



1ST QUARTER 2025 INTERIM REPORT

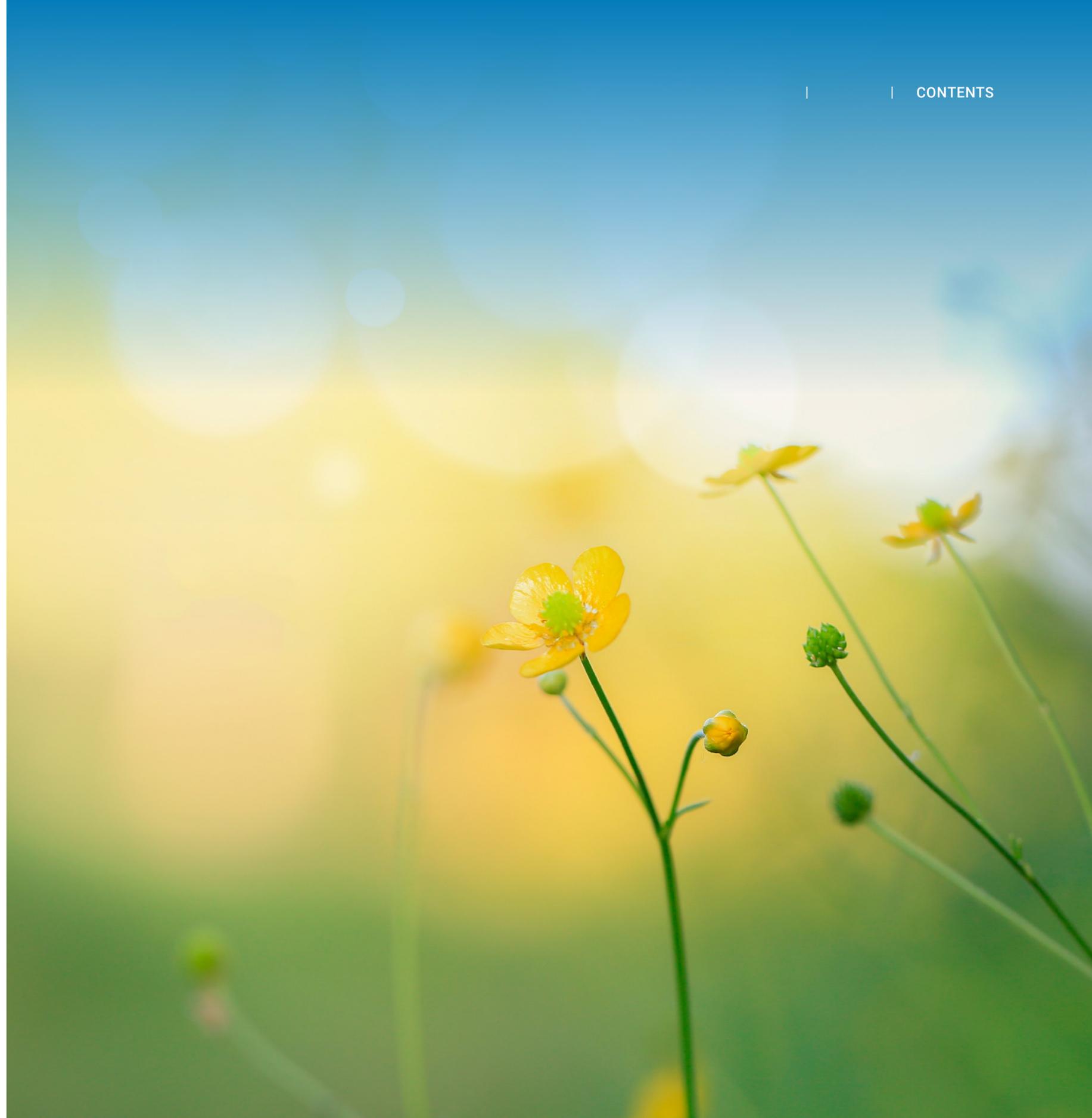


1ST QUARTER IN BRIEF

- EBITDA¹ NOK 511 million (NOK 442 million)²
- Strong sales to agriculture and an all-time high result in BioSolutions
- Higher sales prices, offset by lower sales volume and increased wood costs in BioMaterials
- Lower sales prices for bioethanol in Fine Chemicals
- Positive net currency effects

CONTENTS

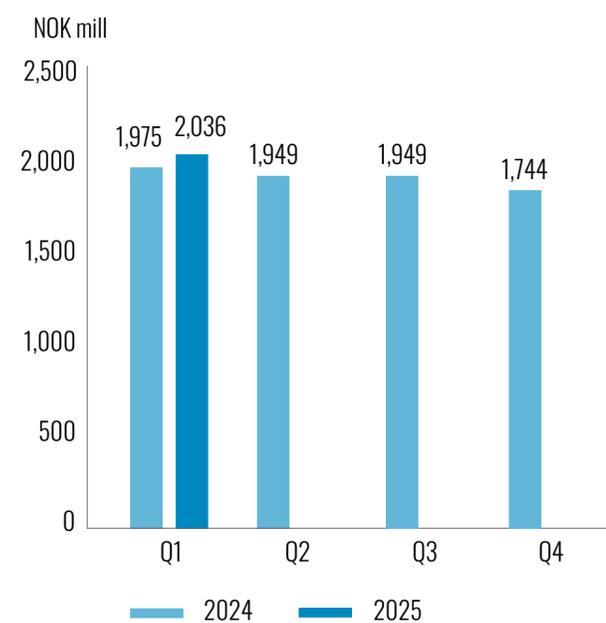
The Group	03
Business areas	05
Foreign exchange and hedging	08
Cash flow and financial situation	08
Share information	09
Other matters and subsequent events	09
Outlook	11
The Group's interim condensed financial statement	12
Alternative performance measures	21



