



2ND QUARTER 2025 INTERIM REPORT



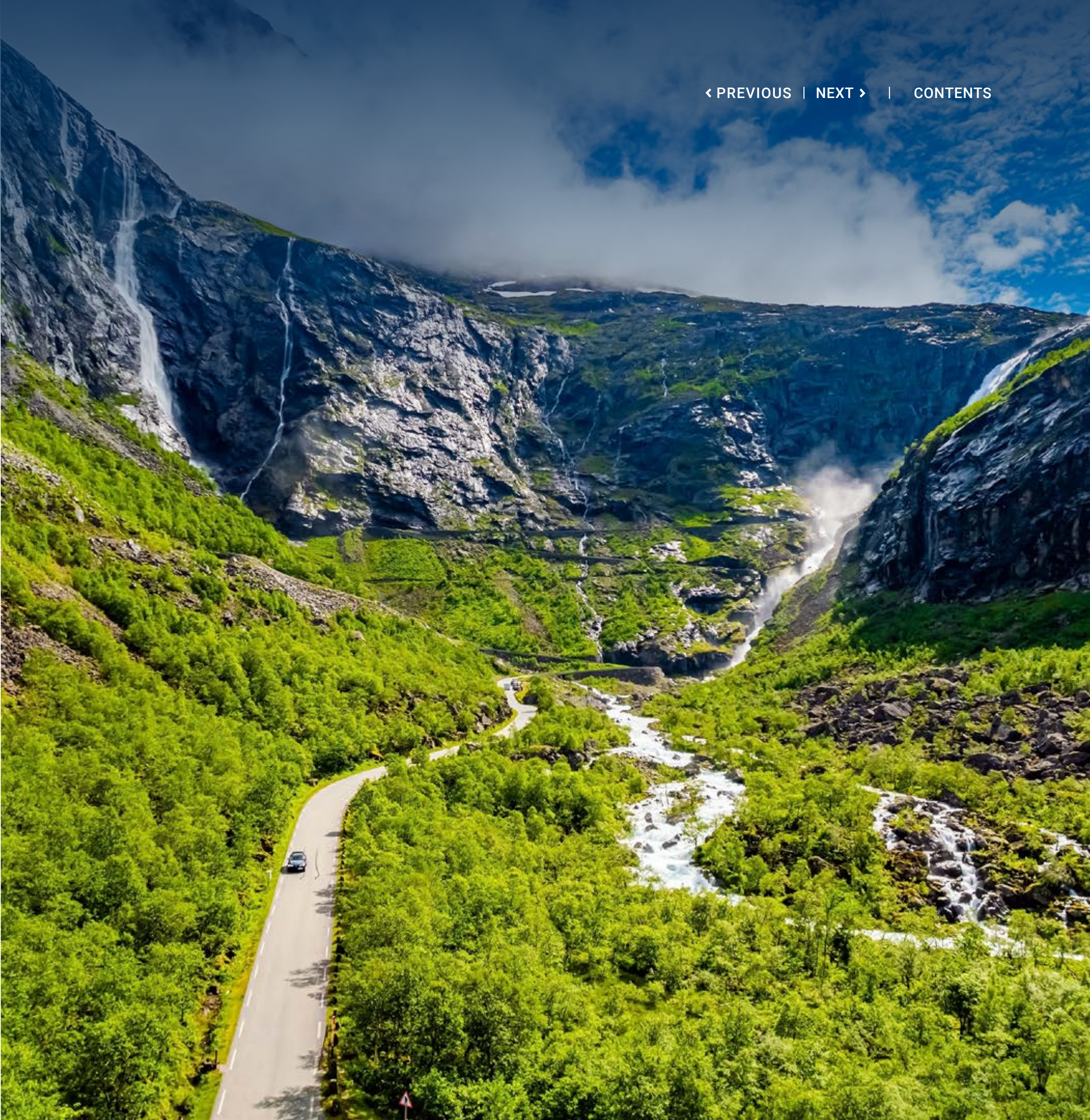


2ND QUARTER IN BRIEF

- EBITDA¹ NOK 522 million (NOK 510 million)²
- Continued growth in sales to agriculture in BioSolutions
- Higher prices, improved mix and increased volume in BioMaterials, partly offset by increased wood costs
- Lower sales prices for bioethanol in Fine Chemicals
- Positive net currency effects

CONTENTS

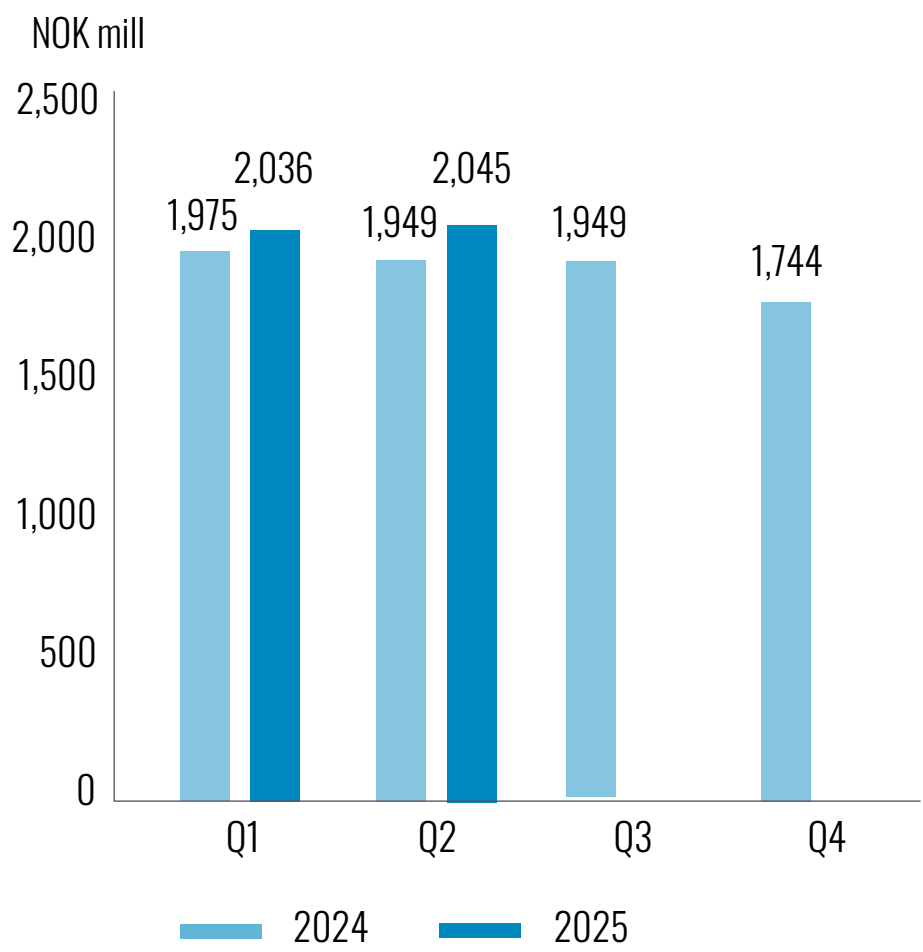
The Group	03
Business areas	05
Foreign exchange and hedging	09
Cash flow and financial situation	09
Sustainability	10
Share information	11
Other matters and subsequent events	11
Outlook	12
Statement by the Board of Directors	13
The Group's interim condensed financial statement	14



