceed 35% of the total amount of commitments under the 2018 Revolving Credit Facility. The 2018 Revolving Credit Facility also contains customary events of default. We were in compliance with all of our debt covenants as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

2020 Senior Secured Notes

In December 2020, GrafTech Finance issued $500 million aggregate principal amount of 4.625% senior secured notes due 2028 (the “2020 Senior Secured Notes”) in a private offering. The 2020 Senior Secured Notes and related guarantees are secured on a pari passu basis by the collateral securing the 2018 Revolving Credit Facility and the 2023 Senior Secured Notes. Notes (as defined below). All of the net proceeds from the 2020 Senior Secured Notes were used to partially repay borrowings under our 2018 Term Loan Facility.

The 2020 Senior Secured Notes pay interest in arrears on June 15 and December 15 of each year, with the principal due in full on December 15, 2028. Prior to December 15, 2023, up to 40% of the 2020 Senior Secured Notes may be redeemed with the net cash proceeds of certain equity offerings at a price equal to 104.625% of the principal amount thereof, together with accrued and unpaid interest, if any. The 2020 Senior Secured Notes may be redeemed, in whole or in part, at any time prior to December 15, 2023 at a price equal to 100% of the principal amount of the notes redeemed plus a premium together with accrued and unpaid interest, if any, to, but not including, the redemption date. Thereafter, the 2020 Senior Secured Notes may be redeemed, in whole or in part, at various prices depending on the date redeemed.

The indenture governing the 2020 Senior Secured Notes (the “Indenture”) contains certain covenants that, among other things, limit the Company’s ability, and the ability of certain of its subsidiaries, to incur or guarantee additional indebtedness or issue preferred stock, pay distributions on, redeem or repurchase capital stock or redeem or repurchase subordinated debt, incur or suffer to exist liens securing indebtedness, make certain investments, engage in certain transactions with affiliates, consummate certain asset sales and effect a consolidation or merger, or sell, transfer, lease or otherwise dispose of all or substantially all assets. Pursuant to the Indenture, if our pro forma consolidated first lien net leverage ratio is no greater than 2.00 to 1.00, we can make restricted payments so long as no default or event of default has occurred and is continuing. If our pro forma consolidated first lien net leverage ratio is greater than 2.00 to 1.00, we can make restricted payments pursuant to certain baskets.

The Indenture contains events of default customary for agreements of its type (with customary grace periods, as applicable) and provides that, upon the occurrence of an event of default arising from certain events of bankruptcy or insolvency with respect to the Company or GrafTech Finance, all outstanding 2020 Senior Secured Notes will become due and payable immediately without further action or notice. If any other type of event of default occurs and is continuing, then the trustee or the holders of at least 30% in principal amount of the then outstanding 2020 Senior Secured Notes may declare all of the 2020 Senior Secured Notes to be due and payable immediately. We were in compliance with all of our debt covenants as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

2023 Senior Secured Notes

In June 2023, GrafTech Global Enterprises Inc. issued $450 million aggregate principal amount of 9.875% senior secured notes due 2028 (the "2023 Senior Secured Notes"), including $11.4 million of original issue discount. The 2023 Senior Secured Notes were issued at an issue price of 97.456% of the principal amount thereof in a private offering. The 2023 Senior Secured Notes and related guarantees are secured on a pari passu basis by the collateral securing the 2018 Revolving Credit Facility and the 2020 Senior Secured Notes. The net proceeds from the 2023 Senior Secured Notes were used to repay borrowings under our 2018 Term Loan Facility.

The 2023 Senior Secured Notes pay interest in arrears on June 15 and December 15 of each year, with the principal due in full on December 15, 2028. Prior to December 15, 2025, up to 40% of the 2023 Senior Secured Notes may be redeemed with the net cash proceeds of certain equity offerings at a price equal to 109.875% of the principal amount thereof, together with accrued and unpaid interest, if any. The 2023 Senior Secured Notes may be redeemed, in whole or in part, at any time prior to December 15, 2025 at a price equal to 100% of the principal amount of the notes redeemed plus a premium together with accrued and unpaid interest, if any, to, but not including, the redemption date. Thereafter, the 2023 Senior Secured Notes may be redeemed, in whole or in part, at various prices depending on the date redeemed.

The indenture governing the 2023 Senior Secured Notes (the "2023 Indenture") contains certain covenants that, among other things, limit the Company's ability, and the ability of certain of its subsidiaries, to incur or guarantee additional indebtedness or issue preferred stock, pay distributions on, redeem or repurchase capital stock or redeem or repurchase subordinated debt, incur or suffer to exist liens securing indebtedness, make certain investments, engage in certain transactions with affiliates, consummate certain asset sales and effect a consolidation or merger, or sell, transfer, lease or otherwise dispose of all or substantially all assets. Pursuant to the 2023 Indenture, if our pro forma consolidated first lien net leverage ratio is no greater than 2.00 to 1.00, we can make restricted payments so long as no default or event of default has occurred and is continuing. If our pro forma consolidated first lien net leverage ratio is greater than 2.00 to 1.00, we can make restricted payments pursuant to certain baskets.

The 2023 Indenture contains events of default customary for agreements of its type (with customary grace periods, as applicable) and provides that, upon the occurrence of an event of default arising from certain events of bankruptcy or insolvency with respect to the Company or GrafTech Global Enterprises Inc., all outstanding 2023 Senior Secured Notes will become due and payable immediately without further action or notice. If any other type of event of default occurs and is

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continuing, then the trustee or the holders of at least 30% in principal amount of the then outstanding 2023 Senior Secured Notes may declare all of the 2023 Senior Secured Notes to be due and payable immediately. We were in compliance with all of our debt covenants as of September 30, 2023 March 31, 2024.

(5) Inventories

Inventories are comprised of the following:

	September 30, 2023	December 31, 2022
March 31, 2024	**March 31, 2024**	**December 31, 2023**
	(Dollars in thousands)	*(Dollars in thousands)*
Inventories: Inventories:		
Raw materials and supplies		
Raw materials and supplies		
Raw materials and supplies Raw materials and supplies	$147,530	$ 216,761
Work in process Work in process	188,620	192,821
Finished goods Finished goods	42,820	38,159
Total Total	$378,970	$ 447,741
Total		
Total		

In the first quarter of 2024 and for the full year of 2023, we recorded lower of cost or market ("LCM") inventory valuation adjustments of $2.7 million and $12.4 million, respectively, in order to state our inventories at market. As of March 31, 2024 and December 31, 2023, the carrying value of our inventory reflected total write-downs of $9.9 million and $12.4 million, respectively, due to the impact of the LCM adjustments.

(6) Interest Expense

The following table presents the components of interest expense:

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
	2024			2024	2023
		(Dollars in thousands)		(Dollars in thousands)	
Interest incurred on debt	Interest incurred on debt	$17,154	$10,458	$39,101	$32,743
Accretion of original issue discount	Accretion of original issue discount	526	178	2,002	1,043
Amortization of debt issuance costs	Amortization of debt issuance costs	740	642	3,883	2,818
Amortization of interest rate swap deferred gains	Amortization of interest rate swap deferred gains	(2,701)	—	(2,746)	—
Realized gain on termination of de-designated interest rate swap		—	(4,605)	(6,918)	(4,605)
Unrealized (gain) loss on de-designated interest rate swap		—	(249)	7,110	(6,964)
Unrealized mark-to-market loss on de-designated interest rate swap					
Total interest expense	Total interest expense	$15,719	$ 6,424	$42,432	$25,035

In June 2023, the net proceeds from the issuance of the 2023 Senior Secured Notes were used to repay the $433.7 million of principal outstanding on the 2018 Term Loan Facility. The repayment of the 2018 Term Loan Facility was accounted for as a debt extinguishment and triggered $1.2 million of accelerated accretion of the original issue discount and $1.9 million of accelerated amortization of debt issuance costs. The 2023 Senior Secured Notes were accounted for as new debt and the related discount and debt issuance costs were deferred.

In connection with the repayment of the 2018 Term Loan Facility in June 2023, we terminated the outstanding interest rate swap contracts that were in place to fix the cash flows associated with the risk in variability in the one-month USD London Interbank Offered Rate ("USD LIBOR") for the 2018 Term Loan Facility. As a result of the swaps termination, we recorded in interest expense realized gains of $6.9 million relative to our de-designated swap and we deferred realized gains of $13.5 million in accumulated other comprehensive income ("AOCI") in connection with our designated swap. The gains deferred into AOCI for the designated swap will amortize into interest expense until August 2024, consistent with the term of the discontinued cash-flow hedging relationship.

The 2023 Senior Secured Notes and the 2020 Senior Secured Notes carry fixed interest rates of 9.875% and 4.625%, respectively. The 2018 Term Loan Facility, which was paid off in its entirety in June 2023, had an effective interest rate of 7.38% as of December 31, 2022.

During the nine months ended September 30, 2022, we made voluntary prepayments of $110.0 million under our 2018 Term Loan Facility. In connection with this, we recorded $0.5 million of accelerated accretion of the original issue discount and $0.8 million of accelerated amortization of the debt issuance cost. We did not make any voluntary prepayments under our 2018 Term Loan Facility in the third quarter of 2022.

See Note 4, "Debt and Liquidity" for details of our debt and Note 9, "Fair Value Measurements and Derivative Instruments" for additional details on our interest rate swaps and embedded derivative.

(7) Commitments and Contingencies

Legal Proceedings

We are involved in various investigations, lawsuits, claims, demands, labor disputes and other legal proceedings, including with respect to environmental and human exposure or other personal injury matters, arising out of or incidental to the conduct of our business. While it is not possible to determine the ultimate disposition of each of these matters and proceedings, we do not believe that their ultimate disposition will have a material adverse effect on our financial position, results of operations or cash flows. Additionally, we are involved in the following legal proceedings.

We are

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Since 2020, we have been involved in certain a number of arbitrations as respondents/counterclaimants, pending before the International Chamber of Commerce with a few customers who among other things, have failed to perform under their LTAs and or sought relief in certain instances are seeking to modify or frustrate their contractual commitments to us. respect of the LTAs. In particular, Aperam South America LTDA, Aperam Sourcing S.C.A., ArcelorMittal Sourcing S.C.A., and ArcelorMittal Brasil S.A. (collectively, the "Claimants") initiated a single

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arbitration proceeding against two of the Company's subsidiaries in the International Chamber of Commerce in June 2020. The Claimants argue, argued, among other things, that they should no longer not be required to comply with the terms of the LTAs that they signed due to an alleged drop in market prices for graphite electrodes in January 2020. Alternatively, the Claimants argue argued that they should not be required to comply with the LTAs that they signed due to alleged market circumstances at the time of execution. In June 2021, the Claimants filed their statement of claim, seeking approximately $61.0 million plus interest in monetary relief and/or reimbursement in respect of several fixed price LTAs that were executed between such subsidiaries and the Claimants in 2017 and 2018. On December 16, 2022, the Claimants revised their calculation of alleged damages to approximately $178.9 million including interest, with damages covering the period from the first quarter of 2020 through the end of the third quarter of 2022 and interest covering the period from June 2020 through December 16, 2022. In March 2023, an International Chamber of Commerce hearing was held before the party-appointed sole arbitrator with the Claimants, the Company, and witnesses in attendance. On March 31, 2023, the Claimants further revised their calculation of alleged damages to approximately $171.7 million, including interest, for the period covering the first quarter of 2020 through 2022. In June 2023, the Claimants again revised their calculation of alleged damages to approximately $188.2 million, including interest, for the period covering the first quarter of 2020 through the first quarter of 2023. We believe On April 16, 2024, we have valid defenses were formally notified that on March 14, 2024 the sole arbitrator appointed by the International Chamber of Commerce issued the final award in the arbitration in which he entirely dismissed all of the Claimants' claims against the two Company subsidiaries, and ordered Claimants to these claims. We intend pay an aggregate of approximately $9.2 million to vigorously defend them the Company in legal fees and enforce our rights under other related expenses, and ordered the LTAs. Company to pay approximately $60,000 to the Claimants in legal fees and expenses.

Pending litigation in Brazil has been brought by employees seeking to recover additional amounts and interest thereon under certain wage increase provisions applicable in 1989 and 1990 under collective bargaining agreements to which employers in the Bahia region of Brazil were a party (including our subsidiary in Brazil). Companies in Brazil have settled claims arising out of these provisions and, in May 2015, the litigation was remanded by the Brazilian Supreme Court in favor of the employees union. After denying an interim appeal by the Bahia region employers on June 26, 2019, the Brazilian Supreme Court finally ruled in favor of the employees union on September 26, 2019. The employers union has determined not to seek annulment of such decision. Separately, on October 1, 2015, a related action was filed by current and former employees against our subsidiary in Brazil to recover amounts under such provisions, plus interest thereon, which amounts together with interest could be material to us. If the Brazilian Supreme Court proceeding above had been determined in favor of the employers union, it would also have resolved this proceeding in our favor. In the first quarter of 2017, the state court initially ruled in favor of the employees. We appealed this state court ruling, and the appellate court issued a decision in our favor on May 19, 2020. The employees have further appealed and, on December 16, 2020, the court upheld the decision in favor of GrafTech Brazil. On February 22, 2021, the employees filed a further appeal and, on April 28, 2021, the court rejected the employees' employees' appeal in favor of GrafTech Brazil. The employees filed a further appeal and on September 12, 2022, we filed our response in opposition. We intend to vigorously defend our position. As of September 30, 2023 March 31, 2024, we are unable to assess the potential loss associated with these proceedings as the claims do not currently specify the number of employees seeking damages or the amount of damages being sought.

Product Warranties

We generally sell products with a limited warranty. We accrue for known warranty claims if a loss is probable and can be reasonably estimated. We also accrue for estimated warranty claims incurred based on a historical claims charge analysis. Claims accrued but not yet paid and the related activity within the accrual for the nine three months ended September 30, 2023 March 31, 2024, are presented below:

		(Dollars in thousands)
Balance as of December 31, 2022 December 31, 2023	$	820 77
Product warranty charges/adjustments		81 144
Payments and settlements		(497) (1)
Balance as of September 30, 2023 March 31, 2024	$	404 220

Related Party Tax Receivable Agreement

On April 23, 2018, the Company entered into the tax receivable agreement (" ("Tax Receivable Agreement" Agreement") that provides Brookfield Corporation and its affiliates (together, "Brookfield") as the sole pre-IPO stockholder prior to the Company's initial

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public offering in April 2018 (the "IPO"), the right to receive future payments from us for 85% of the amount of cash savings, if any, in U.S. federal income tax and Swiss tax that we and our subsidiaries realize as a result of the utilization of the pre-IPO tax assets. In addition, we will pay interest on the payments we will make to Brookfield with respect to the amount of these cash savings from the due date (without extensions) of our tax return where we realize these savings to the payment date. On April 10, 2023, the Tax Receivable Agreement was amended and restated to change the applicable interest rate from LIBOR plus 1.00% per year to the one-month period secured overnight financing rate administered by the Federal Reserve

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Bank of New York plus 1.10%. The term of the Tax Receivable Agreement commenced on April 23, 2018 and will continue until there is no potential for any future tax benefit payments.

As of September 30, 2023 March 31, 2024, the total Tax Receivable Agreement liability was $10.9 million $5.7 million, of which $5.1 million $1.9 million was classified as current liability "Related party payable - Tax Receivable Agreement" Agreement on the Condensed Consolidated Balance Sheets and $5.8 million $3.8 million was classified as a long-term liability in "Related party payable - Tax Receivable Agreement long-term" long-term on the Condensed Consolidated Balance Sheets. As of December 31, 2022 December 31, 2023, the total Tax Receivable Agreement liability was $15.5 million $11.1 million, of which $4.6 million $5.4 million was classified as a current liability and $10.9 million $5.7 million was classified as a long-term liability.

Mexico Value-Added Tax ("VAT")

In July 2019, the Mexican Tax Authority ("MTA") opened an audit of the VAT filings of GrafTech Comercial de Mexico S. de R.L. de C.V. ("GrafTech Commercial Mexico") for the period of January 1 to April 30, 2019. In September 2021, the MTA issued a tax assessment, claiming improper use of a certain VAT exemption rule for purchases from a foreign affiliate. As of March 31, 2024, the tax assessment for the four month period under audit amounted to approximately $30.4 million, including penalties, inflation and interest. Interest will continue to accrue up to five years from the date the corresponding VAT returns were filed and inflation will continue to accrue with the passage of time. GrafTech Commercial Mexico filed an administrative appeal against the tax assessment with the MTA's appeals office. In November 2022, the MTA's appeals office concluded its review and confirmed the tax assessment. GrafTech Commercial Mexico believes that the purchases from a foreign affiliate are exempt from VAT back-up withholding and in December 2022, GrafTech Commercial Mexico filed a Claim for Nullity with the Chamber Specialized in exclusive resolution of substance of the Federal Court of Administrative Justice. On February 17, 2023, the MTA filed the response to the nullity petition. On May 31, 2023, the court held a hearing to determine the scope of the issues to be decided in the proceedings. At the court's request, GrafTech Commercial Mexico submitted formal pleadings on August 1, 2023. As of September 30, 2023 On January 8, 2024, the court ruled in GrafTech Commercial Mexico's favor and annulled the tax assessment assessment. On January 31, 2024, the MTA filed an appeal for review. On March 15, 2024, GrafTech Commercial Mexico filed the four month period under audit amounted Tax Adhesive Appeal for Review before the Collegiate Court in Administrative Matters who has authority to approximately $26.5 million, including penalties, inflation hear the MTA's appeal. The MTA's appeal and interest. Interest will continue the Adhesive appeal are still pending to accrue up to five years from the date the corresponding VAT returns were filed and inflation will continue to accrue with the passage of time. be resolved.

In March 2022, the MTA opened another audit of the VAT filings of GrafTech Commercial Mexico for the period January 1 to December 31, 2018. In the proposed assessment received in January 2023, the MTA is alleging the same improper use of certain VAT exemption rules on purchases from a foreign affiliate and has provided notice of its intent to assess approximately $51.0 million, including penalties, inflation and interest. In Mexico, each tax assessment requires a separate claim. In the first quarter of 2023, GrafTech Commercial Mexico requested a conclusive agreement with the Mexican ombudsman ("PRODECON") to reach a settlement with the MTA. The MTA responded to GrafTech Commercial Mexico's request on May 30, 2023. On August 2, 2023, GrafTech Commercial Mexico filed a motion exhibiting additional information and reaffirming its position. On September 22, 2023, the MTA responded to GrafTech Commercial Mexico's motion. On October 2, 2023, GrafTech Commercial Mexico filed a motion before

PRODECON requesting a formal meeting with the MTA. If MTA and PRODECON, which occurred on November 14, 2023. During the mediation process does not result in a satisfactory outcome, meeting, the parties agreed that GrafTech Commercial Mexico intends will provide additional documentation and information to pursue administrative appeal procedures be evaluated by the MTA, and, on November 29, 2023, GrafTech Commercial Mexico filed the information requested. On January 24, 2024, the MTA filed its response. On that same day, GrafTech Commercial Mexico submitted before PRODECON the favorable ruling it obtained on January 8, 2024 in connection with the 2019 proceeding for the MTA's consideration. On February 1, 2024, the MTA confirmed its position, holding that GrafTech Commercial Mexico was required to attempt withhold the VAT. On March 20, 2024, a meeting was held at PRODECON where the parties confirmed their final positions. GrafTech Commercial Mexico plans to satisfactorily resolve this matter. challenge the assessment. The $51.0 million includes interest and inflation. Interest will continue to accrue up to five years from the date the corresponding VAT returns were filed and inflation will continue to accrue with the passage of time.

As evidenced by the favorable court decision issued on January 8, 2024, GrafTech Commercial Mexico believes that its Mexico's application of the VAT exemption rules is appropriate and, accordingly, GrafTech Commercial Mexico does not believe that it is probable that it will incur a loss related to this matter for either of the two periods under the MTA's audit. GrafTech Commercial Mexico The Company intends to vigorously defend its position in these proceedings.

(8) Income Taxes

We compute and apply to ordinary income an estimated annual effective tax rate on a quarterly basis based on current and forecasted business levels and activities, including the mix of domestic and foreign results and enacted tax laws. The estimated annual effective tax rate is updated quarterly based on actual results and updated operating forecasts. Ordinary income refers to income before the provision for income taxes excluding significant, unusual or infrequently occurring items. The tax effect of an unusual or infrequently occurring item is recorded in the interim period in which it occurs as a discrete item of tax.

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The following table summarizes the provision (benefit) benefit for income taxes:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(Dollars in thousands)			
(Benefit) provision for income taxes	$ (10,244)	$ 15,041	$ (10,819)	$ 56,260
Pre-tax (loss) income	(32,865)	108,492	(48,660)	388,891
Effective tax rate	31.2 %	13.9 %	22.2 %	14.5 %

	Three Months Ended March 31,	
	2024	2023
	(Dollars in thousands)	
Benefit for income taxes	$ (4,201)	$ (2,904)
Pre-tax loss	(35,070)	(10,273)
Effective tax rate	12.0 %	28.3 %

The effective tax rate for the third first quarter of 2024 and first nine months of 2023 was higher different than the U.S. statutory tax rate of 21% primarily due to worldwide the mix of U.S. and foreign earnings, from various countries taxed at different rates tax incentives and a tax benefit from the postponement provisions of the U.S. foreign tax credit regulations effective date from 2022 to 2024. The effective tax rate for the third quarter Tax Cuts and first nine months Jobs Act of 2022 was lower than the U.S. statutory tax rate of 21% primarily due to worldwide earnings from various countries taxed at different rates, which was partially offset by the net combined impact related to the U.S. taxation of global intangible low taxed income ("GILTI") 2017 (the "Tax Cuts and Foreign Tax Credits ("FTCs" Jobs Act").

We file income tax returns in the U.S. federal jurisdiction, and various state and foreign jurisdictions. All U.S. federal tax years prior to 2019 are generally closed by statute or have been audited and settled with the applicable domestic tax authorities. Other jurisdictions are generally closed for years prior to 2018.

We continue to assess the realization of our deferred tax assets based on determinations of whether it is more likely than not that deferred tax benefits will be realized through the generation of future taxable income. Appropriate consideration is given to all available evidence, both positive and negative, in assessing the need for a valuation allowance. Examples of positive evidence would include a strong earnings history, an event or events that would increase our taxable income through a continued reduction of expenses, and tax planning strategies that would indicate an ability to realize deferred tax assets. In circumstances where the significant positive evidence does not outweigh the negative evidence in regards to whether or not a valuation allowance is required, we have established and maintained valuation allowances on those net deferred tax assets. There were no material changes to our valuation allowances in the third first quarter of 2023. 2024.

(9) Fair Value Measurements and Derivative Instruments

In the normal course of business, we are exposed to certain risks related to fluctuations in currency exchange rates, commodity prices and interest rates. We use various derivative financial instruments, primarily foreign currency derivatives, commodity derivative contracts, and interest rate swaps as part of our overall strategy to manage risks from these market fluctuations.

Certain of our derivative contracts contain provisions that require us to provide collateral. Since the counterparties to these financial instruments are large commercial banks and similar financial institutions, we do not believe that we are exposed to material counterparty credit risk. We do not anticipate nonperformance by any of the counterparties to our instruments.

Foreign currency derivatives

We enter into foreign currency derivatives from time to time to attempt to manage exposure to changes in currency exchange rates. These foreign currency instruments, which include, but are not limited to, forward exchange contracts and purchased currency options, are used to hedge global currency exposures such as foreign currency denominated debt, receivables, payables, sales and purchases.

Foreign currency forward and swap contracts are used to mitigate the foreign exchange risk of balance sheet items. These derivatives are fair value hedges. Gains and losses from these derivatives are recorded in cost of goods sold and they are largely offset by the financial impact of translating foreign currency-denominated payables and receivables.

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In the first quarter of 2022 and in the second, third and third fourth quarters of 2023, we entered into foreign currency derivatives with maturities of one month to 12 months in order to protect against the risk that cash flows associated with certain sales and purchases denominated in a currency other than the U.S. dollar will be adversely affected by future changes in foreign exchange rates. These derivatives are designated as cash flow hedges. The resulting unrealized gains or losses from these derivatives are recorded in AOCI accumulated other comprehensive loss (“AOCL”) and subsequently, when realized, are reclassified to net sales or cost of goods sold in the Condensed Consolidated Statements of Operations when the hedged exposures affect earnings.

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Commodity derivative contracts

From time to time, we enter into commodity derivative contracts for refined oil products. These contracts are entered into to protect against the risk that eventual cash flows related to these products will be adversely affected by future changes in prices. The unrealized gains or losses related to commodity derivative contracts designated as cash flow hedges are recorded in AOCI AOCL and subsequently, when realized, are reclassified to the Condensed Consolidated Statement of Operations when the hedged item impacts earnings, which is when the finished product is sold. The last of our commodity derivative contracts matured as of June 30, 2022 and we have not entered into any new contracts as of September 30, 2023 March 31, 2024.