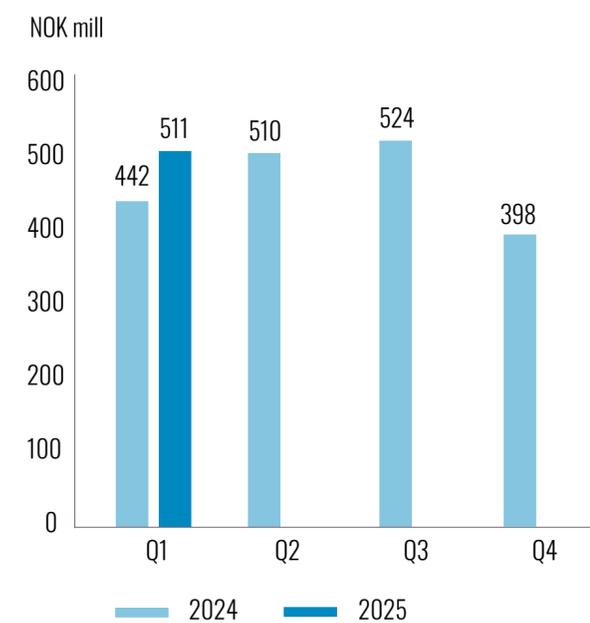
THE GROUP

Amounts in NOK million	Note	2025	1.1 - 31.3 2024	1.1 - 31.12 2024
Operating revenues	2	2,036	1,975	7,617
EBITDA ¹		511	442	1,874
Operating profit		367	308	1,283
Profit/loss before taxes	2	319	261	1,079
Earnings per share (NOK)		2.52	2.01	8.25
Net interest-bearing debt ¹	11	2,126	2,171	2,240
Equity ratio ¹ (%)		58.2	52.5	53.1
Leverage ratio ¹		1.09	1.21	1.20
Return on capital employed ¹ (%)		17.4	17.6	17.1

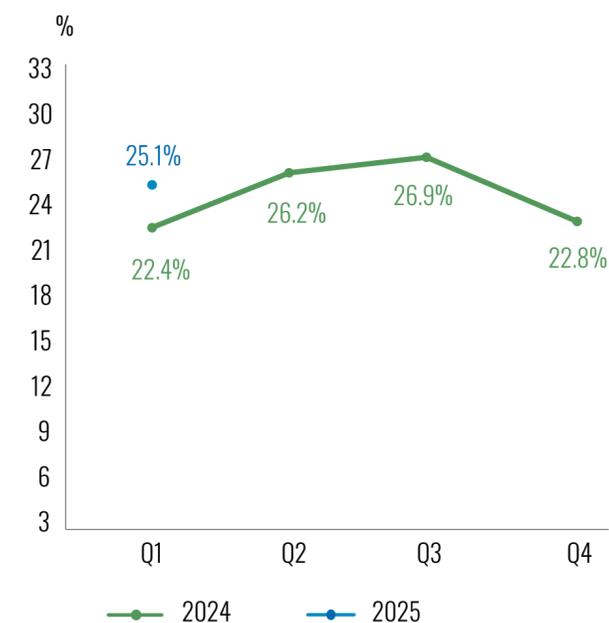
OPERATING REVENUES



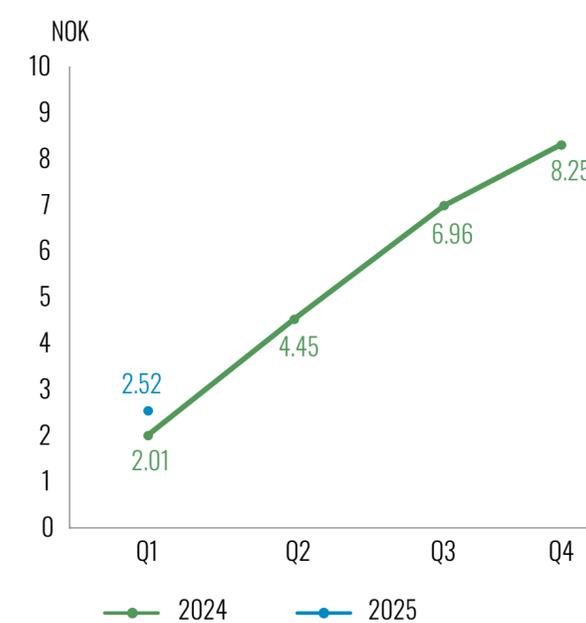
EBITDA¹



EBITDA MARGIN¹



EARNINGS PER SHARE CUMULATIVE



¹Alternative performance measure, see page 21 for definition.

FIRST QUARTER

Operating revenues increased to NOK 2,036 million (NOK 1,975 million)² in the 1st quarter of 2025. EBITDA¹ reached NOK 511 million (NOK 442 million). The result in BioSolutions increased, BioMaterials had a result in line with the corresponding quarter last year and Fine Chemicals had a lower result.

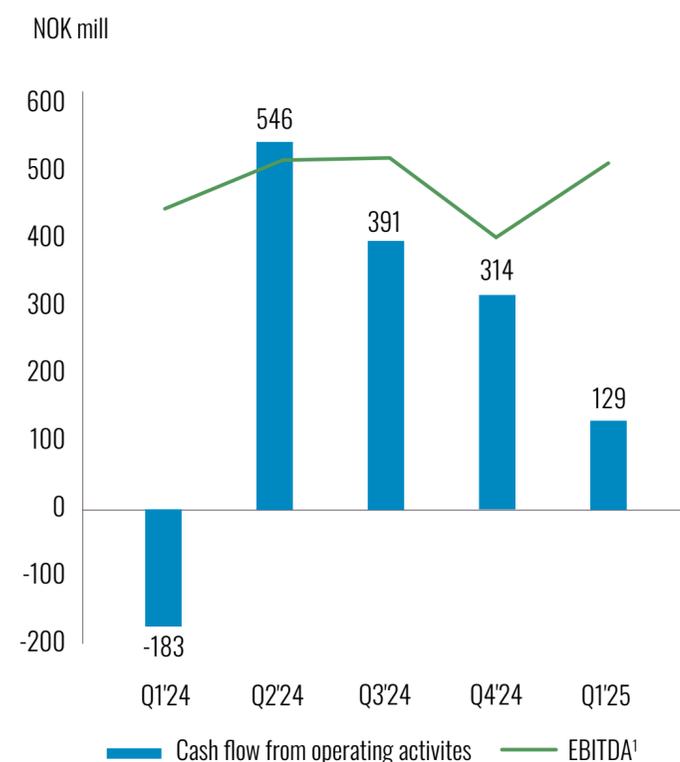
Strong sales to agriculture were the main reason for the all-time high result in BioSolutions. For BioMaterials, higher sales prices were offset by lower sales volume, increased wood costs, and cost increases in general. Lower sales prices for bioethanol were the main reason for the weaker result in Fine Chemicals. The net currency effects were positive.