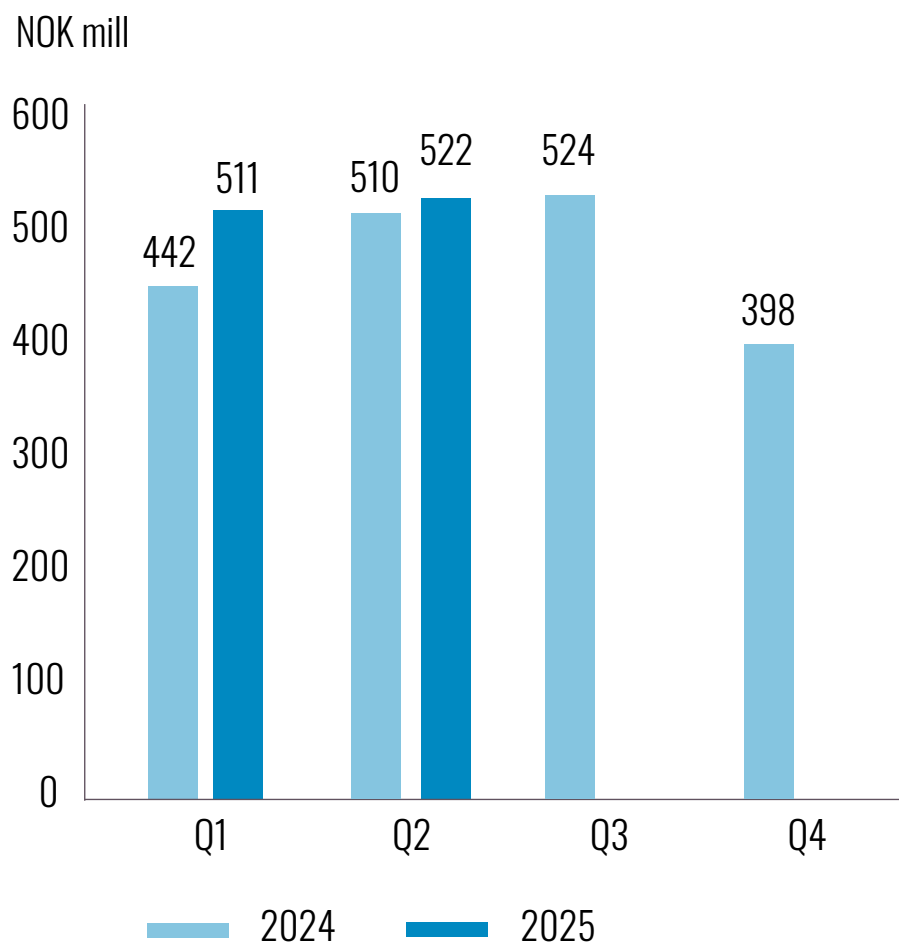
THE GROUP

Amounts in NOK million	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2025	2024	2025	2024	2024
Operating revenues	2	2,045	1,949	4,081	3,924	7,617
EBITDA ¹		522	510	1,033	952	1,874
Operating profit		378	374	745	682	1,283
Profit/loss before taxes	2	326	322	645	583	1,079
Earnings per share (NOK)		2.56	2.45	5.08	4.45	8.25
Net interest-bearing debt ¹	11	2,355	2,170	2,355	2,170	2,240
Equity ratio ¹ (%)		57.0	53.9	57.0	53.9	53.1
Leverage ratio ¹		1.20	1.23	1.20	1.23	1.20
Return on capital employed ¹ (%)		17.2	16.8	17.2	16.8	17.1