Interest rate swap contracts

We have utilized interest rate swaps in the past to limit exposure to market fluctuations on our variable-rate debt. For each derivative agreement that is designated as a cash-flow hedge, the unrealized gain or loss is recorded in AOCI AOCL and, when realized, is recorded to interest expense. Upon discontinuance of a designated cash-flow hedging relationship, when interest payments are still probable of occurring, the fair value at the date of discontinuance is deferred into AOCI AOCL and amortized into interest expense based upon the term of the cash-flow hedging relationship.

We entered into interest rate swap contracts that were "pay fixed, receive variable." Our risk management objective was to fix our cash flows associated with the risk of variability in the one-month USD LIBOR for a portion of our outstanding debt. It was expected that the swaps would fix the cash flows associated with the forecasted interest payments on our debt to an effective fixed interest rate of 4.2%, which could be lowered to 3.95% depending on credit ratings. Since their modification concurrent with the 2018 Term Loan Facility modification in the first quarter of 2021, the swaps contained an other-than-insignificant financing element. As such, they were considered hybrid instruments composed of a debt host and an embedded derivative and the associated cash (outflows)/inflows are classified as financing (use)/source of cash. The embedded derivative is treated as a cash-flow hedge.

In the first quarter of 2022, in connection with the partial repayment of principal on our 2018 Term Loan Facility and our probability assessment of the variable-rate debt remaining outstanding through the term of the swaps, we de-designated one interest rate swap contract with a $250.0 million notional amount, maturing in the third quarter of 2024. The fair value of the embedded derivative at the de-designation date was a gain of $6.6 million and was recorded in AOCI AOCL and is being amortized into interest expense over the remaining life of the swap.

In the third quarter of 2022, we redeemed $67.0 million of our $250.0 million notional amount de-designated interest rate swap. The change in fair value of the de-designated embedded derivative in the first nine months quarter of 2023 resulted in a loss of $7.1 $1.4 million compared to a gain of $7.0 million in the first nine months of 2022, and was recorded in interest expense in the Condensed Consolidated Statements of Operations.

In the second quarter of 2023, in connection with the repayment of the $433.7 million outstanding balance on our 2018 Term Loan Facility, we terminated our $183.0 million notional de-designated interest rate swap and our $250.0 million notional designated interest rate swap and received net cash of $20.4 million. The net cash received included a $23.1 million gain on the embedded derivatives, partially offset by a $2.8 million loss on the settlement of our debt host liability as of the termination date. As of December 31, 2022 March 31, 2024, the balance of the loss related to the settlement of the debt host liability was $3.8 million, with $2.3 million included in "Other accrued liabilities" and $1.5 million included in "Other long-term obligations" on the Condensed Consolidated Balance Sheets. As of September 30, 2023, a cumulative loss of $2.5 million related to the debt host liability was recorded in AOCI AOCL was $1.1 million and will be amortized into interest expense using the effective interest method through August 2024.

Out of the $23.1 million gain on the embedded derivatives, $6.9 million for the de-designated swap was recorded in interest expense and $16.2 million for the designated swap was recorded in AOCI AOCL and will be amortized into interest expense using the effective interest method through August 2024. As of March 31, 2024, the balance related to the settlement of the embedded derivative recorded in AOCL was $5.8 million.

All derivatives are recorded on the balance sheet at fair value. If the derivative is designated and effective as a cash flow hedge, changes in the fair value of the derivative are recognized in AOCI AOCL until the hedged item is recognized in earnings.

The ineffective portion of a derivative's fair value, if any, is recognized in earnings immediately. If a derivative is not a hedge, changes in the fair value are adjusted through earnings. The fair values of the outstanding derivatives are recorded on the balance sheet as assets (if the derivatives are in a gain position) or liabilities (if the derivatives are in a loss position). The fair values will also be classified as short-term or long-term depending upon their maturity dates. The fair value of all of our derivatives was determined using Level 2 inputs.

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The notional amounts of our outstanding derivative instruments as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 were as follows:

March 31, 2024		**September 30, 2023**	**December 31, 2022**	**March 31, 2024**	**December 31, 2023**
		Notional Amount	**Notional Amount**	**Notional Amount**	**Notional Amount**
		(Dollars in thousands)			
(Dollars in thousands)					*(Dollars in thousands)*
Derivative instruments designated as hedges:	Derivative instruments designated as hedges:				
Foreign currency derivatives	Foreign currency derivatives	$ 21,264	$ —		
Interest rate swap contracts		—	250,000		
Foreign currency derivatives					
Foreign currency derivatives					
Derivative instruments not designated as hedges:	Derivative instruments not designated as hedges:				
Derivative instruments not designated as hedges:					

Derivative instruments not designated as hedges:			
Foreign currency derivatives	Foreign currency derivatives	$ 40,049	$ 70,420
Interest rate swap contracts		—	183,000
Foreign currency derivatives			
Foreign currency derivatives			

The following table summarizes the fair value of our outstanding derivatives designated as hedges (on a gross basis) and balance sheet classification as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023:

	September 30, 2023	December 31, 2022
	Fair Value	Fair Value
	(Dollars in thousands)	
Prepaid and other current assets		
Interest rate swap contracts	$ —	$ 10,246
Total	$ —	$ 10,246
Other assets		
Interest rate swap contracts	$ —	$ 5,575
Total	$ —	$ 5,575
Other accrued liabilities		
Foreign currency derivatives	$ (565)	$ —
Net (liability) asset	$ (565)	$ 15,821

	March 31, 2024	December 31, 2023
	Fair Value	Fair Value
	(Dollars in thousands)	
Prepaid and other current assets		
Foreign currency derivatives	$ —	$ 386
Total	$ —	$ 386

As a result of the settlement of commodity derivative contracts and interest rate swaps, as of September 30, 2023 March 31, 2024, net realized pre-tax gains of $6.0 million and $12.6 $5.8 million respectively, were reported in AOCI AOCL and will be released to earnings within the next 12 months. As of September 30, 2023 March 31, 2024, net realized pre-tax gains losses of $0.1 $0.2 million related to our foreign currency derivatives were reported in AOCI AOCL and will be released to earnings within the next 12 months. No ineffectiveness expense was recorded in the third first quarter of 2023 2024 or 2022 or in first nine months of 2023. In the first nine months of 2022, we recorded $0.8 million of ineffectiveness income to cost of goods sold in the Condensed Consolidated Statements of Operations related to the settlement of commodity derivative contracts. See the table below for amounts recognized on the effective portion of our commodity derivative contracts in the Condensed Consolidated Statement of Operations.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

The pre-tax realized (gains) losses on designated cash flow hedges are recognized in the Statements of Operations when the hedged item impacts earnings and were as follows for the periods ended September 30, 2023 March 31, 2024 and 2022: 2023:

	Location of Realized (Gain)/Loss	Amount of (Gain)/Loss Recognized			Amount of (Gain)/Loss Recognized
		Three Months Ended September 30,			

		Recognized in the Condensed Consolidated Statement of Operations	2023	2022				
		Location of Realized (Gain)/Loss Recognized in the Condensed Consolidated Statement of Operations	2024			Location of Realized (Gain)/Loss Recognized in the Condensed Consolidated Statement of Operations	Three Months Ended March 31, 2024	2023
Derivatives designated as cash flow hedges:	Derivatives designated as cash flow hedges:		*(Dollars in thousands)*		Derivatives designated as cash flow hedges:		*(Dollars in thousands)*	
Foreign currency derivatives	Foreign currency derivatives	Cost of goods sold	$ 3,501	$ 762				
Commodity derivative contracts	Commodity derivative contracts	Cost of goods sold	(4,234)	(5,018)				
Interest rate swap contracts	Interest rate swap contracts	Interest expense	(2,700)	(991)				

	Location of Realized (Gain)/Loss Recognized in the Condensed Consolidated Statement of Operations	Amount of (Gain)/Loss Recognized Nine Months Ended September 30, 2023	2022
Derivatives designated as cash flow hedges:		*(Dollars in thousands)*	
Foreign currency derivatives	Cost of goods sold	$ 5,541	$ 762
Commodity derivative contracts	Cost of goods sold	(11,521)	(10,973)
Interest rate swap contracts	Interest expense	(7,882)	(532)

Pretax gains and losses on non-designated derivatives recognized in earnings were as follows:

	Location of (Gain)/Loss Recognized in the Condensed Consolidated Statement of Operations	Amount of (Gain)/Loss Recognized Three Months Ended September 30, 2023	2022
Derivatives not designated as hedges:		*(Dollars in thousands)*	
Foreign currency derivatives	Cost of goods sold, other expense (income), net	$ 180	$ (144)
Interest rate swap contracts	Interest expense	—	(249)

	Location of (Gain)/Loss Recognized in the Condensed Consolidated Statement of Operations	Amount of (Gain)/Loss Recognized Nine Months Ended September 30,

		2023	2022
Derivatives not designated as hedges:		(Dollars in thousands)	
Foreign currency derivatives	Cost of goods sold, other expense (income), net	$ 500	$ 299
Interest rate swap contracts	Interest expense	(2,957)	(6,964)

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

	Location of (Gain)/Loss Recognized in the Condensed Consolidated Statement of Operations	Amount of (Gain)/Loss Recognized Three Months Ended March 31, 2024	 2023
Derivatives not designated as hedges:		(Dollars in thousands)	
Foreign currency derivatives	Cost of goods sold, other expense (income), net	$ 127	$ 436
Interest rate swap contracts	Interest expense	—	1,361

The following table summarizes the fair value of our outstanding derivatives not designated as hedges (on a gross basis) and balance sheet classification as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023:

March 31, 2024		September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
		Fair Value	Fair Value	Fair Value	Fair Value
		(Dollars in thousands)			
(Dollars in thousands)					(Dollars in thousands)
Prepaid and other current assets	Prepaid and other current assets				
Interest rate swap contracts		$ —	$ 7,492		
Foreign currency derivatives					
Foreign currency derivatives					
Foreign currency derivatives	Foreign currency derivatives	516	92		
Other assets					
Interest rate swap contracts		—	4,071		
Other accrued liabilities					
Other accrued liabilities					
Other accrued liabilities	Other accrued liabilities				
Foreign currency derivatives	Foreign currency derivatives	(84)	(282)		
Foreign currency derivatives					
Foreign currency derivatives					

Net asset	$ 432	$ 11,373
Net liability		
Net liability		
Net liability		

(10) Accumulated Other Comprehensive Loss

The balance in our Accumulated other comprehensive loss is set forth in the following table:

		September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
		(Dollars in thousands)			*(Dollars in thousands)*
Foreign currency translation adjustments, net of tax	Foreign currency translation adjustments, net of tax	$ (29,817)	$ (29,354)		
Commodity, interest rate, and foreign currency derivatives, net of tax	Commodity, interest rate, and foreign currency derivatives, net of tax	12,205	21,284		
Total accumulated other comprehensive loss	Total accumulated other comprehensive loss	$ (17,612)	$ (8,070)		

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

(11) (Loss) Earnings Loss per Share

During the nine months ended September 30, 2023, we We did not repurchase any shares of our common stock. In stock during the nine months ended September 30, 2022, we repurchased and subsequently retired 6,662,421 shares first quarter of our common stock for $60.0 million under our common stock repurchase program. 2024 or 2023.

The following table presents a reconciliation of the numerator and denominator of basic and diluted (loss) earnings loss per share for the three and nine months ended September 30, 2023 March 31, 2024 and 2022: 2023:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(Dollars in thousands, except per share amounts)			
Numerator for basic and diluted (loss) earnings per share:				
Net (loss) income	$ (22,621)	$ 93,451	$ (37,841)	$ 332,631
	Three Months Ended March 31,			
	Three Months Ended March 31,			
	Three Months Ended March 31,			
	2024			
	2024			

		2024			
		(Dollars in thousands, except per share amounts)			
		(Dollars in thousands, except per share amounts)			
		(Dollars in thousands, except per share amounts)			
Numerator for basic and diluted loss per share:					
Numerator for basic and diluted loss per share:					
Numerator for basic and diluted loss per share:					
Net loss					
Net loss					
Net loss					
Denominator:					
Denominator:					
Denominator:	Denominator:				
Weighted average common shares outstanding for basic calculation	Weighted average common shares outstanding for basic calculation	257,090,113	256,848,575	256,987,778	259,415,295
Weighted average common shares outstanding for basic calculation					
Weighted average common shares outstanding for basic calculation					
Add: Effect of equity awards					
Add: Effect of equity awards					
Add: Effect of equity awards	Add: Effect of equity awards	—	4,879	—	9,590
Weighted average common shares outstanding for diluted calculation	Weighted average common shares outstanding for diluted calculation	257,090,113	256,853,454	256,987,778	259,424,885
Basic (loss) earnings per share		$ (0.09)	$ 0.36	$ (0.15)	$ 1.28
Diluted (loss) earnings per share		$ (0.09)	$ 0.36	$ (0.15)	$ 1.28
Weighted average common shares outstanding for diluted calculation					
Weighted average common shares outstanding for diluted calculation					
Basic loss per share					
Basic loss per share					
Basic loss per share					
Diluted loss per share					
Diluted loss per share					
Diluted loss per share					

Basic (loss) earnings loss per share is calculated by dividing net (loss) income loss by the weighted average number of common shares outstanding, which included 282,891 462,847 and 257,953 341,570 shares of participating securities in the three and nine months ended September 30, 2023, respectively, March 31, 2024 and 251,233 and 222,181 shares of participating securities in the three and nine months ended September 30, 2022, 2023, respectively. Diluted (loss) earnings loss per share is calculated by dividing net (loss) income loss by the sum of the weighted average number of common shares outstanding plus the additional common shares that would have been outstanding if potentially dilutive securities had been issued.

The weighted average common shares outstanding for the diluted (loss) earnings loss per share calculation for the three and nine months ended September 30, 2023 March 31, 2023 excludes the dilutive effect of approximately 68,991 and 36,148 790 shares, respectively, primarily related to restricted stock units ("RSUs"), as their inclusion would have

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been anti-dilutive due to the Company's Company’s net loss. No shares were excluded because no shares were anti-dilutive solely due to the Company’s net loss during the three months ended March 31, 2024.

Additionally, the weighted average common shares outstanding for the diluted (loss) earnings loss per share calculation excludes consideration of 3,306,665 3,478,359 and 3,135,380 2,857,827 equivalent shares for the three and nine months ended September 30, 2023, respectively, March 31, 2024 and 2,436,019 and 2,227,682 equivalent shares for the three and nine months ended September 30, 2022, 2023, respectively, as their effect would have been anti-dilutive.

(12) Stock-Based Compensation

The Human Resources and Compensation Committee of our Board of Directors granted 519,482 stock options, 665,417 3,114,328 RSUs and 1,353,661 performance-based restricted stock units (“RSUs”) and 542,743 performance stock units (“PSUs”) to our employees during the first nine months quarter of 2023 2024 under our Omnibus Equity Incentive Plan. Our electing non-employee directors received 91,082 66,188 deferred share units (“DSUs”) and 154,609 RSUs and deferred RSUs during the nine three months ended September 30, 2023 March 31, 2024 under our Omnibus Equity Incentive Plan. The weighted average exercise price per share and weighted average fair value per share of the stock options granted in the nine months ended September 30, 2023 was $5.51 and $3.01, respectively. We estimated the fair value of the stock options using the following assumptions in our Black-Scholes model:

Dividend yield	0.73%
Expected volatility	58.16%
Risk-free interest rate	4.04%
Expected term (in years)	6.0 years

We measure the fair value of grants of RSUs and DSUs based on the closing market price of a share of our common stock on the date of the grant. The weighted average fair value per share was $5.58 $1.87 for RSUs granted to employees $4.24 and $1.38 for RSUs and deferred RSUs DSUs granted to non-employee directors and $4.52 for DSUs granted during the nine three months ended September 30, 2023 March 31, 2024.

We measure the fair value of grants of PSUs using a monte carlo valuation. The weighted average fair value of the PSUs granted in the nine months ended September 30, 2023 first quarter of 2024 was $7.30 $1.14 per share and will be expensed over a vesting period of three years. The final payout to holders of PSUs will be based upon the Company's Company’s total shareholder return relative to a peer group's group’s performance measured at the end of each performance period. The final payout for PSUs granted in 2024 is subject to a 3.5x value cap.

In the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, we recognized $1.6 million $1.0 million and $0.6 million $0.8 million, respectively, of stock-based compensation expense. The majority of the expense, $1.5 million $0.9 million and $0.5 million $0.7 million, respectively, was recorded in selling and administrative expense in the Condensed Consolidated Statements of Operations, with the remaining expense recorded in cost of goods sold.
In the nine months ended September 30, 2023 and 2022, we recognized $3.8 million and $1.7 million, respectively, of stock-based compensation expense. The majority of the expense, $3.5 million and $1.6 million, respectively, was recorded in selling and administrative expense in the Condensed Consolidated Statements of Operations, with the remaining expense recorded in cost of goods sold.

As of September 30, 2023, the unrecognized compensation cost related to the unvested portion of all stock-based awards was approximately $11.9 million and is expected to be recognized over the remaining vesting period of the respective grants.

As of March 31, 2024, the unrecognized compensation cost related to the unvested portion of all stock-based awards was approximately $14.7 million and is expected to be recognized over the remaining vesting period of the respective grants.

(13) Supplementary Balance Sheet Detail

Supplier Finance Program (“SFP”) Obligations

GrafTech Mexico S.A. De C.V. (“GrafTech Mexico”) participates in an electronic vendor voucher payment program supported by the Mexican Government through one of its national banks, whereby suppliers can factor their invoices through a financial intermediary. This program gives GrafTech Mexico’s suppliers the option to settle trade receivables by obtaining payment from the financial intermediary prior to the invoice due date for a discounted amount. GrafTech Mexico’s responsibility is limited to making payment on the terms originally negotiated with its supplier, regardless of whether the supplier elects to receive early payment. The range of payment terms GrafTech Mexico negotiates with its suppliers is consistent, irrespective of whether a supplier participates in the program.

As of September 30, 2023 March 31, 2024 and December 31, 2023, $7.4 $6.1 million and $4.6 million, respectively, of SFP obligations were included in accounts payable on the Condensed Consolidated Balance Sheets and upon settlement, are reflected as cash flow from operating activities in the Condensed Consolidated Statements of Cash Flows.

GrafTech Mexico did not have

(14) Rationalization Expenses

In the first quarter of 2024, we announced a SFP obligation as set of December 31, 2022.initiatives designed to reduce our cost structure and optimize our manufacturing footprint. As part of these initiatives, we indefinitely suspended production activities at our St. Marys, Pennsylvania facility, with the exception of graphite electrode and pin machining. In addition, we indefinitely idled certain assets within our remaining graphite electrode manufacturing footprint. As a result, our graphite electrode production capacity has been reduced to approximately 178 thousand metric tons (“MT”) in 2024. In parallel, we adopted measures for additional overhead reductions to reduce our selling and administrative expenses. Collectively, these initiatives resulted in a reduction of our global headcount by approximately 130 employees, or 10% of our workforce. Rationalization charges of $3.1 million related to severance and contract terminations will be paid in cash and we expect the substantial majority to be paid by the end of the second quarter of 2025. Rationalization-related charges of $2.7 million represent the non-cash write-off of inventory and fixed assets. Substantially all charges relative to this plan were recorded during the first quarter of 2024 and wind-down activities will be completed by the end of the second quarter of 2024.

The following table summarizes costs incurred related to these initiatives:

	Three Months Ended March 31,	
	2024	2023
	(Dollars in thousands)	
Recorded in Cost of Goods Sold		
Inventory write-offs	$ 2,202	$ —
Fixed asset write-offs	453	—
Total rationalization-related expenses	$ 2,655	$ —
Recorded in Rationalization Expenses		
Severance and related costs	$ 2,878	$ —
Contract terminations	267	—
Total rationalization expenses	$ 3,145	$ —

The following table presents a roll-forward of the liability incurred for employee termination benefits and contract termination costs incurred in connection with the rationalization initiatives described above.

	Balance Sheet Line Item	
	Other Accrued Liabilities	Other Long-Term Obligations
	(Dollars in thousands)	
Balance as of December 31, 2023	$ —	$ —
Charges incurred	2,543	602
Payments and settlements	(363)	—
Balance as of March 31, 2024	$ 2,180	$ 602

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The Company

We are a leading manufacturer of high-quality graphite electrode products essential to the production of EAF steel and other ferrous and non-ferrous metals. We believe that we have the most competitive portfolio of low cost ultra-high power graphite electrode manufacturing facilities in the industry, including three with some of the highest capacity facilities in the world. We are the only large scale graphite electrode producer that is substantially vertically integrated into petroleum needle coke, our key raw material for graphite electrode manufacturing.

The environmental and economic advantages of EAF steel production position both that industry and the graphite electrode industry for continued long-term growth.

We believe GrafTech's leadership position and vertical integration are sustainable competitive advantages. The services and solutions we provide will position our customers and us for a better future.

Operational and Commercial Update

Sales volume for the third first quarter of 2023 2024 was 24.2 24.1 thousand metric tons (“MT”), MT, consisting of 7.7 4.1 thousand MT of LTA volume and 16.5 20.0 thousand MT of non-LTA volume, and decreased 32% increased 43% compared to the third first quarter of 2023. Sales volume for the first quarter of 2023 was significantly impacted by the temporary suspension of our operations in Monterrey, Mexico in late 2022.

For the third first quarter of 2023, 2024, the weighted-average realized price for our LTA non-LTA volume was $8,650 approximately $4,400 per MT. MT, a decrease of 27% compared to the first quarter of 2023, with the decline reflecting the persistent challenges in the commercial environment. For our non-LTA LTA volume, the weighted-average realized price was approximately $8,700 per MT for graphite electrodes delivered and recognized in revenue in the third first quarter of 2023 was approximately $5,400 per MT, compared to a weighted-average realized price of approximately $6,000 per MT in the third quarter of 2022, with the decline reflecting the soft commercial environment. 2024.

Production volume was 22.7 26.0 thousand MT in the third first quarter of 2023, a decrease 2024, an increase of 40% 65% compared to the third first quarter of 2022, as we 2023. We continue to proactively reduced align our graphite electrode production volume to align with our evolving demand outlook and to manage our working capital levels. We also temporarily idled needle coke production at our Seadrift facility throughout the third quarter of 2023 to align our needle coke inventory with our graphite electrode production needs. outlook.

Management Changes

As previously reported in our Current Report on Form 8-K filed on September 25, 2023 On March 26, 2024, effective November 15, 2023, it is expected that (i) Marcel Kessler will resign the Company's Board of Directors (the "Board") appointed Timothy K. Flanagan to serve as Chief Executive Officer and President, due to family reasons, (ii) Timothy K. effective as of that day. Mr. Flanagan will become had previously served as the Company's Interim Chief Executive Officer and President since November 15, 2023.

On March 26, 2024, the Board also increased the size of the Board from seven to eight members and (iii) Catherine Hedoux-Delgado will become Interim Chief Financial Officer appointed Mr. Flanagan as director to fill the resulting vacancy, effective as of that day.

Cost Rationalization and Treasurer. Mr. Kessler will Footprint Optimization Plan Announced in February 2024

In the first quarter of 2024, we announced a set of initiatives designed to reduce our cost structure and optimize our manufacturing footprint. As part of these initiatives, we indefinitely suspended production activities at our St. Marys, Pennsylvania facility, with the exception of graphite electrode and pin machining. In addition, we indefinitely idled certain assets within our remaining graphite electrode manufacturing footprint. As a result, our graphite electrode production capacity has been reduced to approximately 178 thousand metric tons (“MT”) in 2024. In parallel, we adopted measures for additional overhead reductions to reduce our selling and administrative expenses. Collectively, these initiatives resulted in a reduction of our global headcount by approximately 130 employees, or 10% of our workforce. We continue to serve on our Board expect these initiatives will result in annualized cost savings of Directors. approximately $25.0 million, excluding the impact of one-time costs. Of the anticipated annualized cost savings, approximately $15.0 million are expected to be realized in cost of goods sold with the remainder in selling and administrative expenses.

Rationalization charges of $3.1 million related to severance and contract terminations will be paid in cash and we expect the substantial majority to be paid by the end of the second quarter of 2025. Rationalization-related charges of $2.7 million represent the non-cash write-off of inventory and fixed assets. Substantially all charges relative to this plan were recorded during the first quarter of 2024 and wind-down activities will be completed by the end of the second quarter of 2024.