Operating profit was NOK 367 million (NOK 308 million). Net financial items were NOK -48 million (NOK -47 million). Profit before tax was NOK 319 million (NOK 261 million). Tax expense of NOK -75 million (NOK -61 million) gave a tax rate of 24% (23%) in the quarter.

Earnings per share were NOK 2.52 (NOK 2.01).

Cash flow from operating activities was NOK 129 million (NOK -183 million). The cash effect from a high EBITDA¹ was partly offset by a negative development in net working capital and tax payments.

CASH FLOW FROM OPERATING ACTIVITIES



¹Alternative performance measure, see page 21 for definition.

²Figures in parentheses are for the corresponding period in the previous year.

BUSINESS AREAS

BIOSOLUTIONS

Amounts in NOK million	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Operating revenues	1,179	1,088	4,241
EBITDA ¹	349	264	1,104
EBITDA margin ¹ (%)	29.6	24.3	26.0

FIRST QUARTER

Operating revenues for BioSolutions reached NOK 1,179 million (NOK 1,088 million). EBITDA¹ increased to NOK 349 million (NOK 264 million).

Strong sales to agriculture were the main reason for the all-time high result in BioSolutions. Total sales volume was in line with the same quarter in 2024. There was a positive but limited impact for Borregaard’s vanillin products from the US anti-dumping duties on vanillin from China. The net currency impact was positive.

The average price in sales currency was 2% higher compared with the same quarter in 2024. The increased average sales price was supported by seasonally strong sales to agriculture.

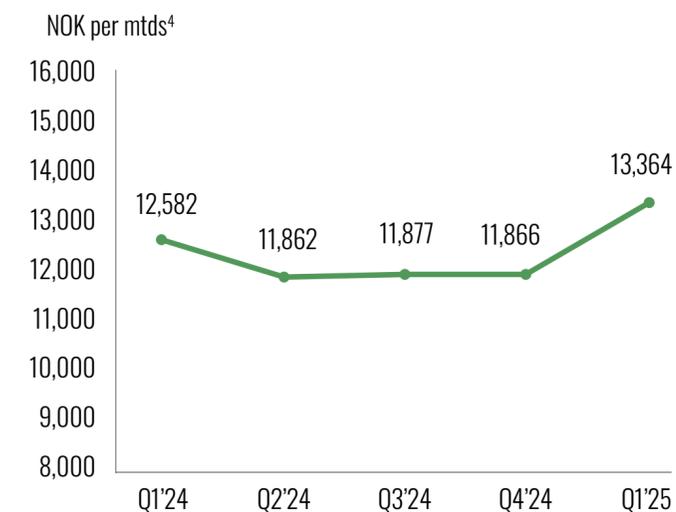
¹ Alternative performance measure, see page 21 for definition.

² Figures in parentheses are for the corresponding period in the previous year.

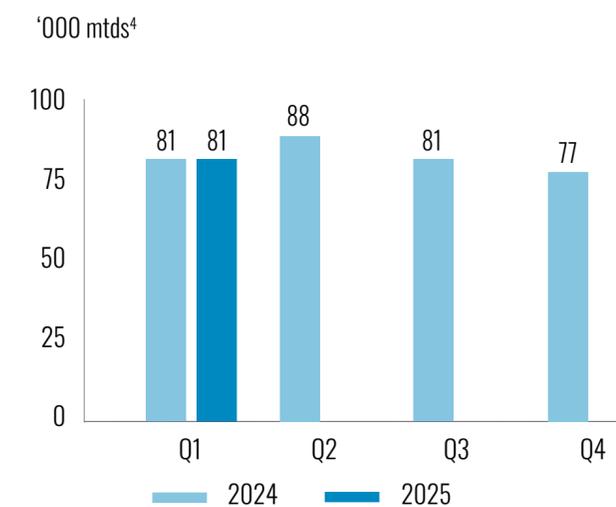
³ Average sales price is calculated using actual FX rates, excluding hedging impact.

⁴ Metric tonne dry solid.

AVERAGE GROSS SALES PRICE³



SALES VOLUME



Sales price and sales volume include lignin-based biopolymers and biovanillin.

BIOMATERIALS

Amounts in NOK million	2025	1.1 - 31.3 2024	1.1 - 31.12 2024
Operating revenues	689	704	2,622
EBITDA ¹	113	111	434
EBITDA margin ¹ (%)	16.4	15.8	16.6

FIRST QUARTER

Operating revenues in BioMaterials were NOK 689 million (NOK 704 million). EBITDA¹ was NOK 113 million (NOK 111 million).

Higher sales prices were offset by lower sales volume, increased wood costs, and cost increases in general. Wood costs were higher than anticipated, mainly due to logistical costs. Net currency effects were positive.

The average price in sales currency was 10% higher compared with the 1st quarter of 2024, primarily due to price increases. The share of highly specialised grades was at the same level as the corresponding quarter in 2024.

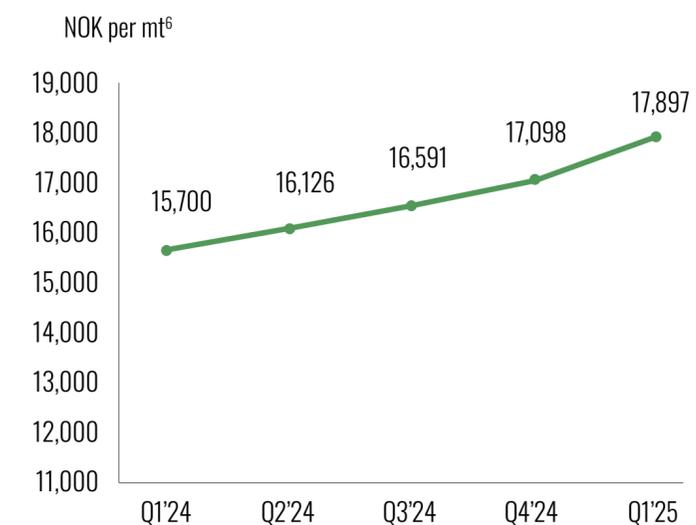
¹Alternative performance measure, see page 21 for definition.

²Figures in parentheses are for the corresponding period in the previous year.

⁵Average sales price is calculated using actual FX rates, excluding hedging impact.