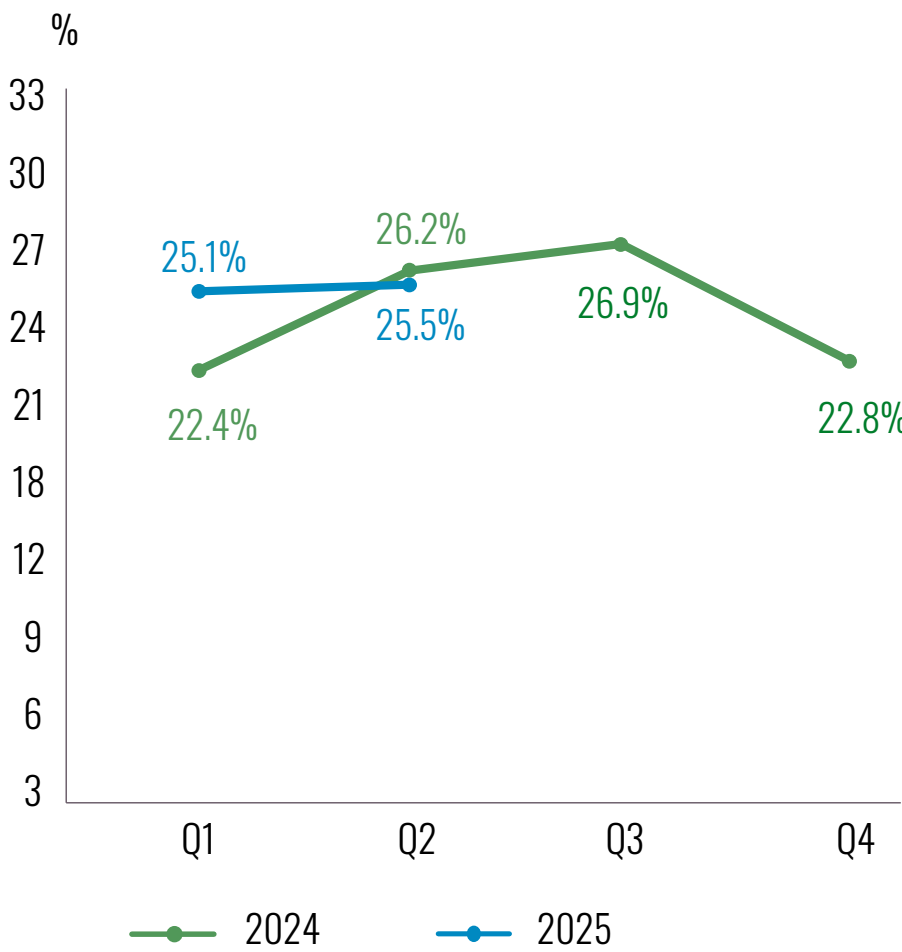
OPERATING REVENUES



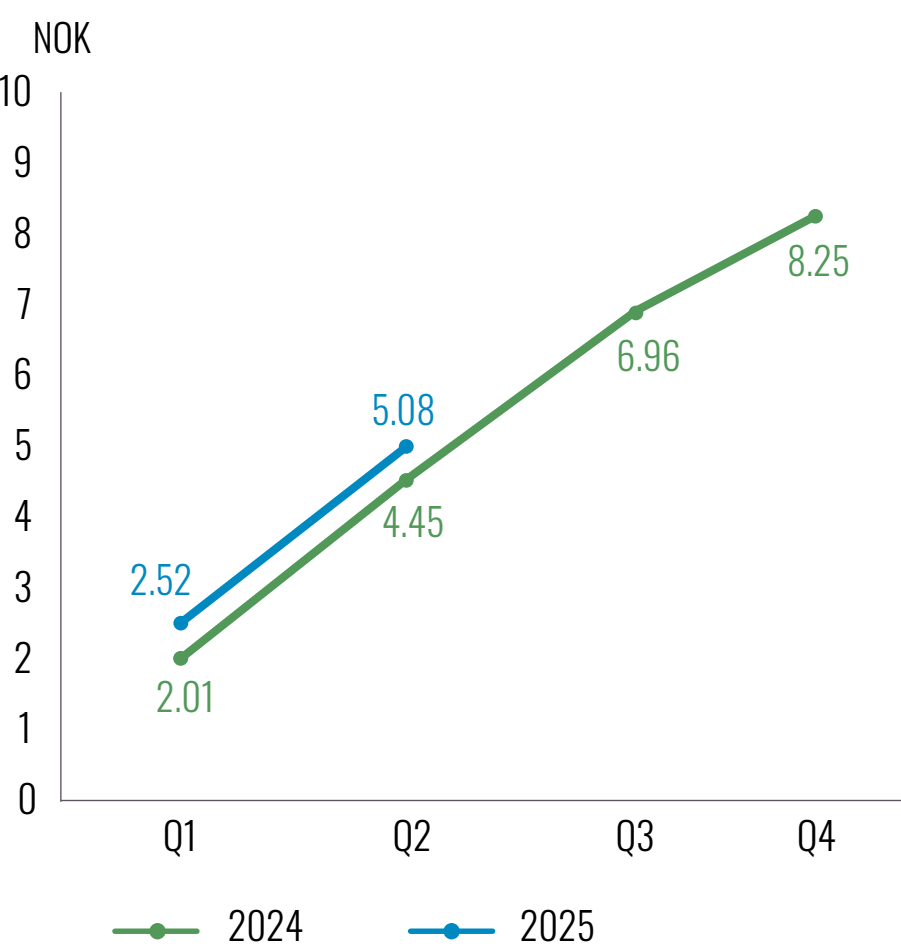
EBITDA¹



EBITDA MARGIN¹



EARNINGS PER SHARE CUMULATIVE



¹ Alternative performance measure, see page 23 for definition.

SECOND QUARTER

Operating revenues increased to NOK 2,045 million (NOK 1,949 million)² in the 2nd quarter of 2025. EBITDA¹ reached NOK 522 million (NOK 510 million). The result in BioSolutions and BioMaterials increased while Fine Chemicals had a lower result compared with the 2nd quarter of 2024.

Continued growth in sales to agriculture was the main reason for the improved result in BioSolutions. In BioMaterials, the result increased due to higher sales prices, improved product mix and increased sales volume, partly offset by higher wood costs. Lower sales prices for bioethanol were the main reason for the weaker result in Fine Chemicals. The net currency effects were positive in all areas.

Operating profit was NOK 378 million (NOK 374 million). Net financial items were NOK -52 million (NOK -52 million). Profit before tax was NOK 326 million (NOK 322 million). Tax expense of NOK -75 million (NOK -77 million) gave a tax rate of 23% (24%) in the quarter.

Earnings per share were NOK 2.56 (NOK 2.45).

Cash flow from operating activities was NOK 385 million (NOK 546 million). The cash effect from EBITDA¹ was partly offset by tax payments. The net working capital was slightly reduced in the quarter.

Borregaard will invest in a new electric boiler to cut CO₂ emissions by up to 18,000 tonnes annually in line with the 2030 transition plan. In addition, the investment is financially sound driven by lower energy costs. See Other Matters and Subsequent Events on page 11.