Outlook

We expect demand for graphite electrodes in the near term will remain weak, reflecting persistent softness challenges in the commercial environment as steel industry production remains constrained by global economic uncertainty. Given these trends, challenging pricing dynamics have persisted in most regions. As a result, sales we remain selective in the commercial opportunities we choose to pursue. Sales volume in the fourth second quarter of 2023 2024 is expected to decline modestly compared to be broadly in line with sales volume in for the third first quarter of 2023. 2024 and we continue to expect a modest year-over-year improvement in sales volume for the full year.

We now expect the year-over-year decline in our full year 2024 cash cost of goods sold per MT in the fourth quarter to exceed our previous guidance of 2023 will be below the level recognized in the third quarter of 2023, but will be higher a low-teen percentage point decline compared to 2023. Reflecting the fourth quarter of 2022. As progress we are making on addressing our cost structure, we now anticipate a result, for the full year of 2023, we continue mid-teen percentage point decline compared to expect a 2023. The significant year-over-year increase improvement in our cash cost year-over-year costs reflects (1) the strategic actions we are taking to reduce our fixed manufacturing costs, (2) the benefit of goods sold per MT as (1) fixed additional actions we are taking to reduce our variable costs, are recognized over a smaller volume base, (2) excess fixed costs that would have otherwise been inventoried are recognized when incurred due to reduced production levels including certain raw materials and energy and (3) reflecting the full-year impact of higher raw material costs that increased throughout 2022. We anticipated improvement in our sales and production volume levels. In addition, we continue to closely manage our operating costs working capital levels and capital expenditures. We continue to anticipate our full-year 2024 capital expenditures as well as our working capital levels. will be in the range of $35 million to $40 million.

Looking ahead, Longer term, we remain confident in our ability to overcome near-term challenges and are optimistic about the long-term outlook for our business. We anticipate that the steel industry’s accelerating efforts to decarbonize will lead to increased adoption of the EAF electric arc furnace method of steelmaking, driving long-term demand growth for graphite electrodes. We also anticipate the demand for petroleum needle coke, the key raw material we use to produce graphite electrodes, to accelerate driven by its utilization in producing synthetic graphite for use in lithium-ion batteries for the growing electric vehicle market. We believe that the near-term actions we are taking, supported by a distinct set of capabilities, an industry-leading position and our sustainable competitive advantages, including our substantial vertical integration into petroleum needle coke via our Seadrift facility, will optimally position GrafTech to benefit from these sustainable industry tailwinds.

Steel market capacity utilization rates have been as follows:

	Q3 2023	Q2 2023	Q3 2022
Global (ex-China) capacity utilization rate(1)	65%	68%	65%
U.S. steel market capacity utilization rate(2)	76%	77%	78%

(1) Source: World Steel Association, Metal Expert and GrafTech analysis, as of October 2023
(2)Source: American Iron and Steel Institute, as of October 2023that long-term growth.

The table of estimated shipments of graphite electrodes under existing LTAs was updated is as follows, reflecting our current expectations for the full years of 2023 and year 2024:

	2023 Outlook	2024 Outlook
Estimated LTA volume(1)	28-29	13-16
Estimated LTA revenue(2)	$245-$255	$100-$135(3)

(1) In thousands of MT
(2) In millions
(3) Includes expected termination fees from a few customers that have failed to meet certain obligations under their LTAs

We recorded 23.5 4.1 thousand MT of LTA volume and $212.6 million $36.1 million of LTA revenue in the nine months ended September 30, 2023, first quarter of 2024 and we expect to record five nine thousand to six twelve thousand MT of LTA volume and approximately $32.0 million $64.0 million to $42.0 million $99.0 million of LTA revenue for the remainder of 2023. 2024.

The majority of the remaining LTAs are defined as pre-determined fixed annual volume contracts while a small portion are defined with a specified volume range. For the years 2023 and through 2024, the contractual revenue amounts above are based upon the minimum volume for those contracts with specified ranges. contracts. The actual revenue realized from these contracted volumes may vary in timing and total due to contract non-performance, force majeure notices, arbitrations and credit risk associated with certain customers facing financial challenges and customer demand related to contracted volume ranges. challenges.

Capital Structure and Capital Allocation Liquidity

As of September 30, 2023 March 31, 2024, we had liquidity of $285.1 million $275.2 million, consisting of $112.3 cash and cash equivalents of $165.2 million and $110.0 million of availability under our 2018 Revolving Credit Facility and cash and cash equivalents Facility. As of $172.8 million March 31, 2024, and we had gross debt of $950.3 million $950.1 million. The Company's current capital allocation approach is focused on maintaining sufficient We believe we continue to have adequate liquidity as we in 2024 to navigate the persistent softness challenges in the commercial environment. In addition, we are making targeted investments to further improve our operational flexibility and support long-term growth. We continue to anticipate our full year capital expenditures will be in the range of $55.0 million to $60.0 million for 2023.

Key metrics used by management to measure performance

In addition to measures of financial performance presented in our Condensed Consolidated Financial Statements in accordance with generally accepted accounting principles in the United States ("GAAP" ("GAAP"), we use certain other financial measures and operating metrics to analyze the performance of our Company. Our "non-GAAP" financial measures consist of EBITDA, adjusted EBITDA, adjusted net (loss) income loss and adjusted (loss) earnings loss per share, which help us evaluate growth trends, establish budgets, assess operational efficiencies and evaluate our overall financial performance. Our key operating metrics consist of sales volume, production volume, production capacity and capacity utilization.

Key financial measures

	Three Months Ended September 30,	Nine Months Ended September 30,
	Three Months Ended March 31,	
	Three Months Ended March 31,	

		Three Months Ended March 31,						
(in thousands, except per share data)	*(in thousands, except per share data)*	2023	2022	2023	2022	*(in thousands, except per share data)*	2024	2023
Net sales	Net sales	$158,992	$303,840	$483,355	$1,033,731			
Net (loss) income		(22,621)	93,451	(37,841)	332,631			
(Loss) earnings per share(1)		(0.09)	0.36	(0.15)	1.28			
Net loss								
Loss per share(1)								
EBITDA(2)	EBITDA(2)	(1,336)	127,937	35,067	453,437			
Adjusted net (loss) income(2)		(20,866)	93,883	(32,183)	334,905			
Adjusted (loss) earnings per share(1)(2)		(0.08)	0.37	(0.13)	1.29			
Adjusted net loss(2)								
Adjusted loss per share(1)(2)								
Adjusted EBITDA(2)	Adjusted EBITDA(2)	919	128,567	42,056	456,363			

(1) (Loss) earnings Loss per share represents diluted (loss) earnings loss per share. Adjusted (loss) earnings loss per share represents adjusted diluted (loss) earnings loss per share.

(2) Non-GAAP financial measure; see below for information and reconciliations of EBITDA, adjusted EBITDA and adjusted net (loss) income loss to net (loss) income loss and adjusted (loss) earnings loss per share to (loss) earnings loss per share, the most directly comparable financial measures calculated and presented in accordance with GAAP.

Key operating measures

In addition to measures of financial performance presented in accordance with GAAP, we use certain operating metrics to analyze the performance of our Company. These metrics align with management's assessment of our revenue performance and profit margin, and will help investors understand the factors that drive our profitability.

Sales volume reflects the total volume of graphite electrodes sold for which revenue has been recognized during the period. For a discussion of our revenue recognition policy, see "—Critical accounting policies—Revenue recognition" in our Annual Report on Form 10-K. Sales volume helps investors understand the factors that drive our net sales.

Production volume, production capacity and capacity utilization help us understand the efficiency of our production, evaluate cost of goods sold and consider how to approach our sales contract initiative.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except utilization)	2023	2022	2023	2022
Sales volume (MT)	24.2	35.7	67.5	121.3
Production volume (MT)(1)	22.7	37.7	63.7	127.7
Total production capacity (MT)(2)(3)	55.0	55.0	171.0	171.0
Total capacity utilization(3)(4)	41 %	69 %	37 %	75 %
Production capacity excluding St. Marys (MT)(2)(5)	48.0	48.0	150.0	150.0
Capacity utilization excluding St. Marys(4)(5)	47 %	79 %	42 %	85 %

	Three Months Ended March 31,	
(in thousands, except utilization)	2024	2023
Sales volume (MT)	24.1	16.9
Production volume (MT)(1)	26.0	15.8
Production capacity (MT)(2)(3)	45.0	51.0
Capacity utilization(4)	58 %	31 %

(1) Production volume reflects graphite electrodes we produced during the period.

(2) Production capacity reflects expected maximum production volume during the period depending on product mix and expected maintenance outage. Actual production may vary.

(3) Includes graphite electrode facilities in Calais, France; Monterrey, Mexico; and Pamplona, Spain; Spain. While maintaining the capability to produce up to 28,000 MT of graphite electrodes and pins on an annual basis at our St. Marys, Pennsylvania. Pennsylvania facility, most production activities at St. Marys are in the process of being suspended. The wind down of production activities is expected to be completed by the end of the second quarter of 2024, after which activities at St. Marys will be limited to machining graphite electrodes and pins sourced from the other plants.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

(4) Capacity utilization reflects production volume as a percentage of production capacity.

(5) Our St. Marys, Pennsylvania facility graphitizes a limited number of electrodes and pins sourced from our Monterrey, Mexico facility. The remaining production processes at St. Marys were restarted in the second quarter of 2023, with activities expected to ramp up over time to support future demand.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

Results of Operations

The Three Months Ended September 30, 2023 March 31, 2024 Compared to the Three Months Ended September 30, 2022 March 31, 2023

The table presented in our period-over-period comparisons summarizes our Condensed Consolidated Statements of Operations and illustrates key financial indicators used to assess the consolidated financial results. Throughout this "Management's "Management's Discussion and Analysis of Financial Condition and Results of Operations" Operations" in this Report (" ("MD&A" &A"), insignificant changes may be deemed not meaningful and are generally excluded from the discussion.

		Three Months Ended March 31, 2024											Three Months Ended March 31,	
		(Dollars in thousands)												
		(Dollars in thousands)												
		(Dollars in thousands)												
		Three Months Ended September 30,			Increase/ Decrease	% Change								
Net sales														
		2023		2022	Increase/ Decrease	% Change								
		(Dollars in thousands)												
Net sales														
Net sales	Net sales	$	158,992	$303,840	$(144,848)	(48) %		$136,584	$	$138,802	$		$(2,218)	(2
Cost of goods sold	Cost of goods sold		157,603	170,171	(12,568)	(7) %	Cost of goods sold	135,204	112,645		112,645	22,559		22,55
Gross profit			1,389	133,669	(132,280)	(99) %								
Lower of cost or market inventory valuation adjustment							Lower of cost or market inventory valuation adjustment	2,692			—		2,692	
Gross (loss) profit							Gross (loss) profit	(1,312)			26,157		(27,469)	
Research and development	Research and development		1,295	1,014	281	28 %	Research and development	1,627	1,192		1,192	435		435
Selling and administrative expenses	Selling and administrative expenses		18,231	18,578	(347)	(2) %	Selling and administrative expenses	15,277	22,151		22,151	(6,874)		(6,874

Rationalization expenses						Rationalization expenses	3,145		—		3,145
Operating (loss) income	Operating (loss) income	(18,137)	114,077	(132,214)	(116) %	Operating (loss) income	(21,361)	2,814	2,814	(24,175)	(24,175
Other expense (income), net		153	(598)	751	(126) %						
Other (income) expense, net						Other (income) expense, net	(393)		653		(1,046)
Interest expense	Interest expense	15,719	6,424	9,295	145 %						
Interest expense											
Interest expense							15,626		12,806		2,820
Interest income	Interest income	(1,144)	(241)	(903)	375 %	Interest income	(1,524)	(372)	(372)	(1,152)	(1,152
(Loss) income before (benefit) provision for income taxes		(32,865)	108,492	(141,357)	(130) %						
(Benefit) provision for income taxes		(10,244)	15,041	(25,285)	(168) %						
Net (loss) income		$ (22,621)	$ 93,451	$(116,072)	(124) %						
Loss before benefit for income taxes						Loss before benefit for income taxes	(35,070)		(10,273)		(24,797)
Benefit for income taxes						Benefit for income taxes	(4,201)		(2,904)		(1,297)
Net loss						Net loss	$(30,869)		$ (7,369)		$(23,500)

NM = Not Meaningful.

Net sales decreased $144.8 million $2.2 million, or 48% 2%, compared to the third first quarter of 2022. 2023. The decline primarily reflected industry-wide softness a decrease in demand the weighted-average realized price for graphite electrodes, volume derived from non-LTAs and a shift in the mix of our business from volume derived from LTAs to volume derived from non-LTAs and non-LTAs. These factors were partially offset by a decrease 43% increase in sales volume in the weighted average realized price for both non-LTA and LTA volume. first quarter of 2024, compared to the same period in 2023.

Cost of goods sold decreased $12.6 million increased $22.7 million, or 7% 20%, compared to the third first quarter of 2022, 2023. The increase was primarily reflecting lower due to increased sales volume partially offset by excess and $2.7 million of rationalization-related charges incurred in the first quarter of 2024. The LCM inventory valuation adjustment recorded at year-end 2023 generated a $5.1 million favorable impact to cost of goods sold in the first quarter of 2024. In addition, due to reduced production levels, we recorded fixed manufacturing costs of approximately $23.3 million, including $5.3 million $9.8 million (which includes $3.5 million of depreciation recorded during the third quarter and amortization) and $12.5 million (which includes $2.9 million of 2023 depreciation and amortization) that would have otherwise been inventoried driven by for the reduced production levels. In addition, higher priced quarters ended March 31, 2024 and 2023, respectively. See Note 14, "Rationalization Expenses" in the Notes to the Condensed Consolidated Financial Statements for further discussion.

LCM inventory was sold during valuation adjustment represents a write-down of inventory recorded in the third first quarter of 2024. The net realizable value of certain of our inventories fell below their carrying amounts as of March 31, 2024, and as a result, we recorded a LCM inventory valuation adjustment of $2.7 million in order to state our inventories at market.

Selling and administrative expenses decreased $6.9 million, or 31%, compared to the first quarter of 2023, reflecting primarily due to reduced selling and variable compensation-related expenses.

Rationalization expenses represent severance and contract termination costs related to the full-year impact of raw material, energy cost rationalization and freight cost increases that occurred throughout 2022. footprint optimization plan announced in February 2024. See Note 14, "Rationalization Expenses" in the Notes to the Condensed Consolidated Financial Statements for further discussion.

Interest expense increased $9.3 million $2.8 million, or 145% 22%, compared to the third first quarter of 2022 2023 primarily due to a $2.2 million reduction of gains recognized related to interest rate swap activity, as well as higher interest incurred on debt associated with our 2023 Senior Secured Notes that carry a fixed interest rate of 9.875%.

See Note 6, “Interest Expense” in the Notes to the Condensed Consolidated Financial Statements for further discussion.

The following table summarizes the (benefit) provision benefit for income taxes:

	Three Months Ended September 30,	
	2023	2022
	(Dollars in thousands)	
(Benefit) provision for income taxes	$ (10,244)	$ 15,041
Pre-tax (loss) income	(32,865)	108,492
Effective tax rate	31.2 %	13.9 %

PART I (CONT’D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

The provision for income taxes represented a benefit in the third quarter of 2023 compared to an expense in the third quarter of 2022 due to total pre-tax earnings shifting from a profit position to a loss. The effective tax rate increased primarily due to a shift in the jurisdictional mix of earnings.

	Three Months Ended March 31,	
	2024	2023
	(Dollars in thousands)	
Benefit for income taxes	$ (4,201)	$ (2,904)
Pre-tax loss	(35,070)	(10,273)
Effective tax rate	12.0 %	28.3 %

The effective tax rate for the third first quarter of 2024 and 2023 was higher different than the U.S. statutory tax rate of 21% primarily due to the mix of worldwide U.S. and foreign earnings, from various countries taxed at different rates tax incentives and due to a tax benefit from the postponement provisions of the effective date of the U.S. foreign tax credit regulations from 2022 to 2024. The effective tax rate for the third quarter of 2022 was lower than the U.S. statutory rate of 21% primarily due to the mix of worldwide earnings from various countries taxed at different rates, which was partially offset by the net combined impact related to the U.S. taxation of GILTI Tax Cuts and FTCs.

The Nine Months Ended September 30, 2023 Compared to the Nine Months EndedSeptember 30, 2022

The table presented in our period-over-period comparisons summarize our Consolidated Statements of Operations and illustrate key financial indicators used to assess the consolidated financial results. Throughout this MD&A, insignificant changes may be deemed not meaningful and are generally excluded from the discussion.

	Nine Months Ended September 30,		Increase/	
	2023	2022	Decrease	% Change
	(Dollars in thousands)			
Net sales	$ 483,355	$ 1,033,731	$ (550,376)	(53)%
Cost of goods sold	427,464	562,881	(135,417)	(24)%
Gross profit	55,891	470,850	(414,959)	(88)%
Research and development	3,683	2,617	1,066	41 %
Selling and administrative expenses	58,933	57,862	1,071	2 %
Operating (loss) income	(6,725)	410,371	(417,096)	(102)%
Other expense (income), net	1,261	(1,358)	2,619	193 %
Interest expense	42,432	25,035	17,397	69 %
Interest income	(1,758)	(2,197)	(439)	20 %
(Loss) Income before (benefit) provision for income taxes	(48,660)	388,891	(437,551)	(113)%
(Benefit) provision for income taxes	(10,819)	56,260	(67,079)	(119)%
Net (loss) income	$ (37,841)	$ 332,631	$ (370,472)	(111)%

Net salesdecreased $550.4 million, or 53%, compared to the first nine months of 2022, primarily reflecting lower sales volume driven by the residual impact of the suspension of our operations in Monterrey, Mexico that began near the end of the third quarter of 2022. In addition, the lower sales volume was also attributable to industry-wide softness in graphite electrode demand and a shift in the mix of our business from volume derived from LTAs to volume derived from non-LTAs.

Cost of goods sold decreased $135.4 million, or 24%, compared to the first nine months of 2022, primarily reflecting lower sales volume, partially offset by an increase in our costs as higher priced inventory was sold during the first nine months of 2023, reflecting the full-year impact of raw material, energy and freight cost increases that occurred throughout 2022. In addition, due to the reduced production levels in the first nine months of 2023, we recorded excess fixed manufacturing costs of $48.7 million, including $10.6 million of depreciation, that would have otherwise been inventoried.

Selling and administrative expenses increased $1.1 million, or 2%, compared to the first nine months of 2022, primarily due to increased administrative expenses, partially offset by reduced selling expenses driven by reduced sales volume.

Interest expense increased $17.4 million, or 69%, compared to the first nine months of 2022 primarily due to the recognition of $2.5 million of net gains in the first nine months of 2023, compared to $11.6 million of net gains in the first nine months of 2022 related to interest rate swap activity, as well as higher interest incurred on debt associated with our 2023 Senior Secured Notes that carry a fixed interest rate of 9.875%. See Note 6, “Interest Expense” in the Notes to the Condensed Consolidated Financial Statements for further discussion.

PART I (CONT’D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

The following table summarizes the (benefit) provision for income taxes:

	Nine Months Ended September 30,	
	2023	2022
	(Dollars in thousands)	
(Benefit) provision for income taxes	$ (10,819)	$ 56,260
Pre-tax (loss) income	(48,660)	388,891
Effective tax rate	22.2 %	14.5 %

The provision for income taxes represented a benefit in the first nine months of 2023 compared to an expense in the first nine months of 2022 due to total pre-tax earnings shifting from a profit position to a loss. The effective tax rate increased due to a shift in the jurisdictional mix of earnings.

The effective tax rate for the first nine months of 2023 was higher than the U.S. statutory rate of 21% primarily due to the mix of worldwide earnings from various countries taxed at different rates and due to a tax benefit from the postponement of of the effective date of the U.S. foreign tax credit regulations from 2022 to 2024. The effective tax rate for the first nine months of 2022 was lower than the U.S. statutory rate of 21% primarily due to the mix of worldwide earnings from various countries taxed at different rates, which was partially offset by the net combined impact related to the U.S. taxation of GILTI and FTCs. Jobs Act.

Effects of Changes in Currency Exchange Rates

When the currencies of non-U.S. countries in which we have a manufacturing facility decline (or increase) in value relative to the U.S. dollar, this has the effect of reducing (or increasing) the U.S. dollar equivalent cost of goods sold and other expenses with respect to those facilities. In certain countries in which we have manufacturing facilities, and in certain export markets, we sell in currencies other than the U.S. dollar. Accordingly, when these currencies increase (or decline) in value relative to the U.S. dollar, this has the effect of increasing (or reducing) net sales. The result of these effects is to increase (or decrease) operating and net (loss) income. loss.

Many of the non-U.S. countries in which we have a manufacturing facility have been subject to significant economic and political changes, which have significantly impacted currency exchange rates. We cannot predict changes in currency exchange rates in the future or whether those changes will have net positive or negative impacts on our net sales, cost of goods sold or net (loss) income. loss.

The impact of these changes in the average exchange rates of other currencies against the U.S. dollar on our net sales were increases was a decrease of $1.2 million and $0.5 million $0.2 million for the third first quarter and nine months ended September 30, 2023, respectively, of 2024, compared to the same periods period of 2022. 2023. The impact of these changes on our cost of goods sold were increases was a decrease of $8.5 million and $14.2 million $2.1 million for the three and nine months ended September 30, 2023, respectively, first quarter of 2024, compared to the same periods in 2022. period of 2023.

We have in the past and may in the future use various financial instruments to manage certain exposures to risks caused by currency exchange rate changes, as described under “Part Part I, Item 3– 3., Quantitative and Qualitative Disclosures about Market Risk.”

Liquidity and Capital Resources

Our sources of funds have consisted principally of cash flow from operations and debt, including our credit facilities (subject to continued compliance with the financial covenants and representations). Our uses of those funds (other than for operations) have consisted principally of dividends, capital expenditures, scheduled debt repayments, optional debt repayments, stock repayment, dividends, share repurchases and other general purposes. Disruptions in the U.S. and international financial markets could adversely affect our liquidity and the cost and availability of financing to us in the future.

We believe that we have adequate liquidity to meet our needs for at least the next twelve months and for the foreseeable future thereafter. months. As of September 30, 2023 March 31, 2024, we had liquidity of $285.1 million $275.2 million, consisting of $112.3 $110.0 million of availability under our 2018 Revolving Credit Facility, after giving effect to $5.5 million of letters of credit, and cash and cash equivalents of $172.8 million $165.2 million. As any borrowings under the 2018 Revolving Credit Facility remain subject to compliance with the financial covenant covenants thereunder (see below and Note 4, "Debt “Debt and Liquidity" Liquidity”), our operating performance as of September 30, 2023 March 31, 2024 resulted in a reduction of the availability under the facility. We expect our operating cash flow and our adjusted free cash flow to be positive for 2023 and do not anticipate the need to borrow against our 2018 Revolving Credit Facility for the remainder of 2023. in 2024. We had gross long-term debt of $950.0 million and gross short-term debt of $0.1 million as of each of March 31, 2024 and December 31, 2023. As of debt of $950.2 million and gross short-term debt of $0.1 million as of September 30, 2023. As of December 31, 2022, December 31, 2023, we had liquidity of $461.6 million $289.3 million consisting of $327.0 million $112.4 million available under our 2018 Revolving Credit Facility and cash and cash equivalents of $134.6 million. We had gross long-term debt of $933.9 million and gross short-term debt of $0.1 million as of December 31, 2022 $176.9 million.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, $80.9 $69.8 million and $92.3 $75.3 million, respectively, of our cash and cash equivalents were located outside of the U.S. We repatriate funds from our foreign subsidiaries through dividends. All of our subsidiaries face the customary statutory limitation that distributed dividends cannot exceed the amount of retained and current earnings. Upon repatriation to the U.S., the foreign source portion of dividends we receive from our foreign subsidiaries are not subject to U.S. federal income tax because the amounts were either previously taxed or are exempted from tax by Section 245A of the Internal Revenue Service Code (the "Code" "Code").

Cash flow and plans to manage liquidity. flow. Our cash flow typically fluctuates significantly between quarters due to various factors. These factors include customer order patterns, fluctuations in working capital requirements, timing of tax and interest payments and other factors. During the second quarter of 2023, we issued $450 million of 2023 Senior Secured Notes. This transaction extended our debt maturities to 2028 as the net proceeds from this offering were used to repay the debt outstanding under the 2018 Term Loan Facility that was scheduled to mature in 2025 under our credit agreement.