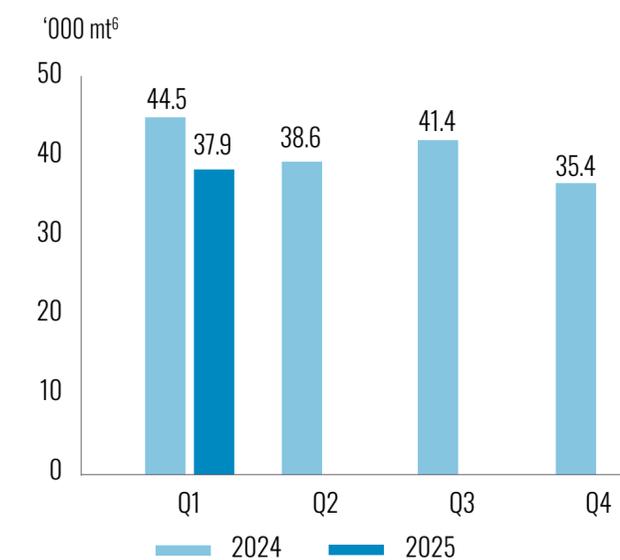
⁶Metric tonne.

AVERAGE GROSS SALES PRICE⁵



Sales price include speciality cellulose and cellulose fibrils.

SALES VOLUME



Sales volume include speciality cellulose and cellulose fibrils

FINE CHEMICALS

Amounts in NOK million	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Operating revenues	179	192	799
EBITDA ¹	49	67	336
EBITDA margin ¹ (%)	27.4	34.9	42.1

FIRST QUARTER

Fine Chemicals' operating revenues were NOK 179 million (NOK 192 million). EBITDA¹ was NOK 49 million (NOK 67 million).

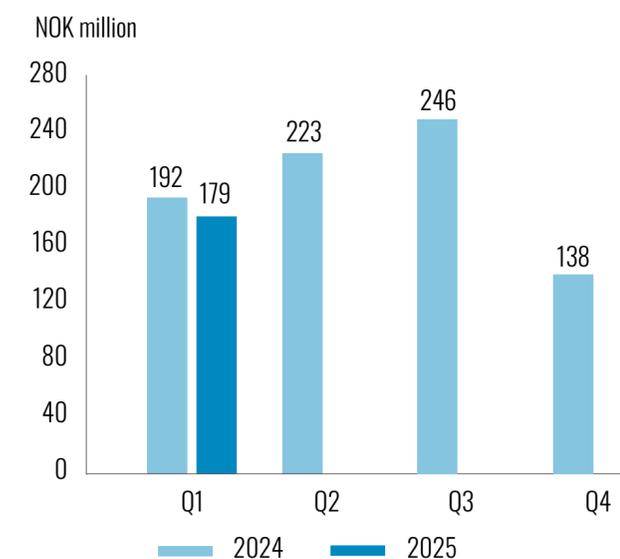
Lower sales prices for bioethanol were partly offset by higher sales volume. Sales prices for fine chemical intermediates increased compared with the 1st quarter in 2024.

The lower sales prices for Borregaard's bioethanol were due to favourable incentives for advanced bioethanol in Europe, which have led to a significant increase in bioethanol supply from agricultural waste and other sources.

The net currency impact in Fine Chemicals was positive.

¹ Alternative performance measure, see page 21 for definition.

FINE CHEMICALS – OPERATING REVENUES



FOREIGN EXCHANGE AND HEDGING

Borregaard has significant currency exposure, which is managed according to the company's hedging strategy. This strategy delays the impact of currency rate fluctuations. In comparison with the 1st quarter of 2024, the net impact of foreign exchange on EBITDA¹, including hedging effects, was NOK 45 million. Hedging effects amounted to NOK -95 million (NOK -89 million) for the quarter.

Assuming currency rates as of 30 April 2025 (USD 10.38 and EUR 11.80) and based on currency exposure forecasts, Borregaard expects a net impact of foreign exchange on EBITDA¹ of approximately NOK 40 million in the 2nd quarter of 2025 and NOK 125 million for the full year of 2025, compared with the corresponding periods in 2024.

CASH FLOW AND FINANCIAL SITUATION

FIRST QUARTER

Cash flow from operating activities was NOK 129 million (NOK -183 million). The cash effect from a high EBITDA¹ was partly offset by a negative development in net working capital and tax payments.

Investments amounted to NOK 143 million (NOK 115 million). Replacement investments were NOK 117 million (NOK 95 million), where the largest expenditures were related to the upgrade of the electricity transformation capacity and the installation of air preheater technology in an existing bio-boiler at the Sarpsborg site. Expansion investments¹ totalled NOK 26

million (NOK 20 million), where the largest expenditures were related to specialisation projects within BioSolutions.

In the 1st quarter of 2025, the Group has sold and repurchased treasury shares with net proceeds of NOK 20 million (NOK 7 million). The realised effect of hedging of net investments in subsidiaries was NOK 72 million (NOK -50 million).

On 31 March 2025, the Group had net interest-bearing debt¹ totalling NOK 2,126 million (NOK 2,171 million), a decrease of NOK 114 million from year-end 2024.

At the end of March, the Group was well capitalised with an equity ratio¹ of 58.2% (52.5%) and a leverage ratio¹ of 1.09 (1.21).

¹Alternative performance measure, see page 21 for definition.

SHARE INFORMATION

In February 2025, 398,000 share options at a strike price of NOK 221.22 were granted under the long-term incentive programme. The options will expire after five years, the vesting period is three years, and the options may be exercised during the last two years. For more details, see notification to the Oslo Stock Exchange on 14 February 2025.

As part of the employee share programme, Borregaard has sold a total of 170,744 shares to employees in February 2025. The

share price was NOK 147.65 per share including a 25% discount. Costs in 2025, including administration costs, related to the employee share programme amount to approximately NOK 9.6 million. For more details, see notifications to the Oslo Stock Exchange on 3, 10 and 28 February 2025.

During the 1st quarter, 55,000 share options were exercised at a strike price of NOK 87.60 per share. In the quarter, Borregaard repurchased a total of 50,070 treasury shares at an average price

of NOK 198.93.

Total number of shares outstanding on 31 March 2025 was 100 million, including 272,886 treasury shares. Total number of shareholders was 9,007. Borregaard ASA's share price was NOK 171.20 at the end of the 1st quarter (NOK 184.60 at the end of 2024).