FIRST HALF

Borregaard’s operating revenues increased to NOK 4,081 million (NOK 3,924 million) in the 1st half of 2025. EBITDA¹ reached NOK 1,033 million (NOK 952 million). The result increased in BioSolutions and BioMaterials while Fine Chemicals had a decrease compared with the 1st half of 2024.

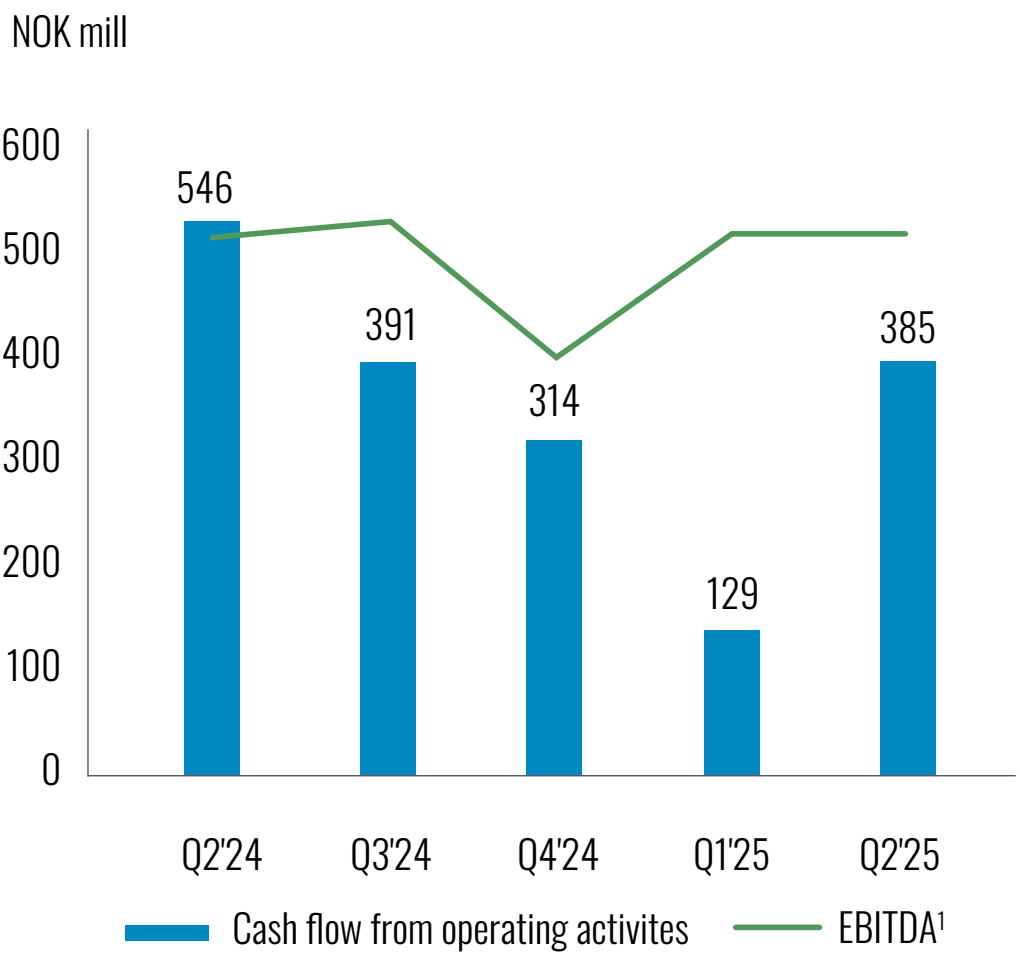
Strong sales to agriculture was the main reason for the improved result in BioSolutions. In BioMaterials, increased sales prices and improved product mix, partly offset by lower sales volume and higher wood costs, were the main reasons for the increased EBITDA¹. Lower sales prices for bioethanol were the main reason for the lower result in Fine Chemicals. The net currency effects were positive for the Group.

Operating profit was NOK 745 million (NOK 682 million). Net financial items amounted to NOK -100 million (NOK -99 million). Profit before tax was NOK 645 million (NOK 583 million). Tax expense was NOK -150 million (NOK -138 million), giving a tax rate of 23% (24%).

Earnings per share were NOK 5.08 (NOK 4.45).

In the 1st half of 2025, cash flow from operating activities was NOK 514 million (NOK 363 million). The cash effect from EBITDA¹ was partly offset by increased net working capital and tax payments.

CASH FLOW FROM OPERATING ACTIVITIES



¹Alternative performance measure, see page 23 for definition.
²Figures in parentheses are for the corresponding period in the previous year.

BUSINESS AREAS

BIOSOLUTIONS

Amounts in NOK million	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2025	2024	2025	2024	2024
Operating revenues	1,149	1,117	2,328	2,205	4,241
EBITDA ¹	338	318	687	582	1,104
EBITDA margin ¹ (%)	29.4	28.5	29.5	26.4	26.0