Debt Structure

2018 Term Loan and 2018 Revolving Credit Facility

In February 2018, the Company entered into the 2018 Credit Agreement, which provided for (i) the $2.3 billion $2,250 million 2018 Term Loan Facility after giving effect to the First Amendment that increased the aggregate principal amount of the 2018 Term Loan Facility from $1.5 billion $1,500 million to $2.3 billion $2,250 million and (ii) the $330 million 2018 Revolving Credit Facility after giving effect to the May 2022 amendment that increased the revolving commitments under the 2018 Credit Agreement by $80.0 million $80 million from $250.0 million $250 million. GrafTech Finance is the sole borrower under the 2018 Term Loan Facility while GrafTech Finance, Swissco and GrafTech Luxembourg II S.à r.l. ("Luxembourg Holdco" and, together with GrafTech Finance and Swissco, the "Co-Borrowers") are co-borrowers under the 2018 Revolving Credit Facility. The 2018 Revolving Credit Facility matures on May 31, 2027. The net proceeds from the 2023 Senior Secured Notes were used to repay outstanding borrowings under our 2018 Term Loan Facility. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the availability under our 2018 Revolving Credit Facility was $110.0 million and $112.4 million, respectively. As any borrowings under the 2018 Revolving Credit Facility remain subject to compliance with the financial covenants thereunder, our operating performance as of March 31, 2024 and December 31, 2023 resulted in a reduction of the availability under the facility. As of March 31, 2024 and December 31, 2023, there were no borrowings outstanding on the 2018 Revolving Credit Facility and there was $3.2 million $5.5 million and $3.0 $3.1 million of letters of credit drawn against the 2018 Revolving Credit Facility as of each date, respectively.

The 2018 Revolving Credit Facility bears interest, at our option, at a rate equal to either (i) the Adjusted Term SOFR Rate and Adjusted EURIBOR Rate (each, as defined in the 2018 Credit Agreement), plus an applicable margin initially equal to 3.00% per annum or (ii) the ABR Rate, plus an applicable margin initially equal to 2.00% per annum, in each case with two 25 basis point step downs based on achievement of certain senior secured first lien net leverage ratios. In addition, we are required to pay a quarterly commitment fee on the unused commitments under the 2018 Revolving Credit Facility in an amount equal to 0.25% per annum.

The 2018 Revolving Credit Facility is guaranteed by each of our domestic subsidiaries, subject to certain customary exceptions, and by GrafTech Luxembourg I S.à r.l., a Luxembourg *société à responsabilité limitée* and an indirect wholly owned subsidiary of GrafTech, Luxembourg HoldCo, and Swissco (collectively, the "Guarantors") with respect to all obligations under the 2018 Revolving Credit Facility of each of our foreign subsidiaries that is a Controlled Foreign Corporation (within the meaning of Section 956 of the Code).

Any obligations under the 2018 Revolving Credit Facility are secured, subject to certain exceptions, by: (i) a pledge of all of the equity securities of each domestic Guarantor and of each other direct, wholly owned domestic subsidiary of GrafTech and any Guarantor, (ii) a pledge on no more than 65% of the equity interests of each subsidiary that is a Controlled Foreign Corporation (within the meaning of Section 956 of the Code), and (iii) security interests in, and mortgages on, personal property and material real property of each domestic Guarantor, subject to permitted liens and certain exceptions specified in the 2018 Revolving Credit Facility. The obligations of each foreign subsidiary of GrafTech that is a Controlled Foreign Corporation under the 2018 Revolving Credit Facility are secured by (i) a pledge of no more than 65% of the equity securities of each Guarantor that is a Controlled Foreign Corporation and of each direct, wholly owned subsidiary of any Guarantor that is a Controlled Foreign Corporation, and (ii) security interests in certain receivables and personal property of each Guarantor that is a Controlled Foreign Corporation, subject to permitted liens and certain exceptions specified in the 2018 Revolving Credit Facility.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

The 2018 Revolving Credit Facility contains customary representations and warranties and customary affirmative and negative covenants applicable to GrafTech and restricted subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, fundamental changes, dispositions, and dividends and other distributions. The 2018 Revolving Credit Facility contains a financial covenant that requires GrafTech to maintain a senior secured first lien net leverage ratio not greater than 4.00 to 1.00 when the aggregate principal amount of borrowings under the 2018 Revolving Credit Facility and outstanding letters of credit issued under the 2018 Revolving Credit Facility (except for undrawn letters of credit in an aggregate amount equal to or less than $35.0 million), taken together, exceed 35% of the total amount of commitments under the 2018 Revolving Credit Facility. The 2018 Revolving Credit Facility also contains customary events of default. We were in compliance with all of our debt covenants as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

2020 Senior Secured Notes

In December 2020, GrafTech Finance issued $500 million aggregate principal amount of the 2020 Senior Secured Notes at an issue price of 100% of the principal amount thereof in a private offering to qualified institutional buyers in accordance with Rule 144A under the Securities Act of 1933 (the "Securities Act") and to non-U.S. persons outside the United States under Regulation S under the Securities Act.

The 2020 Senior Secured Notes are guaranteed on a senior secured basis by the Company and all of its existing and future direct and indirect U.S. subsidiaries that guarantee, or borrow under, the 2018 Revolving Credit Facility, other than GrafTech Finance. The 2020 Senior Secured Notes are secured on a pari passu basis by the collateral securing the term loans under the 2018 Credit Agreement and the 2023 Senior Secured Notes. GrafTech Finance, the Company and the other guarantors granted a security interest in such collateral, consisting of substantially all of their respective assets, as security for the obligations of GrafTech Finance, the Company and the other guarantors under the 2020 Senior Secured Notes and the Indenture pursuant to a collateral agreement, dated as of December 22, 2020 (the “Collateral Agreement”), among GrafTech Finance, the Company, the other subsidiaries of the Company named therein as grantors and U.S. Bank National Association, as collateral agent.

The 2020 Senior Secured Notes bear interest at the rate of 4.625% per annum, which accrued from December 22, 2020 and is payable in arrears on June 15 and December 15 of each year, commencing on June 15, 2021. The 2020 Senior Secured Notes will mature on December 15, 2028, unless earlier redeemed or repurchased, and are subject to the terms and conditions set forth in the Indenture.

GrafTech Finance may redeem some or all of the 2020 Senior Secured Notes at the redemption prices and on the terms specified in the Indenture. If the Company or GrafTech Finance experiences specific kinds of changes in control or the Company or any of its restricted subsidiaries sells certain of its assets, then GrafTech Finance must offer to repurchase the 2020 Senior Secured Notes on the terms set forth in the Indenture.

The Indenture contains certain covenants that, among other things, limit the Company's ability, and the ability of certain of its subsidiaries, to incur or guarantee additional indebtedness or issue preferred stock, pay distributions on, redeem or repurchase capital stock or redeem or repurchase subordinated debt, incur or suffer to exist liens securing indebtedness, make certain investments, engage in certain transactions with affiliates, consummate certain asset sales and effect a consolidation or merger, or sell, transfer, lease or otherwise dispose of all or substantially all assets. The Indenture contains events of default customary for agreements of its type (with customary grace periods, as applicable) and provides that, upon the occurrence of an event of default arising from certain events of bankruptcy or insolvency with respect to the Company or GrafTech Finance, all outstanding 2020 Senior Secured Notes will become due and payable immediately without further action or notice. If any other type of event of default occurs and is continuing, then the trustee or the holders of at least 30% in principal amount of the then outstanding 2020 Senior Secured Notes may declare all of the 2020 Senior Secured Notes to be due and payable immediately. We were in compliance with all of our debt covenants as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

2023 Senior Secured Notes

In June 2023, GrafTech Global Enterprises Inc. issued $450 million aggregate principal amount of 2023 Senior Secured Notes, including $11.4 million of original issue discount. The 2023 Senior Secured Notes were issued at an issue price of 97.456% of the principal amount thereof in a private offering to qualified institutional buyers in accordance with Rule 144A under the Securities Act and to non-U.S. persons outside the United States under Regulation S under the Securities Act.

The 2023 Senior Secured Notes are or will be, as applicable, guaranteed on a senior secured basis by (i) GrafTech Finance, (ii) the Company and all of its direct and indirect U.S. subsidiaries that, as of the date of the 2023 Senior Secured Notes, guarantee (or are borrowers of) the debt under the 2018 Term Loan Facility and the 2018 Revolving Credit Facility, other than GrafTech Global Enterprises Inc., and (iii) all of the Company's future direct and indirect subsidiaries that guarantee (or are borrowers of) debt under the 2018 Term Loan Facility and the 2018 Revolving Credit Facility, the 2020 Senior Secured Notes and certain other future indebtedness, in each case, other than certain excluded foreign subsidiaries and GrafTech Global Enterprises Inc. The 2023 Senior Secured Notes and the note guarantees are secured on a first-priority basis by liens on the collateral of GrafTech Global Enterprises Inc. and the guarantors securing the debt under the 2018 Revolving Credit Facility and the 2020 Senior Secured Notes, on an equal and ratable basis with the debt under the 2018 Revolving Credit Facility and 2020 Senior Secured Notes, in each case subject to permitted liens and certain exceptions, pursuant to a collateral agreement, dated as of June 26, 2023 among GrafTech Global Enterprises Inc., the Company, the other subsidiaries of the Company named therein as grantors and U.S. Bank Trust Company, National Association, as collateral agent.

The 2023 Senior Secured Notes bear interest at a rate of 9.875% per annum which accrued from June 26, 2023 and is payable in arrears on June 15 and December 15 of each year, commencing on December 15, 2023. The 2023 Senior Secured Notes will mature on December 15, 2028, unless earlier redeemed or repurchased, and are subject to the terms of the indenture governing the 2023 Senior Secured Notes (the “2023 Indenture”).

GrafTech Global Enterprises Inc. may redeem some or all of the 2023 Senior Secured Notes at the redemption prices and on the terms specified in the 2023 Indenture. If the Company or GrafTech Global Enterprises experiences specific kinds of changes in control or the Company or any of its restricted subsidiaries sells certain of its assets, then GrafTech Global Enterprises Inc. must offer to repurchase the 2023 Senior Secured Notes on the terms set forth in the 2023 Indenture.

The 2023 Indenture contains certain covenants that, among other things, limit the Company's ability, and the ability of certain of its subsidiaries, to incur or guarantee additional indebtedness or issue preferred stock, pay distributions on, redeem or repurchase capital stock or redeem or repurchase subordinated debt, incur or suffer to exist liens securing indebtedness, make certain investments, engage in certain transactions with affiliates, consummate certain asset sales and effect a consolidation or merger, or sell, transfer, lease or otherwise dispose of all or substantially all assets. The 2023 Indenture contains events of default customary for agreements of its type (with customary grace periods, as applicable) and provides that, upon the occurrence of an event of default arising from certain events of bankruptcy or insolvency with respect to the Company or GrafTech Global Enterprises Inc., all outstanding 2023 Senior Secured Notes will become due and payable immediately without further action or notice. If any other type of event of default occurs and is continuing, then the trustee or the holders of at least 30% in principal amount of the then outstanding 2023 Senior Secured Notes may declare all of the 2023 Senior Secured Notes to be due and payable immediately. We were in compliance with all of our debt covenants as of September 30, 2023 March 31, 2024 and December 31, 2023.

Uses of Liquidity

In July 2019, our Board of Directors authorized a program to repurchase up to $100.0 million of our outstanding common stock. In November 2021, our Board of Directors authorized the repurchase of an additional $150.0 million of stock repurchases under this program. We may purchase shares from time to time on the open market, including under Rule 10b5-1 and/or Rule 10b-18 plans. The amount and timing of repurchases are subject to a variety of factors including liquidity, stock price, applicable legal requirements, other business objectives and market conditions. In the first nine three months of 2023, 2024, we did not repurchase any shares of our common stock. As of September 30, 2023 March 31, 2024, we had $99.0 million remaining under our stock repurchase authorization.

Throughout 2022 and through the second quarter of 2023, we paid a quarterly dividend of $0.01 per share. On August 2, 2023, the Company's Board of Directors elected to suspend the quarterly cash dividend of $0.01 per share. There can be no assurance that we will resume paying dividends in the future in these amounts or at all. Our Board of Directors may change the timing and amount of any future dividend payments, if reinstated, or eliminate the payment of future dividends in its sole discretion, without any prior notice to our stockholders. Our ability to pay dividends will depend upon many factors, including our financial position and liquidity, results of operations, legal requirements, restrictions that may be imposed by the terms of our current and future credit facilities and other debt obligations and other factors deemed relevant by our Board of Directors.

In June 2023, GrafTech Global Enterprises Inc. issued $450 million aggregate principal amount of 2023 Senior Secured Notes. The net proceeds from the 2023 Senior Secured Notes were used to repay borrowings under our 2018 Term Loan Facility.

Potential uses of our liquidity (other than operations) include capital expenditures, debt repayments, dividends, share repurchases, and other general purposes. Any such potential uses of our liquidity may be funded by existing available liquidity,

the incurrence of new secured or unsecured loans or capital market issuances. An improving economy, while resulting in improved results of operations, could increase our cash requirements to purchase inventories, make capital expenditures and fund payables and other obligations until increased accounts receivable are converted into cash. A downturn, including any

recession or potential resurgence of the COVID-19 a global pandemic, could significantly and negatively impact our results of operations and cash flows, which, coupled with increased borrowings, could negatively impact our credit ratings, our ability to comply with debt covenants, our ability to secure additional financing and the cost and availability of such financing.

In order to seek to minimize our credit risks, we may reduce our sales of, or refuse to sell (except for prepayment, cash on delivery or under letters of credit or parent guarantees), our products to some customers and potential customers. Our unrecovered trade receivables worldwide have not been material during the last two years individually or in the aggregate.

We manage our capital expenditures by taking into account quality, plant reliability, safety, environmental and regulatory requirements, prudent or essential maintenance requirements, global economic conditions, available capital resources, liquidity, long-term business strategy and return on invested capital for the relevant expenditures, cost of capital and return on invested capital of the Company as a whole and other factors. Capital expenditures totaled $48.3 million $10.5 million in the nine three months ended September 30, 2023 March 31, 2024. We continue to expect full-year capital expenditures to be in the range of $55.0 million $35.0 million to $60.0 million $40.0 million for 2023. 2024.

In the event that operating cash flows fail to provide sufficient liquidity to meet our business needs, including capital expenditures, any such shortfall would need to be made up by increased borrowings under our 2018 Revolving Credit Facility, to the extent available. The Company also maintains access to credit and capital markets and may issue incur additional debt or issue equity securities from time to time, which may provide an additional source of liquidity. However, there can be no guarantee that we would be able to access the credit or capital markets on commercially satisfactory terms or at all.

Cash Flow

The following table summarizes our cash flow activities:

	Three Months Ended March 31,	Three Months Ended March 31,
	2024	2023
	(in thousands)	
	Nine Months Ended September 30,	
	2023	2022
	(in thousands)	
Net cash provided by (used in):		
Net cash (used in) provided by:		
Operating activities		

Operating activities					
Operating activities	Operating activities	$	67,269	$	274,605
Investing activities	Investing activities		(48,067)		(45,120)
Financing activities	Financing activities		18,881		(176,237)
Net change in cash and cash equivalents	Net change in cash and cash equivalents	$	38,083	$	53,248

Net cash (used in) provided by operating activities totaled $67.3 million represented a $0.5 million use of cash in the first nine months quarter of 2023 2024 compared to $274.6 million $24.8 million source of cash in the prior-year period. The decrease in operating cash flow was primarily due to the $370.5 million reduction in $23.5 million increased net income loss in the first nine months quarter of 2023 2024 versus the first nine months quarter of 2022. Partially offsetting reduced net income was an increase in 2023. In addition, cash provided by working capital of $166.5 million decreased $2.6 million. Cash flow provided by inventories increased $215.8 million, compared to the first nine months of 2022, primarily driven by reduced quantities on hand. Cash flow provided by accounts receivable increased $25.8 million, decreased $53.8 million in the first quarter of 2024, compared to the first nine months quarter of 2022, 2023 primarily due to reduced sales volume. the timing of sales. Cash flow used for accounts payable and accruals was $43.4 million increased $17.1 million in the first nine months quarter of 2023 2024 compared to a source of cash of $35.4 million in the first nine months quarter of 2022 2023 primarily due to a reduced amount of purchases in the first nine months quarter of 2023 2024 versus the first nine months quarter of 2022, as well as fewer customer pre-payments 2023. Cash flow provided by inventories was $25.3 million in the first nine months quarter of 2024, compared to a use of $16.9 million of cash in the first quarter of 2023 versus primarily driven by reduced costs and quantities on hand. Cash flow used for income taxes decreased $23.2 million in the first nine months quarter of 2022. 2024 compared to the first quarter of 2023 driven by reduced federal tax payments made in the first quarter of 2024.

Net cash used in investing activities was $48.1 million $10.5 million in the nine three months ended September 30, 2023 March 31, 2024 compared to $45.1 million $25.2 million in the nine three months ended September 30, 2022 March 31, 2023. The increase decrease is primarily due to increased reduced capital expenditures.

Net cash (used in) provided by financing activities represented a $0.1 million use of cash for the first quarter of 2024 compared to a $0.8 million source of cash in the first quarter of 2023. Cash flow provided by financing activities in the first quarter of 2023 included $3.6 million cash received from the settlement of interest rate swaps partially offset by $2.6 million of cash used for the payment of dividends.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

Net cash provided by financing activities was $18.9 million for the nine months ended September 30, 2023 compared to $176.2 million of net cash used in financing activities in the first nine months of 2022. The change was primarily due to the issuance of $450.0 million of 2023 Senior Secured Notes net of an $11.4 million original issue discount, the absence of $60.0 million of stock repurchases in the first nine months of 2023 compared to the first nine months of 2022 and $23.7 million of increased cash received from the settlement of interest rate swaps, partially offset by a $323.7 million increase in cash used to repay the 2018 Term Loan Facility.

Related Party Transactions

We have engaged in transactions with affiliates or related parties in the three months ended September 30, 2023 and we expect to continue to do so in the future. These transactions include ongoing obligations under the Tax Receivable Agreement, Stockholders Rights Agreement and Registration Rights Agreement, each with Brookfield.

Description of Our Financing Structure

We discuss our financing structure in more detail in Note 4, "Debt "Debt and Liquidity" Liquidity" in the Notes to the Condensed Consolidated Financial Statements.

Non-GAAP financial measures

In addition to providing results that are determined in accordance with GAAP, we have provided certain financial measures that are not in accordance with GAAP. EBITDA, adjusted EBITDA, adjusted net (loss) income, loss, adjusted (loss) earnings loss per share, free cash flow, adjusted free cash flow and cash cost of goods sold per MT are non-GAAP financial measures.

We define EBITDA, a non-GAAP financial measure, as net income or loss plus interest expense, minus interest income, plus income taxes and depreciation and amortization. We define adjusted EBITDA, a non-GAAP financial measure, as EBITDA adjusted by any pension and other post-employment benefit ("OPEB") plan expenses or benefits, adjustments for public offerings rationalization and related rationalization-related expenses, non-cash gains or losses from foreign currency remeasurement of non-operating assets and liabilities in our foreign subsidiaries where the functional currency is the U.S. dollar, stock-based compensation expense, proxy contest costs, and related party payable - Tax Receivable Agreement adjustments. Adjusted EBITDA is the primary metric used by our management and our Board of Directors to establish budgets and operational goals for managing our business and evaluating our performance.

We monitor adjusted EBITDA as a supplement to our GAAP measures, and believe it is useful to present to investors, because we believe that it facilitates evaluation of our period-to-period operating performance by eliminating items that are not operational in nature, allowing comparison of our recurring core business operating results over multiple periods unaffected by differences in capital structure, capital investment cycles and fixed asset base. In addition, we believe adjusted EBITDA and similar measures are widely used by investors, securities analysts, ratings agencies, and other parties in evaluating companies in our industry as a measure of financial performance and debt-service capabilities.

Our use of adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- adjusted EBITDA does not reflect our cash expenditures for capital equipment or other contractual commitments, including any capital expenditure requirements to augment or replace our capital assets;
- adjusted EBITDA does not reflect the interest expense or the cash requirements necessary to service interest or principal payments on our indebtedness;
- adjusted EBITDA does not reflect tax payments that may represent a reduction in cash available to us;
- adjusted EBITDA does not reflect expenses or benefits relating to our pension and OPEB plans;
- adjusted EBITDA does not reflect public offerings and related rationalization or rationalization-related expenses;
- adjusted EBITDA does not reflect the non-cash gains or losses from foreign currency remeasurement of non-operating assets and liabilities in our foreign subsidiaries where the functional currency is the U.S. dollar;

- adjusted EBITDA does not reflect stock-based compensation expense;
- adjusted EBITDA does not reflect related party payable - proxy contest costs;
- adjusted EBITDA does not reflect Tax Receivable Agreement adjustments; and
- other companies, including companies in our industry, may calculate EBITDA and adjusted EBITDA differently, which reduces its usefulness as a comparative measure.

We define adjusted net (loss) income, loss, a non-GAAP financial measure, as net (loss) income, loss, excluding the items used to calculate adjusted EBITDA, less the tax effect of those adjustments. We define adjusted (loss) earnings loss per share, a non-GAAP financial measure, as adjusted net (loss) income loss divided by the weighted average diluted common shares outstanding during the period. We believe adjusted net (loss) income loss and adjusted (loss) earnings loss per share are useful to present to investors because we believe that they assist investors' understanding of the underlying operational profitability of the Company.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

We define free cash flow, a non-GAAP financial measure, as net cash provided by operating activities less capital expenditures. We define adjusted free cash flow, a non-GAAP financial measure, as free cash flow adjusted by payments made or received from the settlement of interest rate swap contracts and payments of the Change in Control charges that were triggered as a result of the ownership of our largest stockholder falling below 30% of our total outstanding shares. contracts. We use free cash flow and adjusted free cash flow as critical measures in the evaluation of liquidity in conjunction with related GAAP amounts. We also use these measures when considering available cash, including for decision-making purposes related to dividends and discretionary investments. Further, these measures help management, the audit committee, and investors evaluate the Company's ability to generate liquidity from operating activities. For the purpose of this measure, a Change in Control occurred when Brookfield and any affiliates thereof ceased to own stock of the Company that constitutes at least thirty percent (30%) or thirty-five percent (35%), as applicable, of the total fair market value or total voting power of the stock of the Company (the "Change in Control").

We define cash cost of goods sold per MT, a non-GAAP financial measure, as cost of goods sold less depreciation and amortization and less cost of goods sold associated with the portion of our sales that consists of deliveries of by-products of the manufacturing processes, with this total divided by our sales volume measured in MT. We believe this is an important measure as it is used by our management and Board of Directors to evaluate our costs on a per MT basis.

In evaluating EBITDA, adjusted EBITDA, adjusted net (loss) income, loss, adjusted (loss) earnings loss per share, free cash flow and adjusted free cash flow, you should be aware that in the future, we will incur expenses similar to the adjustments in the reconciliations presented below. Our presentations of EBITDA, adjusted EBITDA, adjusted net (loss) income loss and adjusted (loss) earnings loss per share, should not be construed as suggesting that our future results will be unaffected by these expenses or any unusual or non-recurring items. When evaluating our performance, you should consider EBITDA, adjusted EBITDA, adjusted net (loss) income, loss, adjusted (loss) earnings loss per share, free cash flow and adjusted free cash flow alongside other measures of financial performance and liquidity, including our net (loss) income, (loss) earnings loss, loss per share and cash flow from operating activities, respectively, and other GAAP measures.

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GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

The following tables reconcile our non-GAAP financial measures to the most directly comparable GAAP measures:

Reconciliation of Net (Loss) Income to Adjusted Net (Loss) Income

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(Dollars in thousands, except per share data)			
Net (loss) income	$ (22,621)	$ 93,451	$ (37,841)	$ 332,631
Diluted (loss) income per common share:				
Net (loss) income per share	$ (0.09)	$ 0.36	$ (0.15)	$ 1.28
Weighted average shares outstanding	257,090,113	256,853,454	256,987,778	259,424,885
Adjustments, pre-tax:				
Pension and OPEB plan expenses(1)	914	534	2,731	1,638
Public offerings and related expenses(2)	—	—	—	100
Non-cash (gains) losses on foreign currency remeasurement(3)	(287)	(532)	433	(298)
Stock-based compensation expense(4)	1,628	628	3,809	1,666
Related party payable - Tax Receivable Agreement adjustment(5)	—	—	16	(180)
Total non-GAAP adjustments pre-tax	2,255	630	6,989	2,926
Income tax impact on non-GAAP adjustments(6)	500	198	1,331	652
Adjusted net (loss) income	$ (20,866)	$ 93,883	$ (32,183)	$ 334,905

Reconciliation of Net Loss to Adjusted Net Loss

	Three Months Ended March 31,	
	2024	2023
	(Dollars in thousands, except per share data)	
Net loss	$ (30,869)	$ (7,369)
Diluted loss per common share:		
Net loss per share	$ (0.12)	$ (0.03)
Weighted average shares outstanding	257,399,365	256,974,904
Adjustments, pre-tax:		
Pension and OPEB plan expenses(1)	347	918
Rationalization expenses(2)	3,145	—
Rationalization-related expenses(3)	2,655	—
Non-cash (gains) losses on foreign currency remeasurement(4)	(162)	447
Stock-based compensation expense(5)	1,047	796
Proxy contest costs(6)	210	—
Tax Receivable Agreement adjustment(7)	37	16
Total non-GAAP adjustments pre-tax	7,279	2,177
Income tax impact on non-GAAP adjustments(8)	1,571	357
Adjusted net loss	$ (25,161)	$ (5,549)

(1) Net periodic benefit cost for our pension and OPEB plans.