OTHER MATTERS AND SUBSEQUENT EVENTS

ANNUAL GENERAL MEETING

Borregaard ASA held its Annual General Meeting on 10 April 2025. The financial statements of Borregaard ASA and the Group, including the proposal to pay an ordinary dividend of NOK 4.25 per share, were approved. The dividend was paid out on 23 April 2025 with a total amount of NOK 424 million.

The Annual General Meeting re-elected Helge Aasen as the chair of the Board of Directors. Terje Andersen, Tove Andersen, Margrethe Hauge and John Arne Ulvan were re-elected as members of the Board. See notice to Oslo Stock Exchange on 10 April 2025.

OTHER MATTERS AND SUBSEQUENT EVENTS cont.

BORREGAARD PARTICIPATES IN ALGINOR CAPITAL RAISE

In April, Borregaard co-invested with existing shareholders, Must Invest and Hatteland Group, in a direct offering of new shares in Alginor, amounting to NOK 100 million. Additionally, the same three shareholders will underwrite a subsequent rights issue of NOK 50 million, with subscription rights extended to all other shareholders.

Depending on the outcome of the subsequent rights issue, Borregaard's equity contribution will range from NOK 55 to 83 million, corresponding to an ownership share of between 36% and 43% in Alginor.

Including this equity raise, Borregaard's total investments in Alginor will increase to between NOK 474 and 502 million.

See notification to the Oslo Stock exchange on 17 March 2025.

TARIFFS

In April 2025, the US Administration announced the implementation of new tariffs on all imports. As of the time of writing, the tariff on imports from Norway is set at 10%.

In 2024, 23% of Borregaard's sales were derived from the US, of which the majority was from local US lignin plants. Approximately

10%-points of these sales were from Norway to the US, including speciality cellulose, biovanillin, and other lignin specialities produced in Sarpsborg.

Due to the relatively limited direct sales exposure from Norway to the US, the first-order effects of these tariffs on Borregaard are expected to be balanced, supported by the specialisation strategy. However, the second-order effects, such as indirect effects from customers' customers, foreign exchange rates and GDP growth, remain uncertain.

OUTLOOK

The total sales volume for BioSolutions in 2025 is forecast to be approximately 330,000 tonnes with continued strong sales to agriculture. The total sales volume in the 2nd quarter is expected to be approximately 85,000 tonnes. The product mix is expected to be seasonally less favourable than in the 1st quarter. US anti-dumping duties on vanillin from China are expected to have a positive but limited impact on Borregaard's vanillin products.

For BioMaterials, the total sales volume is forecast to be approximately 150,000 tonnes in 2025. The share of highly specialised grades is expected to be higher than in 2024. In the 1st half of 2025, the average price in sales currency is expected to be 8-10% higher than in the 1st half of 2024. In the 2nd quarter, sales volume for BioMaterials is expected to be largely in line with the 2nd quarter of 2024.

Favourable incentives for advanced bioethanol in Europe have triggered substantial new supply from agricultural waste and other sources. Therefore, sales prices for Borregaard's bioethanol will continue to be significantly lower than in

2024, and also lower than the prices achieved in 2022. Sales volume for fine chemical intermediates is expected to increase compared with 2024.

Borregaard's wood costs in the 2nd quarter of 2025 are expected to be largely in line with the 1st quarter of 2025. The full year impact from recent investments will reduce energy costs and CO₂ emissions at the biorefinery in Sarpsborg.

Uncertainty in the global economy related to tariffs, war and conflicts, may impact Borregaard's markets and costs. Borregaard will continue to closely monitor tariffs, markets and cost development and implement relevant measures if required.

Sarpsborg, 30 April 2025
The Board of Directors of Borregaard ASA



CONTENTS

FINANCIAL STATEMENTS

The Group's interim condensed income statement	13
Interim earnings per share	13
The Group's interim condensed comprehensive income statement	13
The Group's interim condensed statement of financial position	14
Interim condensed changes in equity	14
The Group's interim condensed cash flow statement	15
Notes	16
Alternative performance measures	21



THE GROUP'S INTERIM CONDENSED INCOME STATEMENT

Amounts in NOK million	Note	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Operating revenues	2	2,036	1,975	7,617
Operating expenses		-1,525	-1,533	-5,743
Depreciation property, plant and equipment		-143	-133	-556
Amortisation intangible assets		-1	-1	-5
Other income and expenses ¹	3	-	-	-30
Operating profit		367	308	1,283
Financial items, net	4	-48	-47	-204
Profit before taxes		319	261	1,079
Income tax expense	5	-75	-61	-250
Profit for the period		244	200	829
Profit attributable to non-controlling interests		-7	-	6
Profit attributable to owners of the parent		251	200	823
EBITDA¹		511	442	1,874

INTERIM EARNINGS PER SHARE

Amounts in NOK	Note	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Earnings per share	6	2.52	2.01	8.25
Diluted earnings per share	6	2.52	2.00	8.25

¹Alternative performance measure, see page 21 for definition.

THE GROUP'S INTERIM CONDENSED COMPREHENSIVE INCOME STATEMENT

Amounts in NOK million	Note	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Profit for the period		244	200	829
Items not to be reclassified to P&L		-	-	-
Actuarial gains and losses (after tax)		-	-	28
Total items not to be reclassified to P&L		-	-	28
Items to be reclassified to P&L		-	-	-
Change in hedging-reserve after tax (cashflow)	8	429	-259	-296
Change in hedging-reserve after tax (net investment in subsidiaries)	8	55	-49	-89
Translation effects		-78	74	124
Total items to be reclassified to P&L		406	-234	-261
The Group's comprehensive income		650	-34	596
Comprehensive income non-controlling interests		-10	3	10
Comprehensive income to owners of the parent		660	-37	586

THE GROUP'S INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

Amounts in NOK million	Note	31.3.2025	31.12.2024
Intangible assets	13	85	88
Property, plant and equipment	13	4,992	5,026
Right-of-use assets		483	508
Other assets	9	598	524
Investments in joint venture/associate companies	4	400	417
Non-current assets		6,558	6,563
Inventories		1,474	1,498
Receivables	9	1,694	1,441
Cash and cash deposits	11	191	82
Current assets		3,359	3,021
Total assets		9,917	9,584
Group equity	10	5,733	5,041
Non-controlling interests		39	49
Equity		5,772	5,090
Provisions and other liabilities		454	591
Interest-bearing liabilities	9, 11	1,898	2,035
Non-current liabilities		2,352	2,626
Interest-bearing liabilities	9, 11	420	288
Other current liabilities	9	1,373	1,580
Current liabilities		1,793	1,868
Equity and liabilities		9,917	9,584
Equity ratio ¹		58.2 %	53.1 %

¹Alternative performance measure, see page 21 for definition.