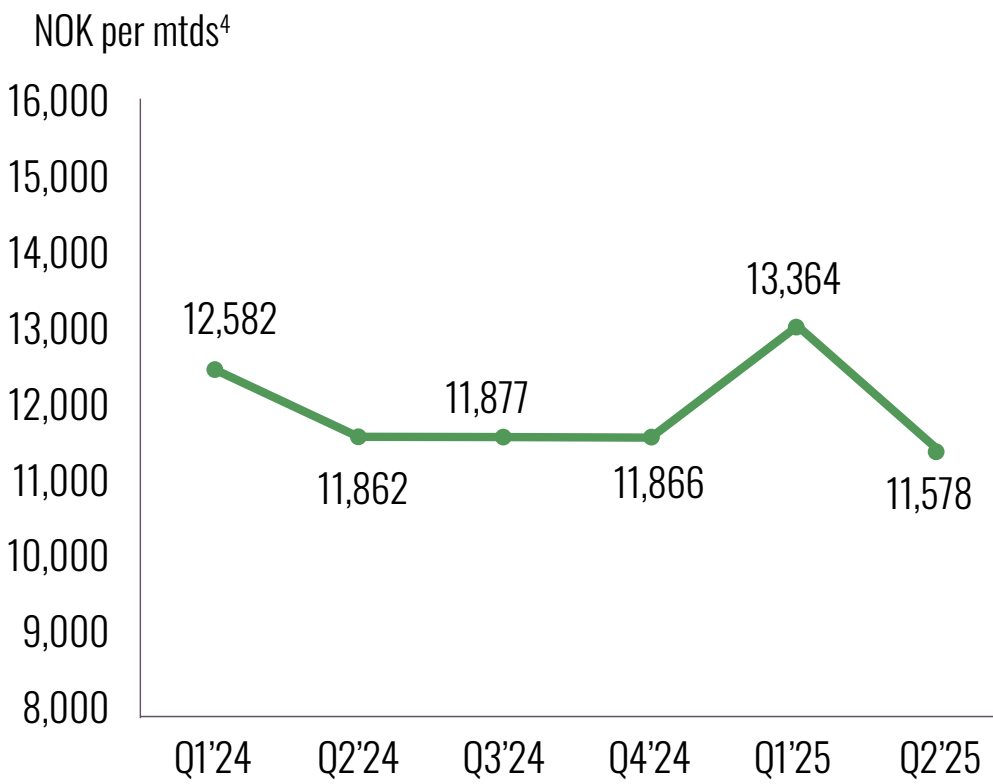
SECOND QUARTER

Operating revenues for BioSolutions reached NOK 1,149 million (NOK 1,117 million). EBITDA¹ increased to NOK 338 million (NOK 318 million).

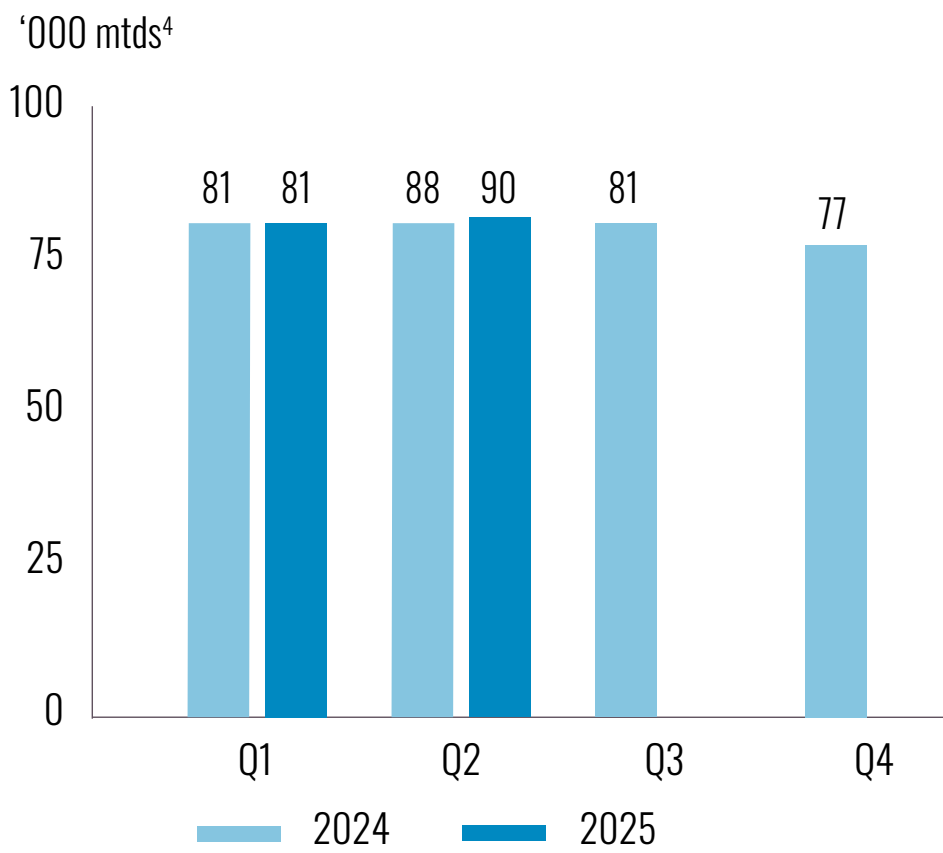
The main reason for the improved result was continued growth in sales to agriculture. The product mix was seasonally less favourable than in the 1st quarter. There was a positive but limited impact for Borregaard’s vanillin products from the implemented anti-dumping duties in the US on vanillin from China. Anti-dumping duties for vanillin products were implemented in the European Union late in the quarter. The net currency impact was positive.

The average price in sales currency was in line with the same quarter in 2024. Total sales volume was 2% higher compared with the same quarter in 2024.

AVERAGE GROSS SALES PRICE³



SALES VOLUME



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

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

⁴Metric tonne dry solid.

FIRST HALF

In the 1st half of 2025, BioSolutions’ operating revenues increased to NOK 2,328 million (NOK 2,205 million). EBITDA¹ reached NOK 687 million (NOK 582 million).

Strong sales to agriculture was the main reason for the improved result. These effects were partly offset by cost inflation. There was a positive but limited impact for Borregaard’s vanillin products from the implemented anti-dumping duties in the US on vanillin from China. The net currency impact was positive.

Both average price in sales currency and total sales volume were 1% higher than in the 1st half of 2024.

¹ Alternative performance measure, see page 23 for definition.
² Figures in parentheses are for the corresponding period in the previous year.



BIOMATERIALS

Amounts in NOK million	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2025	2024	2025	2024	2024
Operating revenues	741	622	1,430	1,326	2,622
EBITDA ¹	143	90	256	201	434
EBITDA margin ¹ (%)	19.3	14.5	17.9	15.2	16.6

SECOND QUARTER

Operating revenues in BioMaterials increased to NOK 741 million (NOK 622 million). EBITDA¹ reached NOK 143 million (NOK 90 million).