(2) Legal, accounting, printing Severance and registration fees contract termination costs associated with public offerings the cost rationalization and related expenses. footprint optimization plan announced in February 2024.

(3) Other non-cash costs, primarily inventory and fixed asset write-offs, associated with the cost rationalization and footprint optimization plan announced in February 2024.

(4) Non-cash (gains) losses from foreign currency remeasurement of non-operating assets and liabilities of our non-U.S. subsidiaries where the functional currency is the U.S. dollar.

PART I (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

(5) Non-cash expense for stock-based compensation grants.
(6) Expenses associated with our proxy contest.
(7) Expense adjustment for future payment to our sole pre-IPO stockholder for tax assets that are expected to be utilized.
(8) The tax impact on the non-GAAP adjustments is affected by their tax deductibility and the applicable jurisdictional tax rates.

Reconciliation of Loss per share to Adjusted Loss per Share

	Three Months Ended March 31,	
	2024	2023
Loss per share	$ (0.12)	$ (0.03)
Adjustments per share:		
Pension and OPEB plan expenses(1)	—	0.01
Rationalization expenses(2)	0.01	—
Rationalization-related expenses(3)	0.01	—
Non-cash (gains) losses on foreign currency remeasurement(4)	—	—
Stock-based compensation expense(5)	0.01	—
Proxy contest expenses(6)	—	—
Tax Receivable Agreement adjustment(7)	—	—
Total non-GAAP adjustments pre-tax per share	0.03	0.01
Income tax impact on non-GAAP adjustments per share(8)	0.01	—
Adjusted loss per share	$ (0.10)	$ (0.02)

(1) Net periodic benefit cost for our pension and OPEB plans.
(2) Severance and contract termination costs associated with the cost rationalization and footprint optimization plan announced in February 2024.
(3) Other non-cash costs, primarily inventory and fixed asset write-offs, associated with the cost rationalization and footprint optimization plan announced in February 2024.
(4) Non-cash (gains) losses from foreign currency remeasurement of non-operating assets and liabilities of our non-U.S. subsidiaries where the functional currency is the U.S. dollar.
(4) (5) Non-cash expense for stock-based compensation grants.
(5) (6) Non-cash expense Expenses associated with our proxy contest.
(7) Expense adjustment for future payment to our sole pre-IPO stockholder for tax assets that are expected to be utilized.
(6) (8) The tax impact on the non-GAAP adjustments is affected by their tax deductibility and the applicable jurisdictional tax rates.

Reconciliation of (Loss) Earnings per share to Adjusted (Loss) Earnings per share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
(Loss) Earnings per share	$ (0.09)	$ 0.36	$ (0.15)	$ 1.28
Adjustments per share:				
Pension and OPEB plan expenses(1)	—	—	0.01	—
Public offerings and related expenses(2)	—	—	—	—
Non-cash (gains) losses on foreign currency remeasurement(3)	—	—	—	—
Stock-based compensation expense(4)	0.01	0.01	0.02	0.01
Related party payable - Tax Receivable Agreement adjustment(5)	—	—	—	—
Total non-GAAP adjustments pre-tax per share	0.01	0.01	0.03	0.01
Income tax impact on non-GAAP adjustments per share(6)	—	—	0.01	—
Adjusted (loss) earnings per share	$ (0.08)	$ 0.37	$ (0.13)	$ 1.29

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GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

Reconciliation of Net Loss to Adjusted EBITDA	**Three Months Ended March 31,**

	2024	2023
	(Dollars in thousands)	
Net loss	$ (30,869)	$ (7,369)
Add:		
Depreciation and amortization	13,883	10,777
Interest expense	15,626	12,806
Interest income	(1,524)	(372)
Income taxes	(4,201)	(2,904)
EBITDA	(7,085)	12,938
Adjustments:		
Pension and OPEB plan expenses(1)	347	918
Rationalization expenses(2)	3,145	—
Rationalization-related expenses(3)	2,655	—
Non-cash (gains) losses on foreign currency remeasurement(4)	(162)	447
Stock-based compensation expense(5)	1,047	796
Proxy contest expenses(6)	210	—
Tax Receivable Agreement adjustment(7)	37	16
Adjusted EBITDA	$ 194	$ 15,115

(1) Net periodic benefit cost for our pension and OPEB plans.

(2) Legal, accounting, printing Severance and registration fees contract termination costs associated with public offerings the cost rationalization and related expenses. footprint optimization plan announced in February 2024.

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GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

(3) Other non-cash costs, primarily inventory and fixed asset write-offs, associated with the cost rationalization and footprint optimization plan announced in February 2024.

(4) Non-cash (gains) losses from foreign currency remeasurement of non-operating assets and liabilities of our non-U.S. subsidiaries where the functional currency is the U.S. dollar.

(4) (5) Non-cash expense for stock-based compensation grants.

(5) (6) Non-cash expense adjustment for future payment to Expenses associated with our sole pre-IPO stockholder for tax assets that are expected to be utilized. proxy contest.

(6) (7) The tax impact on the non-GAAP adjustments is affected by their tax deductibility and the applicable jurisdictional tax rates.

Reconciliation of Net (Loss) Income to Adjusted EBITDA	**Three Months Ended September 30,**		**Nine Months Ended September 30,**	
	2023	**2022**	**2023**	**2022**
	(Dollars in thousands)			
Net (loss) income	$ (22,621)	$ 93,451	$ (37,841)	$ 332,631
Add:				
Depreciation and amortization	16,954	13,262	43,053	41,708
Interest expense	15,719	6,424	42,432	25,035
Interest income	(1,144)	(241)	(1,758)	(2,197)
Income taxes	(10,244)	15,041	(10,819)	56,260
EBITDA	(1,336)	127,937	35,067	453,437
Adjustments:				
Pension and OPEB plan expenses(1)	914	534	2,731	1,638
Public offerings and related expenses(2)	—	—	—	100
Non-cash (gains) losses on foreign currency remeasurement(3)	(287)	(532)	433	(298)
Stock-based compensation expense(4)	1,628	628	3,809	1,666
Related party payable - Tax Receivable Agreement adjustment(5)	—	—	16	(180)
Adjusted EBITDA	$ 919	$ 128,567	$ 42,056	$ 456,363

(1) Net periodic benefit cost for our pension and OPEB plans.

(2) Legal, accounting, printing and registration fees associated with public offerings and related expenses.

(3) Non-cash (gains) losses from foreign currency remeasurement of non-operating assets and liabilities of our non-U.S. subsidiaries where the functional currency is the U.S. dollar.

(4) Non-cash expense for stock-based compensation grants.

(5) Non-cash expense Expense adjustment for future payment to our sole pre-IPO stockholder for tax assets that are expected to be utilized.

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow and Adjusted Free Cash Flow

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(Dollars in thousands)			
Net cash provided by operating activities	$ 51,495	$ 68,166	$ 67,269	$ 274,605
Capital expenditures	(8,498)	(15,933)	(48,287)	(45,281)
Free cash flow	42,997	52,233	18,982	229,324
Interest rate swap settlements(1)(2)	—	5,195	27,453	3,762
Change in Control payment(3)	—	—	—	443
Adjusted free cash flow	$ 42,997	$ 57,428	$ 46,435	$ 233,529

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GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

Reconciliation of Net Cash (Used in) Provided by Operating Activities to Free Cash Flow and Adjusted Free Cash Flow

	Three Months Ended March 31,	
	2024	2023
	(Dollars in thousands)	
Net cash (used in) provided by operating activities	$ (530)	$ 24,798
Capital expenditures	(10,511)	(25,271)
Free cash flow	(11,041)	(473)
Interest rate swap settlements(1)	—	3,630
Adjusted free cash flow	$ (11,041)	$ 3,157

(1) Receipt of cash related to the monthly settlement of our outstanding interest rate swap contracts.
(2) The nine months ended September 30, 2023 include cash received from the termination of our interest rate swap contracts.
(3) In contracts that were terminated in the second quarter of 2021, we incurred pre-tax Change in Control charges of $88 million as a result of the ownership of our largest stockholder, Brookfield, moving below 30% of our total shares outstanding. Of the $88 million in pre-tax Change in Control charges, $73 million were cash and $15 million were non-cash. An aggregate of $72 million of the cash charges have been paid through the third quarter of 2023 and an additional $1 million will be paid in subsequent quarters, as a result of the timing of related payroll tax payments. 2023.

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GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

Reconciliation of Cost of Goods Sold to Cash Cost of Goods Sold per MT **Reconciliation of Cost of Goods Sold to Cash Cost of Goods Sold per MT**

Reconciliation of Cost of Goods Sold to Cash Cost of Goods Sold per MT

Reconciliation of Cost of Goods Sold to Cash Cost of Goods Sold per MT

	Three Months Ended March 31,			
	Three Months Ended September 30,		Nine Months Ended September 30,	
	Three Months Ended March 31,			
	2023	2022	2023	2022
	(Dollars in thousands, except per MT amounts)			

		Three Months Ended March 31,			
		2024			
		2024			
		2024			
		(Dollars in thousands, except per MT amounts)			
		(Dollars in thousands, except per MT amounts)			
		(Dollars in thousands, except per MT amounts)			
Cost of goods sold	**Cost of goods sold**	$ 157,603	$ 170,171	$ 427,464	$ 562,881
Less:	Less:				
Less:					
Less:					
Depreciation and amortization(1)					
Depreciation and amortization(1)					
Depreciation and amortization(1)	Depreciation and amortization(1)	15,291	11,566	37,961	36,602
Cost of goods sold - by-products and other(2)	Cost of goods sold - by-products and other(2)	430	5,452	13,720	33,895
Cost of goods sold - by-products and other(2)					
Cost of goods sold - by-products and other(2)					
Rationalization-related expenses(3)					
Rationalization-related expenses(3)					
Rationalization-related expenses(3)					
Cash cost of goods sold					
Cash cost of goods sold					
Cash cost of goods sold	Cash cost of goods sold	141,882	153,153	375,783	492,384
Sales volume (in thousands of MT)	Sales volume (in thousands of MT)	24.2	35.7	67.5	121.3
Sales volume (in thousands of MT)					
Sales volume (in thousands of MT)					
Cash cost of goods sold per MT	**Cash cost of goods sold per MT**	$ 5,863	$ 4,290	$ 5,567	$ 4,059
Cash cost of goods sold per MT					
Cash cost of goods sold per MT					

(1) Reflects the portion of depreciation and amortization that is recognized in cost of goods sold.
(2) Primarily reflects cost of goods sold associated with the portion of our sales that consists of deliveries of by-products of the manufacturing processes.
(3) Other non-cash costs, primarily inventory and fixed asset write-offs, associated with the cost rationalization and footprint optimization plan announced in February 2024.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks, primarily from changes in interest rates, currency exchange rates, energy commodity prices and commercial energy rates. From time to time, we enter into transactions that have been authorized according to documented policies and procedures in order to manage these risks. These transactions primarily relate to financial instruments described below. Since the counterparties to these financial instruments are large commercial banks and similar financial institutions, we do not believe that we are exposed to material counterparty credit risk. We do not use financial instruments for trading purposes.

If we utilized our 2018 Revolving Credit Facility, we would be exposed to changes in interest rates. Our 2018 Revolving Credit Facility bears interest, at our option, at a rate to either (i) the Adjusted Term SOFR Rate and Adjusted EURIBOR Rate (each, as defined in the 2018 Credit Agreement), plus an applicable margin initially equal to 3.00% per annum or (ii) the ABR Rate, plus an applicable margin initially equal to 2.00% per annum, in each case with two 25 basis point step downs based on achievement of certain senior secured first lien net leverage ratios.

Our exposure to changes in currency exchange rates results primarily from:

- sales made by our subsidiaries in currencies other than local currencies;
- raw material purchases made by our foreign subsidiaries in currencies other than local currencies; and
- investments in and intercompany loans to our foreign subsidiaries and our share of the earnings of those subsidiaries, to the extent denominated in currencies other than the U.S. dollar.

Our exposure to changes in energy commodity prices and commercial energy rates results primarily from the purchase or sale of refined oil products and the purchase of natural gas and electricity for use in our manufacturing operations.

Interest rate risk management. We have previously entered into agreements with financial institutions that are intended to limit our exposure to additional interest expense due to increases in variable interest rates. These instruments effectively cap our interest rate exposure. As of December 31, 2022, we recorded unrealized pre-tax gains of $27.4 million on our interest rate swaps. As of September 30, 2023, we did not have any outstanding interest rate swaps. As of September 30, 2023, we no longer had any variable rate debt outstanding and therefore no exposure to variability in interest rates. See Note 9, “Fair Value Measurements and Derivative Instruments” in the Notes to the Condensed Consolidated Financial Statements for further discussion.

Currency rate management. We enter into foreign currency derivatives from time to time to attempt to manage exposure to changes in currency exchange rates. These foreign currency derivatives, which include, but are not limited to, forward exchange contracts and purchased currency options, attempt to hedge global currency exposures. Forward exchange

contracts are agreements to exchange different currencies at a specified future date and at a specified rate. Purchased currency options are instruments which give the holder the right, but not the obligation, to exchange different currencies at a specified rate at a specified date or over a range of specified dates. Forward exchange contracts and purchased currency options are carried at fair value.

The outstanding foreign currency derivatives represented a $0.1 million unrealized pre-tax net loss gain as of September 30, 2023 both March 31, 2024 and a net unrealized pre-tax loss of $0.2 million as of December 31, 2022 December 31, 2023.

Energy commodity management. We have previously entered into commodity derivative contracts to effectively fix some or all of our exposure to refined oil products. As of September 30, 2023 and December 31, 2022, there were no commodity derivative contracts outstanding.

Sensitivity analysis. We use sensitivity analysis to quantify potential impacts that market rate changes may have on the underlying exposures as well as on the fair values of our derivatives. The sensitivity analysis for the derivatives represents the hypothetical changes in value of the hedge position and does not reflect the related gain or loss on the forecasted underlying transaction.

As of September 30, 2023 March 31, 2024, a 10% appreciation or depreciation in the value of the U.S. dollar against foreign currencies from the prevailing market rates would have resulted in a corresponding decrease of $2.9 million $0.5 million or a corresponding increase of $2.9 $0.5 million, respectively, in the fair value of the foreign currency hedge portfolio.

For further information related to the financial instruments described above, see Note 9, "Fair “Fair Value Measurements and Derivative Instruments" Instruments” in the Notes to the Condensed Consolidated Financial Statements.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. Management is responsible for establishing and maintaining adequate disclosure controls and procedures. Disclosure controls and procedures are designed to ensure that information required to be disclosed by a reporting company in the reports that it files or submits under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by it in the reports that it files under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Interim Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Interim Chief Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2023 March 31, 2024. Based on that evaluation, our Chief Executive Officer and Interim Chief Financial Officer concluded that these controls and procedures were effective as of September 30, 2023 March 31, 2024.

Changes in Internal Control over Financial Reporting. There have been no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2023 March 31, 2024 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

Item 1. Legal Proceedings

We are involved in various investigations, lawsuits, claims, demands, labor disputes and other legal proceedings, including with respect to environmental and human exposure or other personal injury matters, arising out of or incidental to the conduct of our business. While it is not possible to determine the ultimate disposition of each of these matters and proceedings, we do not believe that their ultimate disposition will have a material adverse effect on our financial position, results of operations or cash flows. Additionally, we are involved in the following legal proceedings.

Arbitrations Arbitration

We are Since 2020, we have been involved in certain a number of arbitrations as respondents/counterclaimants, pending before the International Chamber of Commerce with a few customers who among other things, have failed to perform under their LTAs and or sought relief in certain instances are seeking to modify or frustrate their contractual commitments to us. respect of the LTAs. In particular, Aperam South America LTDA, Aperam Sourcing S.C.A., ArcelorMittal Sourcing S.C.A., and ArcelorMittal Brasil S.A. (collectively, the “Claimants”) initiated a single arbitration proceeding against two of the Company’s subsidiaries in the International Chamber of Commerce in June 2020. The Claimants argue, argued, among other things, that they should no longer not be required to comply with the terms of the LTAs that they signed due to an alleged drop in market prices for graphite electrodes in January 2020. Alternatively, the Claimants argue argued that they should not be required to comply with the LTAs that they signed due to alleged market circumstances at the time of execution. In June 2021, the Claimants filed their statement of claim, seeking approximately $61.0 million plus interest in monetary relief and/or reimbursement in respect of several fixed price LTAs that were executed between such subsidiaries and the Claimants in 2017 and 2018. On December 16, 2022, the Claimants revised their calculation of alleged damages to approximately $178.9 million including interest, with damages covering the period from the first quarter of 2020 through the end of the third quarter of 2022 and interest covering the period from June 2020 through December 16, 2022. In March 2023, an International Chamber of Commerce hearing was held before the party-appointed sole arbitrator with the Claimants, the Company, and witnesses in attendance. On March 31, 2023, the Claimants further revised their calculation of alleged damages to approximately $171.7 million, including interest, for the period covering the first quarter of 2020 through 2022. In June of 2023, the Claimants again revised their calculation of alleged damages to approximately $188.2 million, including interest, for the period covering the first quarter of 2020 through the first quarter of 2023. We believe On April 16, 2024, we have valid defenses were formally notified that on March 14, 2024 the sole arbitrator appointed by the International Chamber of Commerce issued the final award in the arbitration in which he entirely dismissed all of the Claimants’ claims against the two Company subsidiaries, and ordered Claimants to these claims. We intend pay an aggregate of approximately $9.2 million to vigorously defend them the Company in legal fees and enforce our rights under other related expenses, and ordered the LTAs. Company to pay approximately $60,000 to the Claimants in legal fees and expenses.

Monterrey, Mexico Suspension of Operations

Background

On September 15, 2022, inspectors from the State Attorney’s Office for the Secretary of Environment of the State of Nuevo León, Mexico visited GrafTech México xico’s graphite electrode manufacturing facility located in Monterrey, Mexico to inspect GrafTech Mexico’s facility and certain of the facility’s environmental and operating permits. At the conclusion of the inspection, the inspectors issued a Record of Inspection providing for the results of the inspection, their observations, and the imposition of a temporary suspension of GrafTech Mexico’s facilities within seven days. In parallel, the Director of Comprehensive Atmospheric Management of the Undersecretary of Climate Change and Air Quality of the Ministry of the Environment of the State of Nuevo León formally denied GrafTech Mexico's Mexico’s previously requested modification to its operating license stating that such license was no longer valid. On September 22, 2022, GrafTech Mexico submitted observations and responses to the Record of Inspection, requested an extension of the shutdown of the facility until October 7, 2022, and requested a clarification of the scope of the shutdown. On September 23, 2022, inspectors from the State Attorney’s Office for the Secretary of Environment visited GrafTech Mexico’s manufacturing facility to verify the information presented in GrafTech Mexico’s observations and responses submitted on September 22, 2022. On October 4, 2022, the State Attorney’s Office for the Secretary of Environment granted an extension of the shutdown of the facility until October 7, 2022 and clarified the suspension permitting GrafTech Mexico to perform several activities, including extracting or withdrawing finished or unfinished product. On November 17, 2022, the State Attorney’s Office for the Secretary of Environment lifted the suspension notice, subject to the completion of certain agreed-upon activities, including the submission of an environmental impact study with respect to the facility’s operations, allowing the Monterrey facility to resume operations. Notwithstanding that the suspension notice has been conditionally lifted and that the Monterrey facility has resumed operations, GrafTech Mexico believes it is prudent to continue to pursue the related legal proceedings proceeding set forth below.

Amparo Proceeding

On September 20, 2022, GrafTech Mexico filed an amparo proceeding before the First District Court for Administrative Matters of the State of Nuevo León arguing that the measure imposed by the Ministry of the Environment of the State of Nuevo León ordering a complete temporary suspension of operations violated GrafTech Mexico’s constitutional rights and requested a provisional injunction, and a definitive injunction that would last through the decision on the merits. The provisional injunction was denied by the court on September 26, 2022. On October 3, 2022, GrafTech Mexico appealed this decision before the Third Collegiate Court in Administrative Matters of the Fourth Circuit (Nuevo León), which appeal was also denied on October 24, 2022. On November 8, 2022, the judge denied the definitive injunction, and on November 23, 2022, GrafTech Mexico appealed this decision. With respect to the decision on the merits, on December 20, 2022, the judge reviewed all filings submitted during the proceeding. On May 4, 2023, GrafTech Mexico was informed that the case was transferred to the Second District Court of the Auxiliary Center in the Tenth Region (Saltillo, Coahuila). On July 6, 2023, the court ruled that the amparo proceeding was dismissed in part and denied in part. GrafTech Mexico did not appeal the court’s ruling.

Administrative Proceeding

On November 17, 2022, the State Attorney’s Office for the Secretary of Environment issued a summons opening an administrative proceeding against GrafTech Mexico, citing the lack of an environmental impact authorization and environmental risk study with respect to the facility's facility’s operations. The summons ordered GrafTech Mexico to submit an environmental impact authorization and risk study within 30 business days. GrafTech Mexico submitted its environmental impact authorization and risk study for the full site on November 25, 2022, and filed its response to the summons on December 2, 2022. Once the State Attorney's Attorney’s Office for the Secretary of Environment initiates the summary argument period, GrafTech Mexico will have three business days to provide its summary arguments. A final resolution is expected to be issued within fifteen business days from submission of the summary arguments, but can be extended up to an additional three months and is subject to appeal.

Brazil Clause IV

Pending litigation in Brazil has been brought by employees seeking to recover additional amounts and interest thereon under certain wage increase provisions applicable in 1989 and 1990 under collective bargaining agreements to which employers in the Bahia region of Brazil were a party (including our subsidiary in Brazil). Companies in Brazil have settled claims arising out of these provisions and, in May 2015, the litigation was remanded by the Brazilian Supreme Court in favor of the employees union. After denying an interim appeal by the Bahia region employers on June 26, 2019, the Brazilian Supreme Court finally ruled in favor of the employees union on September 26, 2019. The employers union has determined not to seek annulment of such decision. Separately, on October 1, 2015, a related action was filed by current and former employees against our subsidiary in Brazil to recover amounts under such provisions, plus interest thereon, which amounts together with interest could be material to us. If the Brazilian Supreme Court proceeding above had been determined in favor of the employers union, it would also have resolved this proceeding in our favor. In the first quarter of 2017, the state court initially ruled in favor of the employees. We appealed this state court ruling, and the appellate court issued a decision in our favor on May 19, 2020. The employees have further appealed and, on December 16, 2020, the court upheld the decision in favor of GrafTech Brazil. On February 22, 2021, the employees filed a further appeal and, on April 28, 2021, the court rejected the employees' employees' appeal in favor of GrafTech Brazil. The employees filed a further appeal and on September 12, 2022, we filed our response in opposition. We intend to vigorously defend our position. As of September 30, 2023 March 31, 2024, we are unable to assess the potential loss associated with these proceedings as the claims do not currently specify the number of employees seeking damages or the amount of damages being sought.