INTERIM CONDENSED CHANGES IN EQUITY

Amounts in NOK million	Note	1.1 - 31.3.2025			1.1 - 31.12.2024		
		Controlling interests	Non-controlling interests	Total equity	Controlling interests	Non-controlling interests	Total equity
Equity 1 January		5,041	49	5,090	4,855	39	4,894
Profit/loss for the period		251	-7	244	823	6	829
Items in Comprehensive Income	8	409	-3	406	-237	4	-233
The Group's Comprehensive income	8	660	-10	650	586	10	596
Paid dividend		-	-	-	-374	-	-374
Buy-back of treasury shares		-10	-	-10	-98	-	-98
Exercise of share options		4	-	4	31	-	31
Shares to employees		34	-	34	28	-	28
Option costs (share-based payment)		4	-	4	13	-	13
Equity at the end of the period		5,733	39	5,772	5,041	49	5,090

THE GROUP'S INTERIM CONDENSED CASH FLOW STATEMENT

Amounts in NOK million	Note	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Profit before taxes		319	261	1,079
Amortisation, depreciation and impairment charges		144	134	561
Changes in net working capital, etc.		-261	-466	-326
Dividend/share of profit from JV & associate companies	4	17	3	22
Taxes paid		-90	-115	-268
Cash flow from operating activities		129	-183	1,068
Investments property, plant and equipment and intangible assets *		-143	-115	-711
Investments in associate companies* and bio-based start-ups	4	-	-	-150
Other capital transactions		4	3	19
Cash flow from investing activities		-139	-112	-842
Dividends		-	-	-374
Proceeds from exercise of options/shares to employees	10	30	35	52
Buy-back of treasury shares	7	-10	-28	-98
Gain/(loss) on hedges for net investments in subsidiaries		72	-50	-109
Net paid to/from shareholders		92	-43	-529
Proceeds from interest-bearing liabilities	11	100	0	500
Repayment from interest-bearing liabilities	11	-71	-67	-724
Change in interest-bearing liabilities/other instruments	11	-37	36	74
Change in net interest-bearing liabilities		-8	-31	-150
Cash flow from financing activities		84	-74	-679
Change in cash and cash equivalents		74	-369	-453

THE GROUP'S INTERIM CONDENSED CASH FLOW STATEMENT cont.

Amounts in NOK million	Note	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Cash and cash equivalents at beginning of period		-3	429	429
Change in cash and cash equivalents		74	-369	-453
Currency effects cash and cash equivalents		-6	21	21
Cash and cash equivalents at the close of the period	11	65	81	-3
*Investment by category				
Replacement investments		117	95	598
Expansion investments ¹ including investment in associate companies and bio-based start-ups		26	20	263
Total investments including investment in associate companies and bio-based start-ups		143	115	861

¹ Alternative performance measure, see page 21 for definition.

NOTES

NOTE 01 Organisation and basis for preparation

GENERAL INFORMATION

Borregaard ASA is incorporated and domiciled in Norway. The address of its registered office is Hjalmar Wessels vei 6, Sarpsborg.

Basis for preparation

These unaudited Interim Condensed Consolidated Financial Statements are prepared in accordance with IAS 34 Interim Financial Reporting. Borregaard ASA is the parent company of the Borregaard Group presented in these Interim Condensed Consolidated Financial Statements.

The same accounting principles and methods of calculation have been applied as in the Consolidated Financial Statements for 2024 for the Borregaard Group.

Use of estimates

The same use of estimates has been applied as in the Consolidated Financial Statements for 2024.

NOTE 02 Segments

OPERATING REVENUES

Amounts in NOK million	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Borregaard	2,036	1,975	7,617
BioSolutions	1,179	1,088	4,241
BioMaterials	689	704	2,622
Fine Chemicals	179	192	799
Eliminations	-11	-9	-45

There is limited intercompany sales between the different segments and eliminations consist essentially of allocations from the corporate headquarter.

¹ Alternative performance measure, see page 21 for definition.

EBITDA¹

Amounts in NOK million	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Borregaard	511	442	1,874
BioSolutions	349	264	1,104
BioMaterials	113	111	434
Fine Chemicals	49	67	336
Reconciliation against operating profit & profit before tax			
EBITDA¹	511	442	1,874
Depreciations and write downs	-143	-133	-556
Amortisation intangible assets	-1	-1	-5
Other income and expenses ¹	-	-	-30
Operating profit	367	308	1,283
Financial items, net	-48	-47	-204
Profit before taxes	319	261	1,079

SALES REVENUES

Amounts in NOK million	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Borregaard	1,992	1,948	7,502
BioSolutions	1,138	1,066	4,132
BioMaterials	677	693	2,579
Fine Chemicals	177	189	791
Eliminations	-	-	-

Operating revenues consist of sales revenues and other revenues such as commissions, revenues from waste received for incineration etc.

NOTE 03 Other income and expenses¹

Other income and expenses¹ were NOK 0 in the 1st quarter of 2025.

NOTE 04 Financial items**NET FINANCIAL ITEMS**

Amounts in NOK million	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Net interest expenses	-36	-39	-160
Currency gain/loss	-7	0	-17
Share of profit/-loss from associates	-17	-3	-22
Other financial items, net	12	-5	-5
Net financial items	-48	-47	-204

As of 31 March 2025, Borregaard holds 35% of the shares in Alginor ASA on a fully diluted basis.

See Note 14 and notification to the Oslo Stock Exchange on 17 March 2025.

Borregaard also holds 12% of the shares in Kaffe Bueno ApS.

Other financial items, net includes changes in committed return on the Group's unfunded pension plan.

NOTE 05 Income tax expense

The tax rate of 23.5% (23.4%) for the first three months of 2025 is a compilation of the tax rates in the various countries in which Borregaard operates and has taxable income. The corporate income tax rate in Norway is 22%.

In addition to the compilation of the tax rates in the various countries in which Borregaard operates and has taxable income, the income tax rate for the Group is also impacted by the following: LignoTech Florida is a limited liability company (LLC) which is taxed on the owners' hand. Profit before tax is 100% consolidated in the Borregaard Group, whereas the tax expense is calculated based on Borregaard's 55% ownership.