Higher sales prices, improved product mix and increased sales volume were partly offset by higher wood costs. Net currency effects were positive.

The average price in sales currency was 10% higher compared with the 2nd quarter of 2024, primarily due to price increases. The share of highly specialised grades was at a higher level than the corresponding quarter in 2024.

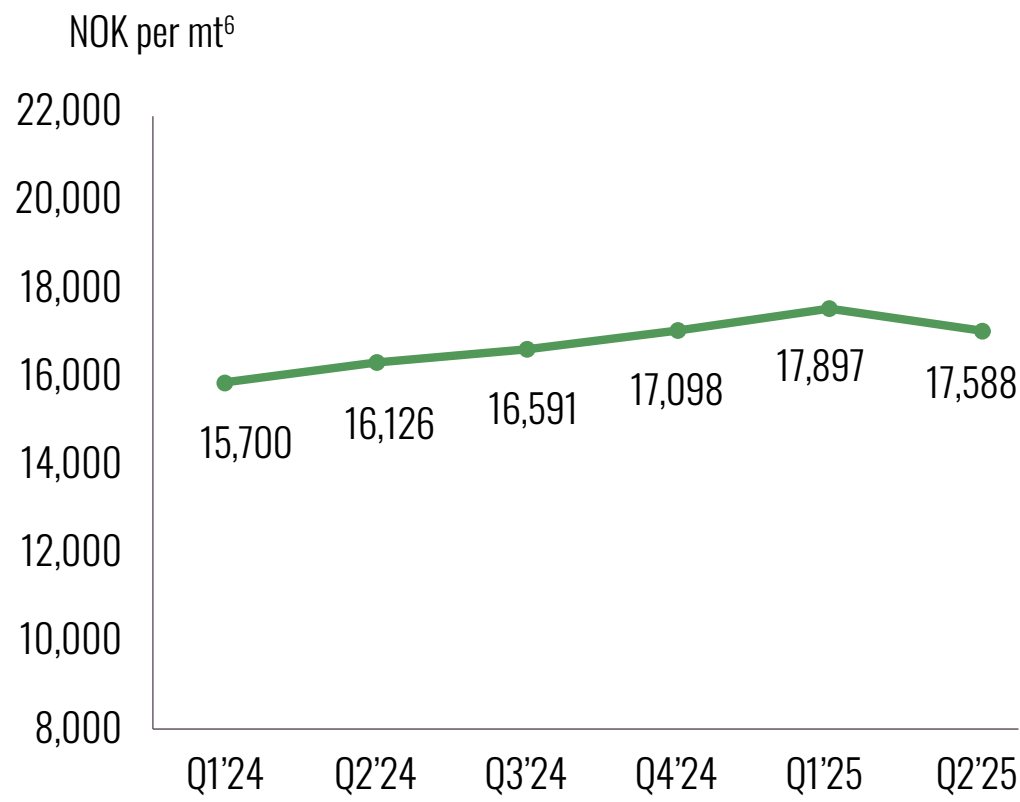
FIRST HALF

Operating revenues reached NOK 1,430 million (NOK 1,326 million). EBITDA¹ increased to NOK 256 million (NOK 201 million).

Increased sales prices and improved product mix were the main reasons for the increased EBITDA¹, partly offset by lower sales volume and higher wood costs. Net currency effects were positive.

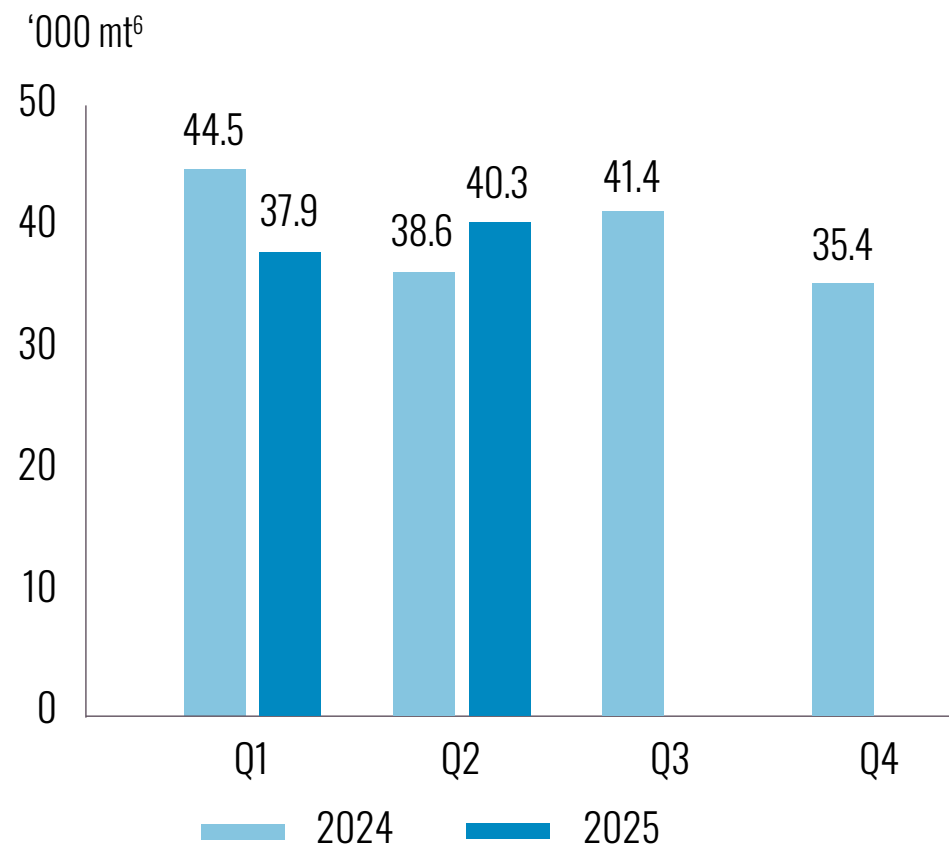
The average price in sales currency was 10% higher than in the same period last year.