Mexico VAT

In July 2019, the MTA opened an audit of the VAT filings of GrafTech Commercial Mexico for the period of January 1 to April 30, 2019. In September 2021, the MTA issued a tax assessment, claiming improper use of a certain VAT exemption rule for purchases from a foreign affiliate. As of March 31, 2024, the tax assessment for the four month period under audit amounted to approximately $30.4 million, including penalties, inflation and interest. Interest will continue to accrue up to five years from the date the corresponding VAT returns were filed and inflation will continue to accrue with the passage of time. GrafTech Commercial Mexico filed an administrative appeal against the tax assessment with the MTA's appeals office. In November 2022, the MTA's appeals office concluded its review and confirmed the tax assessment. GrafTech Commercial Mexico believes that the purchases from a foreign affiliate are exempt from VAT back-up withholding and in December 2022, GrafTech Commercial Mexico filed a Claim for Nullity with the Chamber Specialized in exclusive resolution of substance of the Federal Court of Administrative Justice. On February 17, 2023, the MTA filed the response to the nullity petition. On May 31, 2023, the court held a hearing to determine the scope of the issues to be decided in the proceedings. At the court's request, GrafTech Commercial Mexico submitted formal pleadings on August 1, 2023. As of September 30, 2023 On January 8, 2024, the court ruled in GrafTech Commercial Mexico's favor and annulled the tax assessment assessment. On January 31, 2024, the MTA filed an appeal for review. On March 15, 2024, GrafTech Commercial Mexico filed the four month period under audit amounted Tax Adhesive Appeal for Review before the Collegiate Court in Administrative Matters who has authority to approximately $26.5 million, including penalties, inflation hear the MTA's appeal. The MTA's appeal and interest. Interest will continue the Adhesive appeal are still pending to accrue up to five years from the date the corresponding VAT returns were filed and inflation will continue to accrue with the passage of time. be resolved.

In March 2022, the MTA opened another audit of the VAT filings of GrafTech Commercial Mexico for the period January 1 to December 31, 2018. In the proposed assessment received in January 2023, the MTA is alleging the same improper use of certain VAT exemption rules on purchases from a foreign affiliate and has provided notice of its intent to assess approximately $51.0 million, including penalties, inflation and interest. In Mexico, each tax assessment requires a separate claim. In the first quarter of 2023, GrafTech Commercial Mexico requested a conclusive agreement with the Mexican ombudsman ("PRODECON") to reach a settlement with the MTA. The MTA responded to GrafTech Commercial Mexico's request on May 30, 2023. On August 2, 2023, GrafTech Commercial Mexico filed a motion exhibiting additional information and reaffirming its position. On September 22, 2023, the MTA responded to GrafTech Commercial Mexico's motion. On October 2, 2023, GrafTech Commercial Mexico filed a motion before PRODECON requesting a formal meeting with the MTA. If MTA and PRODECON, which occurred on November 14, 2023. During the mediation process does not result in a satisfactory outcome, meeting, the parties agreed that GrafTech Commercial Mexico intends will provide

additional documentation and information to pursue administrative appeal procedures be evaluated by the MTA, and, on November 29, 2023, GrafTech Commercial Mexico filed the information requested. On January 24, 2024, the MTA filed its response. On that same day, GrafTech Commerical Mexico submitted before PRODECON the favorable ruling it obtained on January 8, 2024 in connection with the 2019 proceeding for the MTA's consideration. On February 1, 2024, the MTA confirmed its position, holding that GrafTech Commercial Mexico was required to attempt withhold the VAT. On March 20, 2024, a meeting was held at PRODECON where the parties confirmed their final positions. GrafTech Commercial Mexico plans to satisfactorily resolve this matter. challenge the assessment. The $51.0 million includes interest and inflation. Interest will continue to accrue up to five years from the date the corresponding VAT returns were filed and inflation will continue to accrue with the passage of time.

As evidenced by the favorable court decision issued on January 8, 2024, GrafTech Commercial Mexico's application of the VAT exemption rules is appropriate and, accordingly, GrafTech Commercial Mexico does not believe that it is probable that it will incur a loss related to this matter for either of the two periods under the MTA's audit. The Company intends to vigorously defend its position in these proceedings.

Stockholder Class Action

On January 25, 2024, a stockholder of the Company filed a class action complaint on behalf of a putative class consisting of purchasers of GrafTech common stock between February 8, 2019 and August 3, 2023 in the United States District Court for the Northern District of Ohio. The complaint names the Company, certain past and present executive officers, and two entities associated with Brookfield as defendants. The complaint alleges that certain public filings and statements made by the Company contained material misrepresentations or omissions relating to the circumstances before and after the prior temporary suspension of the Company's graphite electrode facility located in Monterrey, Mexico, in September 2022. The complaint seeks unspecified compensatory damages, costs and expenses, and unspecified equitable or injunctive relief. At this stage of the proceedings, it is too early to determine if the matter would reasonably be expected to have a material adverse effect on our financial condition.

Item 1A. Risk Factors

The information set forth in this quarterly report on Form 10-Q, including, without limitation, There have been no material changes to the risk factors presented below, updates and should be read in conjunction with, the risk factors and information Risk Factors disclosed in Part 1, - Item 1A., "Risk Factors," in our 2022 Annual Report on Form 10-K filed

February 14, 2023 on February 14, 2024. You should not interpret the disclosure of any risk factor to imply that the risk has not already materialized.

Our indebtedness could limit our financial and operating activities and adversely affect our ability to incur additional debt to fund future needs and our ability to fulfill our obligations under our existing and future indebtedness.

Our 2018 Credit Agreement currently provides for the 2018 Revolving Credit Facility in the amount of $330 million after giving effect to the May 2022 amendment that increased the revolving commitments under the 2018 Credit Agreement by $80 million from $250 million. As any borrowings under the 2018 Revolving Credit Facility remain subject to compliance with the financial covenant in our 2018 Revolving Credit Facility, our operating performance resulted in reduction of the availability under our 2018 Revolving Credit Facility.

As of September 30, 2023, we had approximately $924.5 million of secured indebtedness outstanding including borrowings under our 2020 Senior Secured Notes and 2023 Senior Secured Notes. As of September 30, 2023, we had $112.3 million available for borrowing under the 2018 Revolving Credit Facility.

Interest expense for the nine months ended September 30, 2023 and September 30, 2022 was $42.4 million and $25.0 million, respectively.

Our indebtedness could:

- require us to dedicate a substantial portion of our cash flow to the payment of principal and interest, thereby reducing the funds available for operations and future business opportunities;
- make it more difficult for us to satisfy our obligations;
- limit our ability to borrow additional money if needed for other purposes, including working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes, on satisfactory terms or at all;
- limit our ability to adjust to changing economic, business and competitive conditions;
- place us at a competitive disadvantage with competitors who may have less indebtedness or greater access to financing;
- require us to reduce or delay capital expenditures or sell assets or operations to meet our scheduled debt service obligations;
- make us more vulnerable to a downturn in our operating performance or a decline in general economic conditions; and

- make us more susceptible to changes in credit ratings, which could impact our ability to obtain financing in the future and increase the cost of such financing.

Compliance with our debt obligations under the 2018 Revolving Credit Facility, 2020 Senior Secured Notes and 2023 Senior Secured Notes could materially limit our financial or operating activities, or hinder our ability to adapt to changing industry conditions, which could result in our losing market share, a decline in our revenue or a negative impact on our operating results.

The 2018 Revolving Credit Facility and the indentures governing the 2020 Senior Secured Notes and 2023 Senior Secured Notes include covenants that could restrict or limit our financial and business operations.

The 2018 Revolving Credit Facility and the indentures governing the 2020 Senior Secured Notes and the 2023 Senior Secured Notes contain a number of restrictive covenants that, subject to certain exceptions and qualifications, restrict or limit our ability and the ability of our subsidiaries to, among other things:

- incur, repay or refinance indebtedness;
- create liens on or sell our assets;
- engage in certain fundamental corporate changes or changes to our business activities;
- make investments or engage in mergers or acquisitions;
- pay dividends or repurchase stock;
- engage in certain affiliate transactions;
- enter into agreements or otherwise restrict our subsidiaries from making distributions or paying dividends to the borrowers under the 2018 Revolving Credit Facility or to us or certain of our subsidiaries, as applicable; and

- repay intercompany indebtedness or make intercompany distributions or pay intercompany dividends.

The 2018 Revolving Credit Facility also contains certain affirmative covenants and contains a financial covenant that requires us to maintain a senior secured first lien net leverage ratio not greater than 4.00:1.00 when the aggregate principal amount of borrowings under the 2018 Revolving Credit Facility and outstanding letters of credit issued under the 2018 Revolving Credit Facility (except for undrawn letters of credit in an aggregate amount equal to or less than $35 million), taken together, exceed 35% of the total amount of commitments under the 2018 Revolving Credit Facility.

These covenants and restrictions could affect our ability to operate our business and may limit our ability to react to market conditions or take advantage of potential business opportunities as they arise. Additionally, our ability to comply with these covenants may be affected by events beyond our control, including general economic and credit conditions and industry downturns.

If we fail to comply with the covenants in the 2018 Revolving Credit Facility and the indentures governing the 2020 Senior Secured Notes and the 2023 Senior Secured Notes, and are unable to obtain a waiver or amendment, an event of default would result, and the lenders and noteholders could, among other things, declare outstanding amounts due and payable or, with respect to the 2018 Revolving Credit Facility, refuse to lend additional amounts to us or require deposit of cash collateral in respect of outstanding letters of credit. If we were unable to repay or pay the amounts due, the lenders under the 2018 Revolving Credit Facility and the noteholders could, among other things, proceed against the collateral granted to them to secure the indebtedness, which includes substantially all of our and our U.S. subsidiaries' assets and, with respect to the 2018 Revolving Credit Facility, certain assets of certain of our non-U.S. subsidiaries.

Item 5. Other Information

None of the Company's directors or officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934) Act) adopted, modified, or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as each term is defined in Item 408 of Regulation S-K) during the Company's fiscal quarter ended September 30, 2023 March 31, 2024.

PART II. OTHER INFORMATION (CONT'D)
GRAFTECH INTERNATIONAL LTD. AND SUBSIDIARIES

Item 6. Exhibits

Exhibit Number	Description of Exhibit
3.1	Amended and Restated Certificate of Incorporation of GrafTech International Ltd. (incorporated by reference to Exhibit 3.1 to GrafTech International Ltd.'s's Quarterly Report on Form 10-Q filed May 1, 2019).
3.2	Amended and Restated By-Lawsof GrafTech International Ltd. (incorporated by reference to Exhibit 3.2 to GrafTech International Ltd.'s Registration Statement on Form S 1/A (Registration No. 333-223791) filed April 13, 2018).
10.1	Benefits Addendum, dated July 27, 2023, by and between GrafTech Switzerland S.A. and Iñigo Perez Ortiz. 3.(incorporated by reference to Exhibit 10.1 1 to GrafTech International Ltd.'s Current Report on Form 8-K filed July November 14, 2023)27, 2023).
10.1*	Form of Performance Stock Unit Agreement under the GrafTech International Ltd. Omnibus Equity Incentive Plan (2024 Version).
10.2*	Form of Performance Stock Unit Agreement under the GrafTech International Ltd. Omnibus Equity Incentive Plan (2024 Non-US Version).
31.1*	Certification pursuant to Rule 13a-14(a) under the Exchange Act by Marcel Kessler, Timothy K. Flanagan,Chief Executive Officer and President (Principal Executive Officer).
31.2*	Certification pursuant to Rule 13a-14(a) under the Exchange Act by Timothy K. Flanagan, Catherine Hedoux-Delgado, Interim Chief Financial Officer Senior Vice President Finance and Treasurer (Principal Financial Officer).
32.1**	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by Marcel Kessler, Timothy K. Flanagan,Chief Executive Officer and President (Principal Executive Officer).
32.2**	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by Timothy K. Flanagan, Catherine Hedoux-Delgado, Interim Chief Financial Officer Senior Vice President Finance and Treasurer (Principal Financial Officer).
101	The following financial information from GrafTech International Ltd.'s's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 March 31, 2024 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income, Loss, (iii) the Condensed Consolidated Statements of Cash Flows, (iv) the Condensed Consolidated Statements of Stockholders' Stockholders' Equity, and (v) Notes to the Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data file (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith
** Furnished herewith

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

GRAFTECH INTERNATIONAL LTD.

Date:	November 3, 2023 April 26, 2024	By:	/s/ Timothy K. Flanagan Catherine Hedoux-Delgado
			Timothy K. Flanagan Catherine Hedoux-Delgado
			Interim Chief Financial Officer Senior Vice President Finance and Treasurer
			(Principal Financial and Accounting Officer)

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EXHIBIT 10.1 1 GRAFTECH INTERNATIONAL LTD. OMNIBUS EQUITY INCENTIVE PLAN PERFORMANCE STOCK UNIT AGREEMENT THIS PERFORMANCE STOCK UNIT AGREEMENT (this "Agreement"), made as of [   ], 2024, is entered into by and between GrafTech International Ltd. ("GrafTech") and [   ] (the "Participant"). WHEREAS, GrafTech has adopted the GrafTech International Ltd. Omnibus Equity Incentive Plan (the "Plan"); and WHEREAS, Section 7 of the Plan provides for the grant to Participants of equity- based or equity-related awards, including restricted stock units subject to performance- and service-based conditions ("PSUs"). NOW, THEREFORE, in consideration of the promises and the mutual covenants hereinafter set forth, the parties hereto hereby agree as follows: 1. Certain Definitions. Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the Plan. 2. Grant of PSUs. Subject to and upon the terms, conditions and restrictions set forth in this Agreement and in the Plan, GrafTech has granted to the Participant [   ] PSUs. Subject to the degree of attainment of the performance goals established for these PSUs as approved by the Committee and communicated to the Participant (the "Statement of Performance Goals") and the terms of Section 8(c) hereof, the Participant may earn from 0% to 200% of the PSUs. Each PSU shall then represent a right to receive one share of Common Stock subject to and upon the terms and conditions of this Agreement and the Plan. 3. Grant Date. The grant date of the PSUs is [   ], 2024 (the "Grant Date"). 4. Payment of PSUs. The PSUs will become payable in accordance with the provisions of Section 8 of this Agreement if Participant's right to receive payment for any portion or all of the PSUs becomes nonforfeitable ("Vest," "Vesting" or "Vested") in accordance with Section 6 of this Agreement. 5. Restrictions on Transfer of PSUs. Subject to Section 16 of the Plan, neither the PSUs evidenced hereby nor any interest therein or in the shares of Common Stock underlying such PSUs shall be transferable prior to payment to the Participant pursuant to Section 8 hereof other than by will or pursuant to the laws of descent and distribution.

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2 6. Vesting of PSUs. (a) Standard Vesting. Subject to the terms and conditions of this Agreement, the PSUs covered by this Agreement shall Vest on December 31, 2026 (the "Vesting Date") to the extent that (i) the Participant's Employment continues from the Grant Date through the Vesting Date (the "Vesting Period") and (ii) the performance goals described in the Statement of Performance Goals for these PSUs (the "Performance Goals") are achieved, once determined and certified by the Committee in its sole discretion following the end of the final of the following performance periods: the performance period starting on January 1, 2024 and ending on December 31, 2024 (the "12-Month Measurement Period"), the performance period starting on January 1, 2024 and ending on December 31, 2025 (the "24-Month Measurement Period"), and the performance period starting on January 1, 2024 and ending on December 31, 2026 (the "36- Month Measurement Period", and together with the 12-Month Measurement Period and the 24- Month Measurement Period, the "Measurement Periods"). Any PSUs that do not so Vest will be forfeited, including, except as provided in Section 6(b) below, if the Participant's Employment terminates prior to the end of the Vesting Period. For purposes of this Agreement, "continuous Employment" (or substantially similar terms) means the absence of any interruption or termination of the Participant's Employment. Continuous Employment shall not be considered interrupted or terminated in the case of transfers between locations of the Company. (b) Alternative Vesting. Notwithstanding Section 6(a) above, the PSUs shall Vest and be paid pursuant to Section 8 hereof upon the occurrence of any of the following events at a time when the PSUs have not been forfeited (to the extent the PSUs have not previously Vested) in the following manner: (i) Death or Disability. If the Participant dies or becomes Disabled prior to the end of the Vesting Period during the Participant's Employment, the Participant shall Vest in the number of PSUs in which the Participant would have Vested in accordance with the terms and conditions of Section 6(a) hereof if the Participant remained in continuous Employment from the Grant Date until the end of the Vesting Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first. Any PSUs that Vest in accordance with this Section 6(b)(i) shall become payable in accordance with Section 8(a) hereof. For purposes of this Agreement, "Disabled" shall mean (A) the Participant is unable to engage in any substantial gainful activity due to medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, or (B) due to any medically determinable physical or mental impairment expected to result in death or last for a continuous period not less than 12 months, the Participant has received income replacement benefits for a period of not less than three months under an accident and health plan sponsored by the Company. (ii) Termination Without Cause. If the Participant's Employment is terminated by the Company as the result of a termination without Cause (as defined in Section 7 below) that occurs prior to the end of the Vesting Period during the Participant's Employment, the Participant shall Vest in the PSUs on a pro-rata basis in an amount equal to the product of (A) the number of PSUs in

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3 which the Participant would have Vested in accordance with the terms and conditions of Section 6(a) hereof if the Participant had remained in continuous Employment from the Grant Date until the Vesting Date or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (B) a fraction, the numerator of which is the total number of calendar days from the Grant Date through the date of such termination and the denominator of which is 1,096. Any PSUs that Vest in accordance with this Section 6(b)(ii) shall become payable in accordance with Section 8(a) hereof. (iii) Retirement. If the Participant's Employment is terminated by the Participant as the result of Retirement that occurs prior to the end of the Vesting Period and on or after the Grant Date, the Participant shall Vest in the PSUs on a pro-rata basis in an amount equal to the product of (A) the number of PSUs in which the Participant would have Vested in accordance with the terms and conditions of Section 6(a) if the Participant had remained in continuous Employment from the Grant Date until the end of the Vesting Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (B) a fraction, the numerator of which is the total number of calendar days from January 1, 2024 through the date of Retirement and the denominator of which is 1,096. Notwithstanding the foregoing, the Participant shall not be entitled to any payment pursuant to this Section 6(b)(iii) unless the Participant continues to comply with any noncompetition, nonsolicitation, confidentiality or any other restrictive covenant in favor of the Company that applies to the Participant (the "Restrictive Covenant") following the Participant's Retirement. Any PSUs that Vest in accordance with this Section

6(b)(iii) shall become payable in accordance with Section 8(a) hereof. For purposes of this Agreement, “Retirement” means the termination of the Participant’s Employment after (I) the Participant has reached (x) at least age 60 with at least five years of Employment or (y) at least age 55 with at least ten years of Employment and (II) the Participant has provided GrafTech with at least six (6) months’ advance written notice of the Participant’s intent to retire from Employment, unless such notice requirement has been waived by the CEO of GrafTech or the Committee (either in its sole discretion). (iv) Change in Control. In the event a Change in Control occurs prior to the end of the Vesting Period, the PSUs shall Vest in accordance with Section 7 below. (c) Forfeiture. Any PSUs that have not Vested pursuant to this Section 6 after the completion of the Vesting Period will be forfeited automatically and without further notice after the end of the Vesting Period (or earlier if, and on such date that, the Participant’s Employment terminates prior to the end of the Vesting Period for any reason other than as described in this Section 6 or in Section 7).

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4 7. Change in Control. (a) Notwithstanding anything to the contrary in this Agreement, but subject to Section 8(c), if, at any time before the end of the Vesting Period or forfeiture of the PSUs, and during the Participant's Employment, a Change in Control occurs, then the PSUs shall Vest (except to the extent that a Replacement Award is provided to the Participant in accordance with Section 7(b) hereof to continue, replace or assume the PSUs covered by this Agreement (the "Replaced Award")) as follows: the Vesting Period will terminate and the Committee as constituted immediately before the Change in Control will determine and certify the Vested PSUs based on actual performance through the most recently practicable date prior to the Change in Control for which achievement of the Performance Goals for each Measurement Period can reasonably be determined (the "CIC Vested PSUs" and such date, the "CIC Measurement Date"); provided, however, that if the number of CIC Vested PSUs is less than the target number of PSUs evidenced by this Agreement (the "Target PSUs"), the Participant shall Vest in the Target PSUs. Any PSUs that Vest in accordance with this Section 7(a) shall become payable in accordance with Section 8(b) hereof. (b) A "Replacement Award" means an award (i) of the same type (e.g., performance-based restricted stock units) as the Replaced Award, (ii) that has a value at least equal to the value of the Replaced Award, (iii) that relates to publicly traded equity securities of GrafTech or its successor in the Change in Control (or another entity that is affiliated with GrafTech or its successor following the Change in Control), (iv) if the Participant holding the Replaced Award is subject to U.S. federal income tax under the Code, the tax consequences of which to such Participant under the Code are not less favorable to such Participant than the tax consequences of the Replaced Award, and (v) the other terms and conditions of which are not less favorable to the Participant holding the Replaced Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the two preceding sentences are satisfied. The determination of whether the conditions of this Section 7(b) are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion. (c) If, after receiving a Replacement Award, the Participant experiences a termination of employment with the Company (or any of its successors) (as applicable, the "Successor") by reason of a termination by the Successor without Cause or by the Participant for Good Reason, in each case within a period of two years after the Change in Control and during the remaining vesting period for the Replacement Award (a "Qualifying Termination"), 100% of the Replacement Award shall become Vested with respect to the performance-based restricted stock units covered by such Replacement Award upon such Qualifying Termination. If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding PSUs that at the time of the Change in Control are not subject to a "substantial risk of forfeiture" (within the meaning of Section 409A of the Code) will be deemed to be nonforfeitable at the time of such Change in Control.

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5 (d) For purposes of this Agreement: (i) a "Change in Control" will be deemed to have occurred upon the occurrence (after the Grant Date) of any of the following events: (A) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of voting securities of GrafTech where such acquisition causes such Person to own 35% or more of the combined voting power of the then outstanding voting securities of GrafTech entitled to vote generally in the election of members of the Board of Directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection (A), the following acquisitions shall not be deemed to result in a Change in Control: (1) any acquisition directly from GrafTech that is approved by the Incumbent Board (as defined in subsection (B) below); (2) any acquisition by GrafTech; (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by GrafTech or any corporation controlled by GrafTech; or (4) any acquisition by any corporation pursuant to a transaction that complies with clauses (1), (2) and (3) of subsection (C) below; provided, further, that if any Person's beneficial ownership of the Outstanding Company Voting Securities reaches or exceeds 35% as a result of a transaction described in clause (1) or (2) above, and such Person subsequently acquires beneficial ownership of additional voting securities of GrafTech, such subsequent acquisition shall be treated as an acquisition that causes such Person to own 35% or more of the Outstanding Company Voting Securities; and provided, further, that if at least a majority of the members of the Incumbent Board determines in good faith that a Person has acquired beneficial ownership of 35% or more of the Outstanding Company Voting Securities inadvertently, and such Person divests as promptly as practicable a sufficient number of shares so that such Person beneficially owns less than 35% of the Outstanding Company Voting Securities, then no Change in Control shall have occurred as a result of such Person's acquisition; (B) individuals who, as of January 1, 2024, constitute the Board of Directors (as modified by the remainder of this subsection (B), the "Incumbent Board") cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a member of the Board of Directors subsequent to January 1, 2024 whose election, or nomination for election by GrafTech's stockholders, was approved by a vote of at least a majority of the members of the Board of Directors then comprising the Incumbent Board (either by specific vote or by approval of the proxy statement of GrafTech in which such person is named as a nominee as a member of the Board of Directors, without objection to such nomination) shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal

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6 of members of the Board of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors; (C) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of GrafTech or the acquisition of assets of another corporation or other transaction ("Business Combination") excluding, however, such a Business Combination pursuant to which (1) the individuals and entities who were the beneficial owners of the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of members of the board of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that as a result of such transaction owns GrafTech or all or substantially all of GrafTech's assets either directly or through one or more subsidiaries), (2) no Person (excluding any employee benefit plan (or related trust) of GrafTech, GrafTech or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 35% or more of the combined voting power of the then outstanding securities entitled to vote generally in the election of members of the board of directors of the entity resulting from such Business Combination and (3) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board of Directors, providing for such Business Combination; or (D) approval by GrafTech's stockholders of a complete liquidation or dissolution of GrafTech except pursuant to a Business Combination that complies with clauses (1), (2) and (3) of subsection (C) above. (ii) "Cause" means (A) gross negligence or willful failure by the Participant to perform the Participant's duties and responsibilities to the Successor after written notice thereof and a failure to remedy such failure within twenty (20) days of such notice; (B) commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct by the Participant, at the Participant's direction, or with the Participant's prior personal knowledge that has caused or is reasonably expected to cause injury to the Successor; (C) the Participant's conviction of, or pleading guilty or nolo contendere to, (1) a felony or (2) a crime that has, or could reasonably be expected to result in, an adverse impact on the performance of the Participant's duties and responsibilities to the Successor, or otherwise has, or could reasonably be expected to result in, an adverse impact on the business, business reputation or business relationships of the Successor; (D) material unauthorized use or disclosure by the Participant of any confidential information of the Successor or any other party to whom the Participant owes an obligation of nonuse and nondisclosure as a result of the Participant's relationship with the Successor unless otherwise permitted; (E) breach by the Participant of any of the Participant's material obligations under any written agreement with the