Consequently, profit attributable to non-controlling interests for LignoTech Florida (45%) is calculated on profit before tax. Share of profit after tax from the associated companies, Alginor ASA and Kaffe Bueno ApS, is accounted for as part of operating profit and profit before tax. There are carry forward losses in the Group which will not be recognised as deferred tax assets, and hence increase the Group's tax rate.

¹Alternative performance measure, see page 21 for definition.

NOTE 06 Earnings per share (EPS)

The share capital consists of 100 million shares. The company holds 272,886 treasury shares and average number of outstanding shares as of 31 March 2025 were 99.64 million. Average number of

outstanding diluted shares were 99.66 million (99.75 in 2024). Earnings per diluted share were NOK 2.52 in the 1st quarter (NOK 2.00 in the 1st quarter of 2024).

NOTE 07 Stock options

During the 1st quarter, 55,000 share options at a strike price of NOK 87.60 per share were exercised.

The Group Executive Management and other key employees hold a total of 1,462,000 stock options in five different share option programmes in Borregaard.

Stock options	Issued 2021	Issued 2022	Issued 2023	Issued 2024	Issued 2025
Number of stock options	243,000	200,000	250,000	371,000	398,000
Strike price (NOK)*	168.70	216.75	187.00	195.35	221.22
Vesting period	3 years	3 years	3 years	3 years	3 years
Expiry date	16 February 2026	17 February 2027	1 March 2028	27 February 2029	14 February 2030

* Strike prices have been adjusted for dividend paid since issuance of stock options.

NOTE 08 Statement of comprehensive income

The statement of comprehensive income shows changes in the value of hedging instruments, both cash flow hedges and hedges of net investments in subsidiaries (hedging reserve).

These figures are presented after tax.

Amounts in NOK million	31.3.2025		31.3.2024		31.12.2024	
	Cash flow hedges	Hedges of net investments in subsidiaries	Cash flow hedges	Hedges of net investments in subsidiaries	Cash flow hedges	Hedges of net investments in subsidiaries
Tax effect year-to-date	-32	-81	-142	-85	-153	-97
Hedging reserve after tax	-112	-255	-504	-270	-541	-310

NOTE 09 Fair value hierarchy

For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

The following measurement levels are used for determining the fair value of financial instruments:

- **Level 1** – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities
- **Level 2** – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)
- **Level 3** – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable)

There have been no transfers from level 2 to level 3 from the 4th quarter of 2024 to the 1st quarter of 2025. Borregaard consequently has no items defined as level 1. The bond is determined as measurement level 3. The fair value of the bond is deemed to equal its book value.

Set out below is a comparison of the carrying amount and the fair value of financial instruments as of 31 March 2025:

FINANCIAL ASSETS

Amounts in NOK million	Level	31.3.2025		31.12.2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Non-current financial receivables	2	200	200	192	192
Non-current derivatives	2	68	68	1	1
Share investment	2	28	28	28	28
Current derivatives	2	17	17	5	5
Total financial assets		313	313	226	226

FINANCIAL LIABILITIES

Non-current financial liabilities	2, 3	1,900	1,900	2,037	2,037
Non-current derivatives	2	76	76	336	336
Current financial liabilities	2	420	420	288	288
Current derivatives	2	156	156	363	363
Total financial liabilities		2,552	2,552	3,024	3,024

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Amounts in NOK million	Level 1	Level 2	Level 3
Financial instruments 31.3.2025	-2,239	-1,739	-500
Financial instruments 31.12.2024	-2,798	-	-2,298

The financial instruments are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spreads between the respective currencies.

NOTE 10 Compilation of Equity

Amounts in NOK million	31.3.2025	31.12.2024
Share capital	100	100
Treasury shares	-	-
Share premium	1,346	1,346
Other paid-in capital	1,067	1,025
Translation effects	296	371
Hedging reserve (after tax)	-367	-851
Actuarial gains/Losses	116	116
Retained earnings	3,175	2,934
Group equity (controlling interests)	5,733	5,041

As of 31 March 2025, the company held 272,886 treasury shares at an average cost of NOK 188.19.

NOTE 11 Net interest-bearing debt¹

The various elements of net interest-bearing debt are shown in the following table:

Amounts in NOK million	31.3.2025	31.12.2024
Non-current interest-bearing liabilities	1,898	2,035
Current interest-bearing liabilities including overdraft of cashpool	420	288
Non-current interest-bearing receivables (included in "Other Assets")	-1	-1
Cash and cash deposits	-191	-82
Net interest-bearing debt¹	2,126	2,240
- of which impact of IFRS 16 Leases	530	554

¹Alternative performance measure, see page 21 for definition.

NOTE 12 Related parties

The members of the Group Executive Management of Borregaard held a total of 664,000 stock options in the Company as of 31 March 2025.

NOTE 13 Assessments relating to impairment

No impairment indicators have been identified in the Borregaard Group's property, plant and equipment or intangible assets in the 1st quarter of 2025.

NOTE 14 Other matters and subsequent events

In April, Borregaard co-invested with existing shareholders, Must Invest and Hatteland Group, in a direct offering of new shares in Alginor, amounting to NOK 100 million. Additionally, the same three shareholders will underwrite a subsequent rights issue of NOK 50 million, with subscription rights extended to all other shareholders.

Depending on the outcome of the subsequent rights issue, Borregaard's equity contribution will range from NOK 55 to 83 million, corresponding to an ownership share of between 36% and 43% in Alginor.

Including this equity raise, Borregaard's total investment in Alginor will increase to between NOK 474 and 502 million.

See notification to the Oslo Stock Exchange on 17 March 2025.

There have been no other events after the balance sheet date that would have had a material impact on the interim financial statements, or the assessments carried out.

ALTERNATIVE PERFORMANCE MEASURES

In the discussion of the reported operating results, financial position and cash flows, Borregaard refers to certain measures which are not defined by generally accepted accounting principles (GAAP) such as IFRS. Borregaard management makes regular use of these Alternative Performance Measures and is of the opinion that this information, along with comparable GAAP

measures, is useful to investors who wish to evaluate the company's operating performance, ability to repay debt and capability to pursue new business opportunities. Such Alternative Performance Measures should not be viewed in isolation or as an alternative to the equivalent GAAP measures.