AVERAGE GROSS SALES PRICE⁵



Sales price include speciality cellulose and cellulose fibrils.

SALES VOLUME



Sales volume include speciality cellulose and cellulose fibrils

¹ Alternative performance measure, see page 23 for definition.
² Figures in parentheses are for the corresponding period in the previous year.
⁵ Average sales price is calculated using actual FX rates, excluding hedging impact.
⁶ Metric tonne.

FINE CHEMICALS

Amounts in NOK million	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2025	2024	2025	2024	2024
Operating revenues	168	223	347	415	799
EBITDA ¹	41	102	90	169	336
EBITDA margin ¹ (%)	24.4	45.7	25.9	40.7	42.1

SECOND QUARTER

Fine Chemicals’ operating revenues were NOK 168 million (NOK 223 million). EBITDA¹ was NOK 41 million (NOK 102 million).

Continued lower sales prices for bioethanol were the main reason for the lower result. In addition, the result was impacted by a slightly weaker product mix for fine chemical intermediates compared with the 2nd quarter of 2024.

The net currency impact in Fine Chemicals was positive.

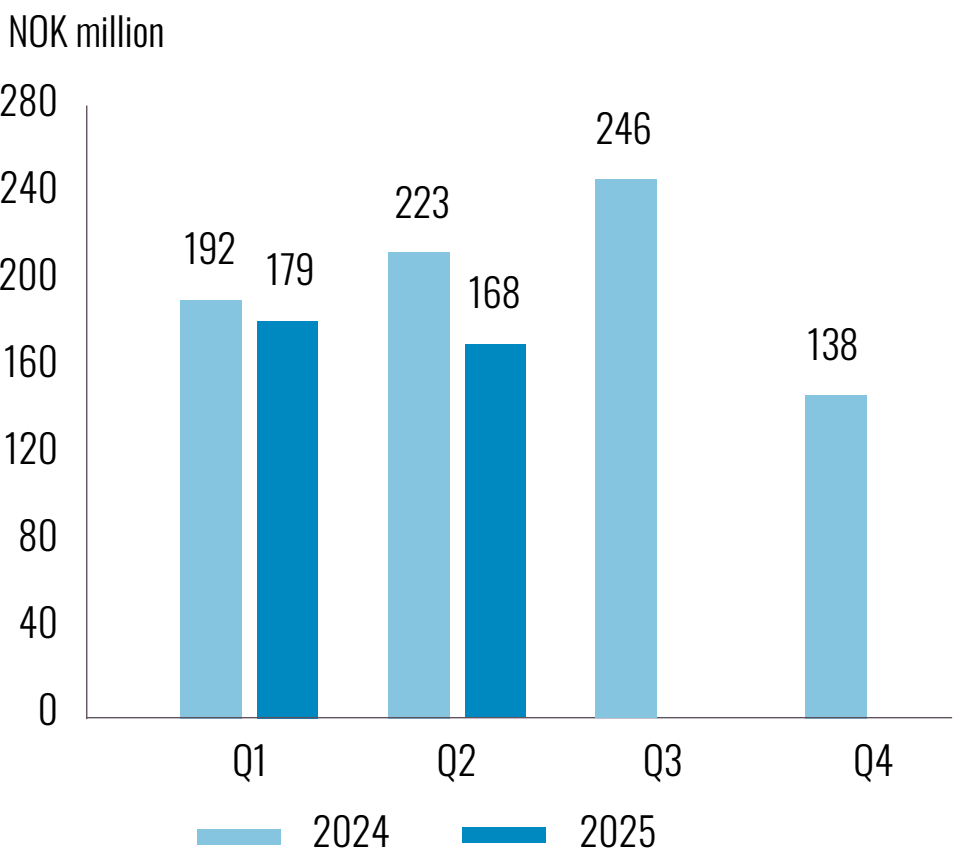
FIRST HALF

Operating revenues in Fine Chemicals were NOK 347 million (NOK 415 million). EBITDA¹ was NOK 90 million (NOK 169 million).

Lower sales prices for bioethanol were the main reason for the lower result. For fine chemical intermediates, the sales revenues and result were in line with the 1st half of 2024. The net currency impact was positive in Fine Chemicals.

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.

FINE CHEMICALS – OPERATING REVENUES



Operating revenues include fine chemical intermediates and bioethanol.

¹ Alternative performance measure, see page 23 for definition.

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 2nd quarter of 2024, the net impact of foreign exchange on EBITDA¹, including hedging effects, was NOK 35 million. Hedging effects were NOK -34 million (NOK -97 million) in the quarter.

In the 1st half of 2025, the net impact of foreign exchange on EBITDA¹, including hedging effects, was NOK 80 million. Hedging effects were NOK -129 million (NOK -186 million).

Assuming currency rates as of 15 July 2025 (USD 10.18 and EUR 11.87) and based on currency exposure forecasts,

Borregaard expects a net impact of foreign exchange on EBITDA¹ of approximately NOK 20 million in the 3rd quarter of 2025 and NOK 105 million for the full year of 2025, compared with the corresponding periods last year.

CASH FLOW AND FINANCIAL SITUATION

SECOND QUARTER

Cash flow from operating activities in the 2nd quarter was NOK 385 million (NOK 546 million). The cash effect from EBITDA¹ was partly offset by tax payments. The net working capital was slightly reduced in the quarter. The cash flow from operating activities in the 2nd quarter of 2024 was particularly strong due to a significant reduction in net working capital.

FIRST HALF

In the 1st half of 2025, cash flow from operating activities was NOK 514 million (NOK 363 million). The cash effect from EBITDA¹ was partly offset by increased net working capital and tax payments. Compared with the 1st half of 2024, the cash

flow from operating activities improved due to a higher cash effect from EBITDA¹ and a less unfavourable development in net working capital.

Investments amounted to NOK 382 million (NOK 287 million). Replacement investments were NOK 212 million (NOK 232 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 170 million (NOK 55 million), where the largest expenditures were related to increased capacity at the Sarpsborg site, specialisation projects within BioSolutions and participation in a capital raise in Alginor.