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7 Successor or of the Successor's code of conduct, code of ethics or any other material written policy or of a fiduciary duty or responsibility to the Successor after written notice thereof and a failure to remedy such breach within twenty (20) days of such notice; or (F) the Participant's misappropriation of the assets or business opportunities of the Successor; and (iii) "Good Reason" means any of the following events has occurred without the Participant's express prior written consent (provided that (x) within ninety (90) days after the Participant learns of the occurrence of such event, the Participant gives written notice to the Successor describing such event and demanding cure, (y) such event is not

fully cured within thirty (30) days after such notice is given, and (z) the Participant terminates the Participant's employment with the Successor within thirty (30) days thereafter): (A) the Successor materially breaches any of its obligations in this Agreement; (B) the Successor materially diminishes the Participant's base salary (provided, however, that any across-the- board reduction in base salaries of 30% or less that is part of a reduction applicable to all similarly situated employees of the Successor will not (by itself) be deemed to constitute a "Good Reason" event hereunder); (C) the Successor materially diminishes the Participant's job title and/or the nature and/or scope of the Participant's job responsibilities and duties; or (D) the Successor relocates the facility that is the Participant's principal place of business with the Successor to a location more than fifty (50) miles from the immediately preceding location (excluding travel in the ordinary course of business), unless the Successor maintains or provides an alternate business location within fifty (50) miles of the immediately preceding location that includes a reasonably suitable office for the Participant to continue to perform the Participant's duties, or permits the Participant to perform the Participant's duties from a home office. The Participant may not invoke termination for Good Reason if Cause exists at the time of such termination. 8. Form and Time of Payment of PSUs. (a) Standard Payment. Payment for the PSUs, after and to the extent they have Vested, shall be made in the form of shares of Common Stock. Except as provided in Section 8(b) hereof, payment shall be made between January 1, 2027 and June 1, 2027. (b) Change in Control Payment. Notwithstanding Section 8(a) hereof, but subject to Section 8(c) hereof, to the extent that the PSUs are Vested on the date of a Change in Control, the Participant will receive payment for Vested PSUs in shares of Common Stock on the date of the Change in Control; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, the Participant is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to Section 8(a) hereof. (c) Payment Cap. Notwithstanding any other provision of this Agreement, if the Aggregate Value (as defined below) regarding the earned PSUs under this Agreement exceeds the Aggregate Value Cap (as defined below) regarding the PSUs as of the Payment Cap

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8 Measurement Date (as defined below), then a portion of the PSUs earned under this Agreement equal to the Excess Number of PSUs (as defined below) (plus their related Dividend Equivalent Units as defined in Section 9 below) shall be permanently forfeited and cease to be earned or payable. As used herein, the following terms will have the following meanings: (i) "Payment Cap Price" means $ (which amount is equal to the product of (A) the 20-trailing-trading-day average of the closing price of the Common Stock prior to (but not including) the Grant Date, multiplied by (B) 3.5). (ii) "Payment Cap Measurement Date" means the earlier of: (A) the Vesting Date and (B) in the event of a Change in Control occurring prior to the Vesting Date in which a Replacement Award is not provided, the CIC Measurement Date. (iii) "Aggregate Value" for the Payment Cap Measurement Date means a dollar amount (rounded to the nearest whole dollar) equal to the product of (A) the number of PSUs earned under this Agreement, multiplied by (B) the Fair Market Value per share of Common Stock on such Payment Cap Measurement Date. (iv) "Aggregate Value Cap" for the Payment Cap Measurement Date means a dollar amount (rounded to the nearest whole dollar) equal to the product of (A) 100% of the PSUs granted pursuant to this Agreement, multiplied by (B) the Payment Cap Price. (v) "Excess Number of PSUs" for the Payment Cap Measurement Date means a number of PSUs equal to the number determined by first calculating the positive difference, if any, between (A) the Aggregate Value minus (B) the Aggregate Value Cap, and then dividing any such resulting positive dollar amount by the Fair Market Value per share of Common Stock on the Payment Cap Measurement Date (rounding up to the nearest whole PSU). (d) No Early Payment. Except to the extent provided by Section 409A of the Code and permitted by the Committee, no shares of Common Stock may be issued to the Participant at a time earlier than otherwise expressly provided in this Agreement. (e) Satisfaction of Obligations. GrafTech's obligations to the Participant with respect to the PSUs will be satisfied in full upon the issuance of the shares of Common Stock corresponding to such PSUs. 9. Dividend Equivalents. Pursuant to, and subject to, the terms and conditions set forth herein and in the Plan, GrafTech hereby awards to the Participant a right to receive in respect of each PSU earned by the Participant, on a dividend record date occurring after the Grant Date and prior to the date of payment of the PSUs pursuant to Section 8 of this Agreement, the equivalent value of any ordinary cash dividends that are paid on a share of Common Stock ("Dividend Equivalent"), subject to the terms of this Section 9. The Dividend Equivalents will

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9 be deemed reinvested in the form of additional PSUs ("Dividend Equivalent Units") based on the aggregate value of the Dividend Equivalents on the not-yet-paid PSUs and the Fair Market Value of a share of Common Stock on GrafTech's dividend payment date. Dividend Equivalents will also accrue on the Dividend Equivalent Units (and be deemed reinvested into additional Dividend Equivalent Units). Dividend Equivalent Units will in all cases be subject to the same terms and conditions, including, but not limited to, those related to vesting, transferability and payment, that apply to the corresponding PSUs under this Agreement and the Plan. 10. Adjustments. The PSUs and the number of shares of Common Stock potentially issuable for each PSU and the other terms and conditions of the grant evidenced by this Agreement are subject to adjustment as provided in Section 8 of the Plan. 11. Incorporation of Plan. All terms, conditions and restrictions of the Plan are incorporated herein and made part hereof as if stated herein. If there is any conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan shall govern (unless otherwise stated therein). No amendment to this Agreement shall materially adversely affect the rights of the Participant under this Agreement without the Participant's written consent, but the Participant's consent shall not be required to an amendment that is deemed necessary by GrafTech to ensure compliance with Section 409A of the Code or Section 10D of the Exchange Act. 12. Taxes. To the extent required by applicable federal, state, local or non-U.S. law, the Participant shall make arrangements satisfactory to GrafTech for the satisfaction of any withholding tax obligations that arise with respect to the Vesting of the PSUs in accordance with Section 13 of the Plan. GrafTech shall not be required to deliver shares of Common Stock to the Participant until it determines such obligations are satisfied. 13. Construction of Agreement. Any provision of this Agreement (or portion thereof) which is deemed invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction and subject to this section, be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions thereof in such jurisdiction or rendering that or any other provisions of this Agreement invalid, illegal, or unenforceable in any other jurisdiction. If any covenant should be deemed invalid, illegal or unenforceable because its scope is considered excessive, such covenant shall be modified so that the scope of the covenant is reduced only to the minimum extent necessary to render the modified covenant valid, legal and enforceable. No waiver of any provision or violation of this Agreement by GrafTech shall be implied by GrafTech's forbearance or failure to take action. No provision of this Agreement shall be given effect to the extent that such provision would cause any tax to become due under Section 409A of the Code. 14. Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party hereto upon any breach or default of any party under this Agreement, shall impair any such right, power or remedy of such party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or

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10 default under this Agreement, or any waiver on the part of any party or any provisions or conditions of this Agreement, shall be in writing and shall be effective only to the extent specifically set forth in such writing. 15. No Special Employment Rights; No Right to Award. Nothing contained in the Plan or this Agreement shall confer upon the Participant any right with respect to the continuation of his or her Employment with the Company or interfere in any way with the right of the Company at any time to terminate such Employment or to increase or decrease the compensation of the Participant from the rate in existence at the time of the grant of the PSUs. The rights or opportunity granted to the Participant on the granting of these PSUs shall not give the Participant any rights or additional rights to compensation or damages in consequence of any of: (a) the Participant giving or receiving notice of termination of his or her office or Employment; (b) the loss or termination of his or her office or Employment with the Company for any reason whatsoever; or (c) whether or not the termination (and/or giving of notice) is ultimately held to be wrongful or unfair. 16. Stockholder's Rights. The Participant shall have no rights as a stockholder of GrafTech with respect to any shares of Common Stock in respect of the PSUs awarded under this Agreement until the date of issuance to the Participant of a certificate or other evidence of ownership representing such shares of Common Stock in settlement thereof. For purposes of clarification, the Participant shall not have any voting or dividend rights with respect to the shares of Common Stock underlying the PSUs prior to settlement. 17. Data Privacy. By participating in the Plan, each Participant consents to the collection, holding, processing and transfer of data relating to the Participant and, in particular, to the processing of any sensitive personal data by the Company for all purposes connected with the operation of the Plan, including, but not limited to: (a) holding and maintaining details of the Participant and his or her participation in the Plan; (b) transferring data relating to the Participant and his or her participation in the Plan to the Company's registrars or brokers, the plan administrator or any other relevant professional advisers or service providers to the Company; and (c) disclosing details of the Participant and his or her participation in the Plan to a bona fide prospective purchaser of the Company (or the prospective purchaser's advisers). 18. Integration. This Agreement, and the other documents referred to herein or delivered pursuant hereto which form a part hereof, contain the entire understanding of the parties with respect to its subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein and in the Plan. This Agreement, including, without limitation, the Plan, supersedes all prior agreements and understandings between the parties with respect to its subject matter. Clawback Policies. (a) Notwithstanding anything in the Plan or this Agreement to the contrary, the Participant acknowledges and agrees that this Agreement and the award described herein (and any settlement thereof) are subject to the terms and conditions of GrafTech's clawback policy or policies as may be in effect from time to time, including specifically to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national

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11 securities exchange on which the shares of Common Stock at any point may be traded) (the "Compensation Recovery Policy"), and that, to the extent the Compensation Recovery Policy, by its terms, is applicable to the Participant's PSUs, applicable terms of this Agreement shall be (if necessary) deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof. By accepting this award under the Plan and pursuant to this Agreement, the Participant consents to be bound by the terms of the Compensation Recovery Policy, to the extent applicable to the Participant, and agrees and acknowledges to fully cooperate with and assist GrafTech in connection with any of the Participant's obligations to GrafTech pursuant to the Compensation Recovery Policy, and agrees that GrafTech may enforce its rights under the Compensation Recovery Policy through any and all reasonable means permitted under applicable law as it deems necessary or desirable under the Compensation Recovery Policy, in each case from and after the effective dates thereof. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by GrafTech from the Participant of any such amounts, including from the Participant's accounts or from any other compensation, to the extent permissible under Section 409A of the Code. (b) The Participant's rights, payments, gains and benefits, if any, with respect to the PSUs shall be subject to, in the sole and good faith judgment of the Committee, reduction, cancellation, forfeiture or recoupment if the Participant violates material Company policies, breaches any Restrictive Covenant, or engages in Detrimental Conduct (as defined below); provided, that any change to the terms of the PSUs shall be effected in a way that causes the PSUs to be excluded from the application of, or to comply with, Section 409A of the Code. For the purposes of this Agreement, "Detrimental Conduct" means activities which have been, are or would reasonably be expected to be detrimental to the interests of the Company, as determined in the sole and good faith judgment of the Committee. Such activities include, but are not limited to, gross neglect or willful and continuing refusal by the Participant to substantially perform his or her duties or responsibilities for or owed to the Company, unlawful conduct under securities, antitrust, tax or other laws, improper disclosure or use of Company confidential or proprietary information or trade secrets, competition with or improper taking of a corporate opportunity of any business of the Company, failure to cooperate in any investigation or legal proceeding regarding the Company, or misappropriation of Company property. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement or any ancillary document prevents the Participant from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations (and for purpose of clarity the Participant is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Exchange Act).

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12 19. Policy Against Insider Trading. By accepting the PSUs, the Participant acknowledges that the Participant is bound by all the terms and conditions of GrafTech's insider trading policy as may be in effect from time to time. 20. 280G Provisions. (a) Notwithstanding any other provision of this Agreement or any other plan, arrangement, or agreement to the contrary, if any of the payments or benefits provided or to be provided by the Company to the Participant or for the Participant's benefit pursuant to the terms of this Agreement or otherwise ("Covered Payments") constitute parachute payments ("Parachute Payments") within the meaning of Section 280G of the Code and would, but for this Section 20 be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then the Covered Payments shall be payable either (i) in full or (ii) after reduction to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax, whichever of the foregoing (i) or (ii) results in the Participant's receipt on an after-tax basis of the greatest amount of benefits after taking into account the applicable federal, state, local and foreign income, employment and excise taxes (including the Excise Tax), notwithstanding that all or some portion of such benefits may be taxable under the Excise Tax. (b) Unless the Company and the Participant otherwise agree in writing, any determination required under this Section 20 shall be made in writing in good faith by a nationally recognized accounting firm (the "Accountants"). In the event of a reduction in Covered Payments hereunder, the reduction of the total payments shall apply as follows, unless otherwise agreed in writing and such agreement is in compliance with Section 409A of the Code: (i) first, any cash severance payments due shall be reduced and (ii) second, any acceleration of vesting of any equity shall be deferred with the tranche that would vest last (without any such acceleration) first deferred. For purposes of making the calculations required by this Section 23, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code, and other applicable legal authority. The Company and the Participant shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 20. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 20. (c) If notwithstanding any reduction described in this Section 20, the Internal Revenue Service ("IRS") determines that the Participant is liable for the Excise Tax as a result of the receipt of the Covered Payments, then the Participant shall be obligated to pay back to the Company, within thirty (30) days after a final IRS determination or in the event that the Participant challenges the final IRS determination, a final judicial determination a portion of such amounts equal to the "Repayment Amount." The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to the Company so that the Participant's net after-tax proceeds with respect to any payment of the Covered Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on the Covered Payments) shall be maximized. The Repayment Amount with respect to the payment of Covered

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13 Payments shall be zero if a Repayment Amount of more than zero would not result in the Participant's net after-tax proceeds with respect to the payment of the Covered Payments being maximized. If the Excise Tax is not eliminated pursuant to this paragraph, the Participant shall pay the Excise Tax. Notwithstanding any other provision of this Section 20, if (i) there is a reduction in the payment of Covered Payments as described in this Section 20, (ii) the IRS later determines that the Participant is liable for the Excise Tax, the payment of which would result in the maximization of the Participant's net after-tax proceeds (calculated as if the Covered Payments had not previously been reduced), and (iii) the Participant pays the Excise Tax, then the Company shall pay to the Participant those Covered Payments which were reduced pursuant to this Section 20 contemporaneously or as soon as administratively possible after the Participant pays the Excise Tax so that the Participant's net after-tax proceeds with respect to the payment of Covered Payments are maximized. 21. Compliance With Law. GrafTech shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, GrafTech shall not be obligated to issue any shares of Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any such law. 22. Compliance With Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with or be exempt from Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee). If the PSUs become payable on the Participant's "separation from service" with GrafTech and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code and the Participant is a "specified employee" as determined pursuant to procedures adopted by GrafTech in compliance with Section 409A of the Code and avoid any additional taxes thereunder, payment for the PSUs shall be made on the earlier of the fifth business day after the seventh month after the date of the Participant's "separation from service" with GrafTech and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code or the Participant's death. 23. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable. 24. Relation to Other Benefits. Any economic or other benefit to the Participant under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Participant may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by GrafTech or any of its Subsidiaries and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of GrafTech or any of its Subsidiaries.

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14 25. Successors and Assigns. Without limiting Section 5 hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Participant, and the successors and assigns of GrafTech. 26. Electronic Delivery. GrafTech may, in its sole discretion, deliver any documents related to the PSUs and the Participant's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by GrafTech or another third party designated by GrafTech. 27. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to the provisions governing conflict of laws that would result in the application of the law of any other jurisdiction. 28. Participant Acknowledgment. The Participant hereby acknowledges that the Participant (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions. The Participant hereby acknowledges that all decisions, determinations and interpretations of the Committee in respect of the Plan and this Agreement shall be final and conclusive. The Participant acknowledges that there may be adverse tax consequences upon vesting of the PSUs or disposition of the underlying shares of Common Stock and that the Participant should consult a tax advisor prior to such vesting or disposition. 29. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. * * * * *

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[Signature Page to PSU Agreement] IN WITNESS WHEREOF, GrafTech has caused this Agreement to be duly executed by its duly authorized officer and said Participant has hereunto signed this Agreement on his or her own behalf, thereby representing that the Participant has carefully read and understands this Agreement and the Plan as of the day and year first written above. GrafTech International Ltd. ______________________________ By: Title: ______________________________ Participant:

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EXHIBIT 10.2 1 GRAFTECH INTERNATIONAL LTD. OMNIBUS EQUITY INCENTIVE PLAN PERFORMANCE STOCK UNIT AGREEMENT THIS PERFORMANCE STOCK UNIT AGREEMENT (this “Agreement”), made as of [ ], 2024, is entered into by and between GrafTech International Ltd. (“GrafTech”) and [ ] (the “Participant”). WHEREAS, GrafTech has adopted the GrafTech International Ltd. Omnibus Equity Incentive Plan (the “Plan”); and WHEREAS, Section 7 of the Plan provides for the grant to Participants of equity- based or equity-related awards, including restricted stock units subject to performance- and service-based conditions (“PSUs”). NOW, THEREFORE, in consideration of the promises and the mutual covenants hereinafter set forth, the parties hereto hereby agree as follows: 1. Certain Definitions. Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the Plan. 2. Grant of PSUs. Subject to and upon the terms, conditions and restrictions set forth in this Agreement and in the Plan, GrafTech has granted to the Participant [ ] PSUs. Subject to the degree of attainment of the performance goals established for these PSUs as approved by the Committee and communicated to the Participant (the “Statement of Performance Goals”) and the terms of Section 8(c) hereof, the Participant may earn from 0% to 200% of the PSUs. Each PSU shall then represent a right to receive one share of Common Stock subject to and upon the terms and conditions of this Agreement and the Plan. 3. Grant Date. The grant date of the PSUs is [ ], 2024 (the “Grant Date”). 4. Payment of PSUs. The PSUs will become payable in accordance with the provisions of Section 8 of this Agreement if Participant’s right to receive payment for any portion or all of the PSUs becomes nonforfeitable (“Vest,” “Vesting” or “Vested”) in accordance with Section 6 of this Agreement. 5. Restrictions on Transfer of PSUs. Subject to Section 16 of the Plan, neither the PSUs evidenced hereby nor any interest therein or in the shares of Common Stock underlying such PSUs shall be transferable prior to payment to the Participant pursuant to Section 8 hereof other than by will or pursuant to the laws of descent and distribution.

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2 6. Vesting of PSUs. (a) Standard Vesting. Subject to the terms and conditions of this Agreement, the PSUs covered by this Agreement shall Vest on December 31, 2026 (the "Vesting Date") to the extent that (i) the Participant's Employment continues from the Grant Date through the Vesting Date (the "Vesting Period") and (ii) the performance goals described in the Statement of Performance Goals for these PSUs (the "Performance Goals") are achieved, once determined and certified by the Committee in its sole discretion following the end of the final of the following performance periods: the performance period starting on January 1, 2024 and ending on December 31, 2024 (the "12-Month Measurement Period"), the performance period starting on January 1, 2024 and ending on December 31, 2025 (the "24-Month Measurement Period"), and the performance period starting on January 1, 2024 and ending on December 31, 2026 (the "36- Month Measurement Period", and together with the 12-Month Measurement Period and the 24- Month Measurement Period, the "Measurement Periods"). Any PSUs that do not so Vest will be forfeited, including, except as provided in Section 6(b) below, if the Participant's Employment terminates prior to the end of the Vesting Period. For purposes of this Agreement, "continuous Employment" (or substantially similar terms) means the absence of any interruption or termination of the Participant's Employment. Continuous Employment shall not be considered interrupted or terminated in the case of transfers between locations of the Company. (b) Alternative Vesting. Notwithstanding Section 6(a) above, the PSUs shall Vest and be paid pursuant to Section 8 hereof upon the occurrence of any of the following events at a time when the PSUs have not been forfeited (to the extent the PSUs have not previously Vested) in the following manner: (i) Death or Disability. If the Participant dies or becomes Disabled prior to the end of the Vesting Period during the Participant's Employment, the Participant shall Vest in the number of PSUs in which the Participant would have Vested in accordance with the terms and conditions of Section 6(a) hereof if the Participant remained in continuous Employment from the Grant Date until the end of the Vesting Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first. Any PSUs that Vest in accordance with this Section 6(b)(i) shall become payable in accordance with Section 8(a) hereof. For purposes of this Agreement, "Disabled" shall mean (A) the Participant is unable to engage in any substantial gainful activity due to medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, or (B) due to any medically determinable physical or mental impairment expected to result in death or last for a continuous period not less than 12 months, the Participant has received income replacement benefits for a period of not less than three months under an accident and health plan sponsored by the Company. (ii) Termination Without Cause. If the Participant's Employment is terminated by the Company as the result of a termination without Cause (as defined in Section 7 below) that occurs prior to the end of the Vesting Period during the Participant's Employment, the Participant shall Vest in the PSUs on a pro-rata basis in an amount equal to the product of (A) the number of PSUs in

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3 which the Participant would have Vested in accordance with the terms and conditions of Section 6(a) hereof if the Participant had remained in continuous Employment from the Grant Date until the Vesting Date or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (B) a fraction, the numerator of which is the total number of calendar days from the Grant Date through the date of such termination and the denominator of which is 1,096. Any PSUs that Vest in accordance with this Section 6(b)(ii) shall become payable in accordance with Section 8(a) hereof. (iii) Retirement. If the Participant's Employment is terminated by the Participant as the result of Retirement that occurs prior to the end of the Vesting Period and on or after the Grant Date, the Participant shall Vest in the PSUs on a pro-rata basis in an amount equal to the product of (A) the number of PSUs in which the Participant would have Vested in accordance with the terms and conditions of Section 6(a) if the Participant had remained in continuous Employment from the Grant Date until the end of the Vesting Period or the occurrence of a Change in Control to the extent a Replacement Award is not provided, whichever occurs first, multiplied by (B) a fraction, the numerator of which is the total number of calendar days from January 1, 2024 through the date of Retirement and the denominator of which is 1,096. Notwithstanding the foregoing, the Participant shall not be entitled to any payment pursuant to this Section 6(b)(iii) unless the Participant continues to comply with any noncompetition, nonsolicitation, confidentiality or any other restrictive covenant in favor of the Company that applies to the Participant (the "Restrictive Covenant") following the Participant's Retirement. Any PSUs that Vest in accordance with this Section 6(b)(iii) shall become payable in accordance with Section 8(a) hereof. For purposes of this Agreement, "Retirement" means (I)(x) the termination of the Participant's Employment after the Participant has reached (1) at least age 60 with at least five years of Employment or (2) at least age 55 with at least ten years of Employment or (y) the termination of the Participant's Employment in accordance with applicable non-U.S. local law, if such non-U.S. law requires such termination to be treated as a retirement based on different criteria than those set forth in the preceding clause (x), and (II) the Participant has provided GrafTech with at least six (6) months' advance written notice of the Participant's intent to retire from Employment, unless such notice requirement has been waived by the CEO of GrafTech or the Committee (either in its sole discretion). (iv) Change in Control. In the event a Change in Control occurs prior to the end of the Vesting Period, the PSUs shall Vest in accordance with Section 7 below. (c) Forfeiture. Any PSUs that have not Vested pursuant to this Section 6 after the completion of the Vesting Period will be forfeited automatically and without further notice after the end of the Vesting Period (or earlier if, and on such date that, the Participant's Employment terminates prior to the end of the Vesting Period for any reason other than as described in this Section 6 or in Section 7).