EBITDA

Description

EBITDA is defined by Borregaard as operating profit before depreciation, amortisation and other income and expenses.

Reason for including

Shows performance regardless of capital structure, tax situation and adjusted for income and expenses related transactions and events not considered by management to be part of operating activities. Management believes the measure enables an evaluation of operating performance.

EBITDA	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Operating profit	367	308	1 283
Other income and expenses	-	-	30
Amortisation intangible assets	1	1	5
Depreciation and impairment property, plant and equipment	143	133	556
EBITDA	511	442	1 874

EBITDA MARGIN

Description

EBITDA margin is defined by Borregaard as EBITDA divided by operating revenues.

Reason for including

Shows the operations' performance regardless of capital structure and tax situation as a ratio to operating revenues.

EBITDA MARGIN	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
EBITDA	511	442	1,874
Operating revenues	2,036	1,975	7,617
EBITDA margin (%) (EBITDA/operating revenues)	25.1	22.4	24.6

EQUITY RATIO

Description

Equity ratio is defined by Borregaard as equity (including non-controlling interests) divided by equity and liabilities.

Reason for including

Equity ratio is an important measure in describing the capital structure.

EQUITY RATIO	1.1 - 31.3		1.1 - 31.12
	2025	2024	2024
Total equity	5,772	4,877	5,090
Equity & liabilities	9,917	9,283	9,584
Equity ratio (%) (total equity/equity & liabilities)	58.2	52.5	53.1

EXPANSION INVESTMENTS

Description

Borregaard's investments are either categorised as replacement or expansion. Expansion investments are defined by Borregaard as investments made in order to expand production capacity, produce new products or to improve the performance of existing products. Such investments include business acquisitions, investments in bio-based start-ups, pilot plants, capitalised research and development costs and new distribution set-ups.

Reason for including

Borregaard's strategic priorities are specialisation and diversification, increase value added from the biorefinery, develop business areas and to continue emphasis on ESG along the entire value chain. To be able to deliver on those priorities, expansion investments are needed. As such, expansion investments are important information for investors. One of Borregaard's financial objectives is to have an internal rate of return >15% pre-tax for expansion investments.

	2025	1.1 - 31.3 2024	1.1 - 31.12 2024
EXPANSION INVESTMENTS			
Total investments including investment in associate companies and bio-based start-ups	143	115	861
Replacement investments	-117	-95	-598
Expansion investments including investment in associate companies and bio-based start-ups	26	20	263

OTHER INCOME AND EXPENSES

Description

Other income and expenses are defined by Borregaard as non-recurring items or items related to other periods or to a discontinued business or activity. These items are not viewed as reliable indicators of future earnings based on the business areas' normal operations. These items will be included in the Group's operating profit.

Reason for including

To be able to compare the EBITDA of different reporting periods, significant non-recurring items not directly related to operating activities, are included in Other income and expenses.

	2025	1.1 - 31.3 2024	1.1 - 31.12 2024
OTHER INCOME & EXPENSES			
Other income & expenses	-	-	-30

NET INTEREST-BEARING DEBT

Description	Reason for including	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Net interest-bearing debt is defined by Borregaard as interest-bearing liabilities minus interest-bearing assets.	Net interest-bearing debt provides an indicator of the net indebtedness and an indicator of the overall strength of the statement of financial position. Net interest-bearing debt is part of Borregaard's financial covenants (leverage ratio) and is important in understanding the capital structure.	NET INTEREST-BEARING DEBT		
		1,898	2,043	2,035
		420	330	288
		-1	-2	-1
		-191	-200	-82
		2,126	2,171	2,240

LEVERAGE RATIO

Description	Reason for including	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Leverage ratio is defined by Borregaard as net interest-bearing debt divided by last twelve months' (LTM) EBITDA.	Leverage ratio is an indicator of the overall strength of the statement of financial position. Borregaard has a targeted leverage ratio between 1.0 and 2.25 over time. Leverage ratio is Borregaard's financial covenant on long-term credit facilities.	LEVERAGE RATIO		
		2,126	2,171	2,240
		1,943	1,788	1,874
		1.09	1.21	1.20

CAPITAL EMPLOYED

Description	Reason for including	1.1 - 31.3		1.1 - 31.12
		2025	2024	2024
Capital employed is defined by Borregaard as the total of net working capital, intangible assets, property, plant and equipment, right-of-use assets minus net pension liabilities.	Borregaard uses capital employed as basis for calculating ROCE.	CAPITAL EMPLOYED (END OF PERIOD)		
		8,290	7,789	8,172

RETURN ON CAPITAL EMPLOYED (ROCE)

Description

Return on capital employed (ROCE) is defined by Borregaard as last twelve months' (LTM) capital contribution (operating profit before amortisation and other income and expenses) divided by average capital employed based on the ending balance of the last five quarters.

Reason for including

ROCE is an important financial ratio to assess Borregaard's profitability and capital efficiency. One of Borregaard's financial objectives is to have ROCE >15% pre-tax over a business cycle.

RETURN ON CAPITAL EMPLOYED (ROCE)	31.3.2025	31.3.2024	31.12.2024
Capital employed end of:			
Q1, 2023	-	7,142	-
Q2, 2023	-	7,216	-
Q3, 2023	-	7,191	-
Q4, 2023	-	7,142	7,142
Q1, 2024	7,789	7,789	7,789
Q2, 2024	7,582	-	7,582
Q3, 2024	7,813	-	7,813
Q4, 2024	8,172	-	8,172
Q1, 2025	8,290	-	-
Average capital employed	7,929	7,296	7,700
CAPITAL CONTRIBUTION	31.3.2025	31.3.2024	31.12.2024
Operating profit	1,342	1,279	1,283
Other income and expenses	30	0	30
Amortisation intangible assets	5	5	5
Capital contribution	1,377	1,284	1,318
RETURN ON CAPITAL EMPLOYED (ROCE)	31.3.2025	31.3.2024	31.12.2024
Capital contribution	1,377	1,284	1,318
Average capital employed	7,929	7,296	7,700
Return on capital employed (ROCE) (%) (capital contribution/average capital employed)	17.4	17.6	17.1



Q1 2025



Borregaard ASA
P.O. Box 162, NO-1701 Sarpsborg, Norway
Telephone: (+47) 69 11 80 00 Fax: (+47) 69 11 87 70
E-mail: borregaard@borregaard.com www.borregaard.com