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4 7. Change in Control. (a) Notwithstanding anything to the contrary in this Agreement, but subject to Section 8(c), if, at any time before the end of the Vesting Period or forfeiture of the PSUs, and during the Participant's Employment, a Change in Control occurs, then the PSUs shall Vest (except to the extent that a Replacement Award is provided to the Participant in accordance with Section 7(b) hereof to continue, replace or assume the PSUs covered by this Agreement (the "Replaced Award")) as follows: the Vesting Period will terminate and the Committee as constituted immediately before the Change in Control will determine and certify the Vested PSUs based on actual performance through the most recently practicable date prior to the Change in Control for which achievement of the Performance Goals for each Measurement Period can reasonably be determined (the "CIC Vested PSUs" and such date, the "CIC Measurement Date"); provided, however, that if the number of CIC Vested PSUs is less than the target number of PSUs evidenced by this Agreement (the "Target PSUs"), the Participant shall Vest in the Target PSUs. Any PSUs that Vest in accordance with this Section 7(a) shall become payable in accordance with Section 8(b) hereof. (b) A "Replacement Award" means an award (i) of the same type (e.g., performance-based restricted stock units) as the Replaced Award,

(ii) that has a value at least equal to the value of the Replaced Award, (iii) that relates to publicly traded equity securities of GrafTech or its successor in the Change in Control (or another entity that is affiliated with GrafTech or its successor following the Change in Control), (iv) if the Participant holding the Replaced Award is subject to U.S. federal income tax under the Code, the tax consequences of which to such Participant under the Code are not less favorable to such Participant than the tax consequences of the Replaced Award, and (v) the other terms and conditions of which are not less favorable to the Participant holding the Replaced Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the two preceding sentences are satisfied. The determination of whether the conditions of this Section 7(b) are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion. (c) If, after receiving a Replacement Award, the Participant experiences a termination of employment with the Company (or any of its successors) (as applicable, the "Successor") by reason of a termination by the Successor without Cause or by the Participant for Good Reason, in each case within a period of two years after the Change in Control and during the remaining vesting period for the Replacement Award (a "Qualifying Termination"), 100% of the Replacement Award shall become Vested with respect to the performance-based restricted stock units covered by such Replacement Award upon such Qualifying Termination. If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding PSUs that at the time of the Change in Control are not subject to a "substantial risk of forfeiture" (within the meaning of Section 409A of the Code) will be deemed to be nonforfeitable at the time of such Change in Control.

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5 (d) For purposes of this Agreement: (i) a "Change in Control" will be deemed to have occurred upon the occurrence (after the Grant Date) of any of the following events: (A) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of voting securities of GrafTech where such acquisition causes such Person to own 35% or more of the combined voting power of the then outstanding voting securities of GrafTech entitled to vote generally in the election of members of the Board of Directors (the "Outstanding Company Voting Securities"); provided, however, that for purposes of this subsection (A), the following acquisitions shall not be deemed to result in a Change in Control: (1) any acquisition directly from GrafTech that is approved by the Incumbent Board (as defined in subsection (B) below); (2) any acquisition by GrafTech; (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by GrafTech or any corporation controlled by GrafTech; or (4) any acquisition by any corporation pursuant to a transaction that complies with clauses (1), (2) and (3) of subsection (C) below; provided, further, that if any Person's beneficial ownership of the Outstanding Company Voting Securities reaches or exceeds 35% as a result of a transaction described in clause (1) or (2) above, and such Person subsequently acquires beneficial ownership of additional voting securities of GrafTech, such subsequent acquisition shall be treated as an acquisition that causes such Person to own 35% or more of the Outstanding Company Voting Securities; and provided, further, that if at least a majority of the members of the Incumbent Board determines in good faith that a Person has acquired beneficial ownership of 35% or more of the Outstanding Company Voting Securities inadvertently, and such Person divests as promptly as practicable a sufficient number of shares so that such Person beneficially owns less than 35% of the Outstanding Company Voting Securities, then no Change in Control shall have occurred as a result of such Person's acquisition; (B) individuals who, as of January 1, 2024, constitute the Board of Directors (as modified by the remainder of this subsection (B), the "Incumbent Board") cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a member of the Board of Directors subsequent to January 1, 2024 whose election, or nomination for election by GrafTech's stockholders, was approved by a vote of at least a majority of the members of the Board of Directors then comprising the Incumbent Board (either by specific vote or by approval of the proxy statement of GrafTech in which such person is named as a nominee as a member of the Board of Directors, without objection to such nomination) shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal

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6 of members of the Board of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors; (C) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of GrafTech or the acquisition of assets of another corporation or other transaction ("Business Combination") excluding, however, such a Business Combination pursuant to which (1) the individuals and entities who were the beneficial owners of the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of members of the board of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that as a result of such transaction owns GrafTech or all or substantially all of GrafTech's assets either directly or through one or more subsidiaries), (2) no Person (excluding any employee benefit plan (or related trust) of GrafTech, GrafTech or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 35% or more of the combined voting power of the then outstanding securities entitled to vote generally in the election of members of the board of directors of the entity resulting from such Business Combination and (3) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board of Directors, providing for such Business Combination; or (D) approval by GrafTech's stockholders of a complete liquidation or dissolution of GrafTech except pursuant to a Business Combination that complies with clauses (1), (2) and (3) of subsection (C) above. (ii) "Cause" means (A) gross negligence or willful failure by the Participant to perform the Participant's duties and responsibilities to the Successor after written notice thereof and a failure to remedy such failure within twenty (20) days of such notice; (B) commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct by the Participant, at the Participant's direction, or with the Participant's prior personal knowledge that has caused or is reasonably expected to cause injury to the Successor; (C) the Participant's conviction of, or pleading guilty or nolo contendere to, (1) a felony or (2) a crime that has, or could reasonably be expected to result in, an adverse impact on the performance of the Participant's duties and responsibilities to the Successor, or otherwise has, or could reasonably be expected to result in, an adverse impact on the business, business reputation or business relationships of the Successor; (D) material unauthorized use or disclosure by the Participant of any confidential information of the Successor or any other party to whom the Participant owes an obligation of nonuse and nondisclosure as a result of the Participant's relationship with the Successor unless otherwise permitted; (E) breach by the Participant of any of the Participant's material obligations under any written agreement with the

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7 Successor or of the Successor's code of conduct, code of ethics or any other material written policy or of a fiduciary duty or responsibility to the Successor after written notice thereof and a failure to remedy such breach within twenty (20) days of such notice; or (F) the Participant's misappropriation of the assets or business opportunities of the Successor; and (iii) "Good Reason" means any of the following events has occurred without the Participant's express prior written consent (provided that (x) within ninety (90) days after the Participant learns of the occurrence of such event, the Participant gives written notice to the Successor describing such event and demanding cure, (y) such event is not fully cured within thirty (30) days after such notice is given, and (z) the Participant terminates the Participant's employment with the Successor within thirty (30) days thereafter): (A) the Successor materially breaches any of its obligations in this Agreement; (B) the Successor materially diminishes the Participant's base salary (provided, however, that any across-the- board reduction in base salaries of 30% or less that is part of a reduction applicable to all similarly situated employees of the Successor will not (by itself) be deemed to constitute a "Good Reason" event hereunder); (C) the Successor materially diminishes the Participant's job title and/or the nature and/or scope of the Participant's job responsibilities and duties; or (D) the Successor relocates the facility that is the Participant's principal place of business with the Successor to a location more than fifty (50) miles from the immediately preceding location (excluding travel in the ordinary course of business), unless the Successor maintains or provides an alternate business location within fifty (50) miles of the immediately preceding location that includes a reasonably suitable office for the Participant to continue to perform the Participant's duties, or permits the Participant to perform the Participant's duties from a home office. The Participant may not invoke termination for Good Reason if Cause exists at the time of such termination. 8. Form and Time of Payment of PSUs. (a) Standard Payment. Payment for the PSUs, after and to the extent they have Vested, shall be made in the form of shares of Common Stock. Except as provided in Section 8(b) hereof, payment shall be made between January 1, 2027 and June 1, 2027. (b) Change in Control Payment. Notwithstanding Section 8(a) hereof, but subject to Section 8(c) hereof, to the extent that the PSUs are Vested on the date of a Change in Control, the Participant will receive payment for Vested PSUs in shares of Common Stock on the date of the Change in Control; provided, however, that if such Change in Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, the Participant is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to Section 8(a) hereof. (c) Payment Cap. Notwithstanding any other provision of this Agreement, if the Aggregate Value (as defined below) regarding the earned PSUs under this Agreement exceeds the Aggregate Value Cap (as defined below) regarding the PSUs as of the Payment Cap

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8 Measurement Date (as defined below), then a portion of the PSUs earned under this Agreement equal to the Excess Number of PSUs (as defined below) (plus their related Dividend Equivalent Units as defined in Section 9 below) shall be permanently forfeited and cease to be earned or payable. As used herein, the following terms will have the following meanings: (i) “Payment Cap Price” means $__________ (which amount is equal to the product of (A) the 20-trailing-trading-day average of the closing price of the Common Stock prior to (but not including) the Grant Date, multiplied by (B) 3.5). (ii) “Payment Cap Measurement Date” means the earlier of: (A) the Vesting Date and (B) in the event of a Change in Control occurring prior to the Vesting Date in which a Replacement Award is not provided, the CIC Measurement Date. (iii) “Aggregate Value” for the Payment Cap Measurement Date means a dollar amount (rounded to the nearest whole dollar) equal to the product of (A) the number of PSUs earned under this Agreement, multiplied by (B) the Fair Market Value per share of Common Stock on such Payment Cap Measurement Date. (iv) “Aggregate Value Cap” for the Payment Cap Measurement Date means a dollar amount (rounded to the nearest whole dollar) equal to the product of (A) 100% of the PSUs granted pursuant to this Agreement, multiplied by (B) the Payment Cap Price. (v) “Excess Number of PSUs” for the Payment Cap Measurement Date means a number of PSUs equal to the number determined by first calculating the positive difference, if any, between (A) the Aggregate Value minus (B) the Aggregate Value Cap, and then dividing any such resulting positive dollar amount by the Fair Market Value per share of Common Stock on the Payment Cap Measurement Date (rounding up to the nearest whole PSU). (d) No Early Payment. Except to the extent provided by Section 409A of the Code and permitted by the Committee, no shares of Common Stock may be issued to the Participant at a time earlier than otherwise expressly provided in this Agreement. (e) Satisfaction of Obligations. GrafTech’s obligations to the Participant with respect to the PSUs will be satisfied in full upon the issuance of the shares of Common Stock corresponding to such PSUs. 9. Dividend Equivalents. Pursuant to, and subject to, the terms and conditions set forth herein and in the Plan, GrafTech hereby awards to the Participant a right to receive in respect of each PSU earned by the Participant, on a dividend record date occurring after the Grant Date and prior to the date of payment of the PSUs pursuant to Section 8 of this Agreement, the equivalent value of any ordinary cash dividends that are paid on a share of Common Stock (“Dividend Equivalent”), subject to the terms of this Section 9. The Dividend Equivalents will be deemed reinvested in the form of additional PSUs (“Dividend Equivalent Units”) based on the

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9 aggregate value of the Dividend Equivalents on the not-yet-paid PSUs and the Fair Market Value of a share of Common Stock on GrafTech's dividend payment date. Dividend Equivalents will also accrue on the Dividend Equivalent Units (and be deemed reinvested into additional Dividend Equivalent Units). Dividend Equivalent Units will in all cases be subject to the same terms and conditions, including, but not limited to, those related to vesting, transferability and payment, that apply to the corresponding PSUs under this Agreement and the Plan. 10. Adjustments. The PSUs and the number of shares of Common Stock potentially issuable for each PSU and the other terms and conditions of the grant evidenced by this Agreement are subject to adjustment as provided in Section 8 of the Plan. 11. Incorporation of Plan. All terms, conditions and restrictions of the Plan are incorporated herein and made part hereof as if stated herein. If there is any conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan shall govern (unless otherwise stated therein). No amendment to this Agreement shall materially adversely affect the rights of the Participant under this Agreement without the Participant's written consent, but the Participant's consent shall not be required to an amendment that is deemed necessary by GrafTech to ensure compliance with Section 409A of the Code or Section 10D of the Exchange Act. 12. Taxes. To the extent required by applicable federal, state, local or non-U.S. law, the Participant shall make arrangements satisfactory to GrafTech for the satisfaction of any withholding tax obligations that arise with respect to the Vesting of the PSUs in accordance with Section 13 of the Plan. GrafTech shall not be required to deliver shares of Common Stock to the Participant until it determines such obligations are satisfied. 13. Construction of Agreement. Any provision of this Agreement (or portion thereof) which is deemed invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction and subject to this section, be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions thereof in such jurisdiction or rendering that or any other provisions of this Agreement invalid, illegal, or unenforceable in any other jurisdiction. If any covenant should be deemed invalid, illegal or unenforceable because its scope is considered excessive, such covenant shall be modified so that the scope of the covenant is reduced only to the minimum extent necessary to render the modified covenant valid, legal and enforceable. No waiver of any provision or violation of this Agreement by GrafTech shall be implied by GrafTech's forbearance or failure to take action. No provision of this Agreement shall be given effect to the extent that such provision would cause any tax to become due under Section 409A of the Code. 14. Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party hereto upon any breach or default of any party under this Agreement, shall impair any such right, power or remedy of such party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party or any provisions or

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10 conditions of this Agreement, shall be in writing and shall be effective only to the extent specifically set forth in such writing. 15. No Special Employment Rights; No Right to Award. Nothing contained in the Plan or this Agreement shall confer upon the Participant any right with respect to the continuation of his or her Employment with the Company or interfere in any way with the right of the Company at any time to terminate such Employment or to increase or decrease the compensation of the Participant from the rate in existence at the time of the grant of the PSUs. The rights or opportunity granted to the Participant on the granting of these PSUs shall not give the Participant any rights or additional rights to compensation or damages in consequence of any of: (a) the Participant giving or receiving notice of termination of his or her office or Employment; (b) the loss or termination of his or her office or Employment with the Company for any reason whatsoever; or (c) whether or not the termination (and/or giving of notice) is ultimately held to be wrongful or unfair. 16. Stockholder's Rights. The Participant shall have no rights as a stockholder of GrafTech with respect to any shares of Common Stock in respect of the PSUs awarded under this Agreement until the date of issuance to the Participant of a certificate or other evidence of ownership representing such shares of Common Stock in settlement thereof. For purposes of clarification, the Participant shall not have any voting or dividend rights with respect to the shares of Common Stock underlying the PSUs prior to settlement. 17. Data Privacy. By participating in the Plan, each Participant consents to the collection, holding, processing and transfer of data relating to the Participant and, in particular, to the processing of any sensitive personal data by the Company for all purposes connected with the operation of the Plan, including, but not limited to: (a) holding and maintaining details of the Participant and his or her participation in the Plan; (b) transferring data relating to the Participant and his or her participation in the Plan to the Company's registrars or brokers, the plan administrator or any other relevant professional advisers or service providers to the Company; and (c) disclosing details of the Participant and his or her participation in the Plan to a bona fide prospective purchaser of the Company (or the prospective purchaser's advisers). 18. Integration. This Agreement, and the other documents referred to herein or delivered pursuant hereto which form a part hereof, contain the entire understanding of the parties with respect to its subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein and in the Plan. This Agreement, including, without limitation, the Plan, supersedes all prior agreements and understandings between the parties with respect to its subject matter. 19. Clawback Policies. (a) Notwithstanding anything in the Plan or this Agreement to the contrary, the Participant acknowledges and agrees that this Agreement and the award described herein (and any settlement thereof) are subject to the terms and conditions of GrafTech's clawback policy or policies as may be in effect from time to time, including specifically to implement Section 10D of the Exchange Act and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the shares of Common Stock at any point may be traded) (the

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11 "Compensation Recovery Policy"), and that, to the extent the Compensation Recovery Policy, by its terms, is applicable to the Participant's PSUs, applicable terms of this Agreement shall be (if necessary) deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof. By accepting this award under the Plan and pursuant to this Agreement, the Participant consents to be bound by the terms of the Compensation Recovery Policy, to the extent applicable to the Participant, and agrees and acknowledges to fully cooperate with and assist GrafTech in connection with any of the Participant's obligations to GrafTech pursuant to the Compensation Recovery Policy, and agrees that GrafTech may enforce its rights under the Compensation Recovery Policy through any and all reasonable means permitted under applicable law as it deems necessary or desirable under the Compensation Recovery Policy, in each case from and after the effective dates thereof. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by GrafTech from the Participant of any such amounts, including from the Participant's accounts or from any other compensation, to the extent permissible under Section 409A of the Code. (b) The Participant's rights, payments, gains and benefits, if any, with respect to the PSUs shall be subject to, in the sole and good faith judgment of the Committee, reduction, cancellation, forfeiture or recoupment if the Participant violates material Company policies, breaches any Restrictive Covenant, or engages in Detrimental Conduct (as defined below); provided, that any change to the terms of the PSUs shall be effected in a way that causes the PSUs to be excluded from the application of, or to comply with, Section 409A of the Code. For the purposes of this Agreement, "Detrimental Conduct" means activities which have been, are or would reasonably be expected to be detrimental to the interests of the Company, as determined in the sole and good faith judgment of the Committee. Such activities include, but are not limited to, gross neglect or willful and continuing refusal by the Participant to substantially perform his or her duties or responsibilities for or owed to the Company, unlawful conduct under securities, antitrust, tax or other laws, improper disclosure or use of Company confidential or proprietary information or trade secrets, competition with or improper taking of a corporate opportunity of any business of the Company, failure to cooperate in any investigation or legal proceeding regarding the Company, or misappropriation of Company property. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement or any ancillary document prevents the Participant from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations (and for purpose of clarity the Participant is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Exchange Act). 20. Policy Against Insider Trading. By accepting the PSUs, the Participant acknowledges that the Participant is bound by all the terms and conditions of GrafTech's insider trading policy as may be in effect from time to time. 21. 280G Provisions. (a) Notwithstanding any other provision of this Agreement or any other plan, arrangement, or agreement to the contrary, if any of the payments or benefits provided or to be

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12 provided by the Company to the Participant or for the Participant's benefit pursuant to the terms of this Agreement or otherwise ("Covered Payments") constitute parachute payments ("Parachute Payments") within the meaning of Section 280G of the Code and would, but for this Section 21 be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then the Covered Payments shall be payable either (i) in full or (ii) after reduction to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax, whichever of the foregoing (i) or (ii) results in the Participant's receipt on an after-tax basis of the greatest amount of benefits after taking into account the applicable federal, state, local and foreign income, employment and excise taxes (including the Excise Tax), notwithstanding that all or some portion of such benefits may be taxable under the Excise Tax. (b) Unless the Company and the Participant otherwise agree in writing, any determination required under this Section 21 shall be made in writing in good faith by a nationally recognized accounting firm (the "Accountants"). In the event of a reduction in Covered Payments hereunder, the reduction of the total payments shall apply as follows, unless otherwise agreed in writing and such agreement is in compliance with Section 409A of the Code: (i) first, any cash severance payments due shall be reduced and (ii) second, any acceleration of vesting of any equity shall be deferred with the tranche that would vest last (without any such acceleration) first deferred. For purposes of making the calculations required by this Section 23, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code, and other applicable legal authority. The Company and the Participant shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 21. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 21. (c) If notwithstanding any reduction described in this Section 21, the Internal Revenue Service ("IRS") determines that the Participant is liable for the Excise Tax as a result of the receipt of the Covered Payments, then the Participant shall be obligated to pay back to the Company, within thirty (30) days after a final IRS determination or in the event that the Participant challenges the final IRS determination, a final judicial determination a portion of such amounts equal to the "Repayment Amount." The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to the Company so that the Participant's net after-tax proceeds with respect to any payment of the Covered Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on the Covered Payments) shall be maximized. The Repayment Amount with respect to the payment of Covered Payments shall be zero if a Repayment Amount of more than zero would not result in the Participant's net after-tax proceeds with respect to the payment of the Covered Payments being maximized. If the Excise Tax is not eliminated pursuant to this paragraph, the Participant shall pay the Excise Tax. Notwithstanding any other provision of this Section 21, if (i) there is a reduction in the payment of Covered Payments as described in this Section 21, (ii) the IRS later determines that the Participant is liable for the Excise Tax, the payment of which would result in the maximization of the Participant's net after-tax proceeds (calculated as if the Covered Payments had not previously been reduced), and (iii) the Participant pays the Excise Tax, then

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13 the Company shall pay to the Participant those Covered Payments which were reduced pursuant to this Section 21 contemporaneously or as soon as administratively possible after the Participant pays the Excise Tax so that the Participant's net after-tax proceeds with respect to the payment of Covered Payments are maximized. 22. Compliance With Law. GrafTech shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, GrafTech shall not be obligated to issue any shares of Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any such law. 23. Compliance With Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with or be exempt from the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with or be exempt from Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee). If the PSUs become payable on the Participant's "separation from service" with GrafTech and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code and the Participant is a "specified employee" as determined pursuant to procedures adopted by GrafTech in compliance with Section 409A of the Code and avoid any additional taxes thereunder, payment for the PSUs shall be made on the earlier of the fifth business day after the seventh month after the date of the Participant's "separation from service" with GrafTech and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code or the Participant's death. 24. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable. 25. Relation to Other Benefits. Any economic or other benefit to the Participant under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Participant may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by GrafTech or any of its Subsidiaries and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of GrafTech or any of its Subsidiaries. 26. Successors and Assigns. Without limiting Section 5 hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Participant, and the successors and assigns of GrafTech. 27. Electronic Delivery. GrafTech may, in its sole discretion, deliver any documents related to the PSUs and the Participant's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in

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14 the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by GrafTech or another third party designated by GrafTech. 28. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to the provisions governing conflict of laws that would result in the application of the law of any other jurisdiction. 29. Participant Acknowledgment. The Participant hereby acknowledges that the Participant (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions. The Participant hereby acknowledges that all decisions, determinations and interpretations of the Committee in respect of the Plan and this Agreement shall be final and conclusive. The Participant acknowledges that there may be adverse tax consequences upon vesting of the PSUs or disposition of the underlying shares of Common Stock and that the Participant should consult a tax advisor prior to such vesting or disposition. 30. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. 31. Non-U.S. Addendum. Notwithstanding any provisions in this document to the contrary, the PSUs will also be subject to the special terms and conditions set forth on Appendix A for Participants who reside outside of the United States. Moreover, if a Participant is not a resident of any of the countries listed on Appendix A as of the Grant Date, but relocates to one of the listed countries at any point thereafter, the special terms and conditions for such country will apply to the Participant, to the extent GrafTech determines that the application of such terms and conditions are necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Appendix A constitutes part of this Agreement. * * * * *

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[Signature Page to PSU Agreement] IN WITNESS WHEREOF, GrafTech has caused this Agreement to be duly executed by its duly authorized officer and said Participant has hereunto signed this Agreement on his or her own behalf, thereby representing that the Participant has carefully read and understands this Agreement and the Plan as of the day and year first written above. GrafTech International Ltd. ______________________________ By: Title: ______________________________ Participant: Note: Where Participant consent is required for data privacy purposes, the Participant's signature above confirms the Participant's consent.

EXHIBIT 31.1

CERTIFICATION

I, Marcel Kessler, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of GrafTech International Ltd. (the “Registrant”);

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of the annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

By: /s/ Marcel Kessler

Marcel Kessler
Chief Executive Officer and President
(Principal Executive Officer)

November 3, 2023

EXHIBIT 31.2

CERTIFICATION

I, Timothy K. Flanagan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of GrafTech International Ltd. (the “Registrant”);

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of the annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

By: /s/ Timothy K. Flanagan

Timothy K. Flanagan
Chief Executive Officer and President
(Principal Executive Officer)
April 26, 2024

EXHIBIT 31.2

CERTIFICATION

I, Catherine Hedoux-Delgado, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of GrafTech International Ltd. (the “Registrant”);

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of the annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

By: /s/ Catherine Hedoux-Delgado

Catherine Hedoux-Delgado
Interim Chief Financial Officer Senior Vice President Finance and Treasurer
(Principal Financial and Accounting Officer)
November 3, 2023 April 26, 2024

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In accordance with the rules and regulations of the Securities and Exchange Commission (the "Commission"), the following Certification shall not be deemed to be filed with the Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of Section 18 of the Exchange Act and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, notwithstanding any general incorporation by reference of the Quarterly Report of GrafTech International Ltd. (the "Corporation") on Form 10-Q for the period ended September 30, 2023 March 31, 2024, as filed with the Commission on the date hereof (the "Report"), into any other document filed with the Commission.

In connection with the Report, I, Marcel Kessler, Timothy K. Flanagan, Chief Executive Officer and President of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By: /s/ Marcel Kessler Timothy K. Flanagan

Marcel Kessler Timothy K. Flanagan
Chief Executive Officer and President
(Principal Executive Officer)
November 3, 2023 April 26, 2024

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In accordance with the rules and regulations of the Securities and Exchange Commission (the "Commission"), the following Certification shall not be deemed to be filed with the Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of Section 18 of the Exchange Act and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, notwithstanding any general incorporation by reference of the Quarterly Report of GrafTech International Ltd. (the "Corporation") on Form 10-Q for the period ended September 30, 2023 March 31, 2024, as filed with the Commission on the date hereof (the "Report"), into any other document filed with the Commission.

In connection with the Report, I, Timothy K. Flanagan, Catherine Hedoux-Delgado, Interim Chief Financial Officer Vice President Finance and Treasurer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

By: /s/ Timothy K. Flanagan Catherine Hedoux-Delgado

Timothy K. Flanagan Catherine Hedoux-Delgado
Interim Chief Financial Officer Senior Vice President Finance and Treasurer
(Principal Financial and Accounting Officer)
November 3, 2023 April 26, 2024

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