Dividend of NOK 424 million (NOK 374 million) was paid out in the 2nd quarter. In the 1st half of 2025, the Group has sold and repurchased treasury shares with net proceeds of NOK 20 million (NOK -6 million). Realised effect of hedging of net investments in subsidiaries was NOK 100 million (NOK -40 million).

On 30 June 2025, the Group had net interest-bearing debt¹ totalling NOK 2,355 million (NOK 2,170 million), an increase of NOK 115 million from year-end 2024.

At the end of June, the Group was well capitalised with an equity ratio¹ of 57.0% (53.9%) and a leverage ratio¹ of 1.20 (1.23).

¹ Alternative performance measure, see page 23 for definition.

SUSTAINABILITY

Environment, health and safety (EHS) are integral parts of Borregaard’s business model.

Greenhouse gas emissions (scope 1 and 2) have decreased due to lower use of fossil fuel for heat energy. The electrification of the spray driers in Sarpsborg and lower use of fossil fuel contributed positively.

Rolling 12 months emissions of COD are relatively stable. 1st half of 2025 had lower emissions than 2nd half of 2024, but the purification processes are still under optimisation.

There were no fatal, high consequence or lost-time work-related injuries in the 1st half of 2025. The total recordable injuries per million hours worked (TRIF, rolling 12 months) were 7.9 (7.1).

Rolling 12 months sick leave is stable, however sick leave in the 1st half of 2025 is reduced compared with the 1st half of 2024.

The table below shows key sustainability measures and targets. For further details on parameters and targets, see [Borregaard’s Annual Report 2024](#).

All figures are rolling 12 months	30.6.2025	30.6.2024	31.12.2024	Target 2025	Long term target 2030
Greenhouse gas emissions (Scope 1 and 2, `000 tonnes)	173	192	185	< 177	< 114**
COD (organic material) in process water discharged	50 t/day	49 t/day	53 t/day	< 47 t/day	< 40 t/day
Total recordable injuries per million hours worked	7.9	7.1	7.9	< 3,5	-
Sick leave %	3.9 %	3.9 %	4.0 %	< 4.0%	< 3.0%

**Emissions figures are based on best estimate at the time of reporting.*
***42% reduction from base year 2020*

SHARE INFORMATION

During the 2nd quarter, 12,000 share options were exercised at a strike price of NOK 164.45 per share.

In the 2nd quarter of 2025, Borregaard repurchased a total of 11,664 treasury shares at an average price of NOK 185.31.

Total number of shares outstanding on 30 June 2025 was 100 million, including 272,550 treasury shares. Total number of shareholders was 9,878. Borregaard ASA's share price was NOK 198.40 at the end of the 2nd quarter (NOK 171.40 at the end of 2024).

OTHER MATTERS AND SUBSEQUENT EVENTS

TOM ERIK FOSS-JACOBSEN APPOINTED CEO OF BORREGAARD

Tom Erik Foss-Jacobsen has been appointed CEO of Borregaard ASA. He succeeds Per A. Sørli, who will retire after 26 years in the position. The appointment will be effective 1 August 2025. See notification to the Oslo Stock Exchange on 23 May 2025.

CHANGES IN GROUP EXECUTIVE MANAGEMENT

Knut-Harald Bakke has been appointed EVP BioSolutions, effective 1 August 2025. He will also join the Group Executive Management on the same date. Bakke succeeds Tom Erik Foss-Jacobsen. See notification to the Oslo Stock Exchange on 13 June 2025.

BORREGAARD PARTICIPATED 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. Of this, Borregaard

invested NOK 55 million. Additionally, the same three shareholders committed to underwriting a subsequent rights issue of NOK 50 million, with subscription rights extended to all other shareholders. See notification to the Oslo Stock Exchange on 17 March 2025.

The subscription period for the rights issue (also referred to as a "repair offering") ended on 4 July 2025. Borregaard invested NOK 23 million in this offering. Combined with the NOK 55 million investment in the direct offering, Borregaard's total equity contribution in this capital raise amounted to NOK 78 million.

Including the latest equity raise, Borregaard's total investments in Alginor now amount to nearly NOK 500 million. Following the transaction, Borregaard holds a 41% ownership stake in Alginor on a fully diluted basis.

ENVIRONMENTAL INVESTMENT TO REDUCE CO₂ EMISSIONS

Borregaard will invest NOK 138 million in a new 30 MW electric boiler to reduce fossil CO₂ emissions and increase the share of renewable energy in the operations. As part of the 2030 transition plan, the project supports key climate targets and is expected to cut emissions by up to 18,000 tonnes annually. In addition to its environmental benefits, the investment is financially sound driven by lower energy costs. The first part of the investment is expected to be operational in 2027, with full capacity expected by 2030.

OUTLOOK

The total sales volume for BioSolutions in 2025 is forecast to be approximately 330,000 tonnes. The total sales volume in the 3rd quarter is expected to be largely in line with the 3rd quarter of 2024. 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 2nd half of 2025, the average price in sales currency is expected to be largely in line with the 1st half of 2025. In the 3rd quarter, sales volume for BioMaterials is expected to be 35,000-38,000 tonnes.

Sales prices for Borregaard’s bioethanol will continue to be significantly lower than in 2024. In the 2nd half of 2025,

sales prices and volume for bioethanol are expected to be largely in line with the 1st half. Sales volume for fine chemical intermediates is expected to increase compared with 2024.

Borregaard’s wood costs in the 2nd half of 2025 will be approximately 5% lower than the 1st half 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, 15 July 2025
The Board of Directors of Borregaard ASA

¹ Alternative performance measure, see page 23 for definition.
² Figures in parentheses are for the corresponding period in the previous year.
³ Metric tonne dry solid



STATEMENT BY THE BOARD OF DIRECTORS

We confirm that, to the best of our knowledge, the unaudited interim condensed financial statements for the period 1 January to 30 June 2025, have been prepared in accordance with IAS 34 Interim Financial Reporting, and that the information in the financial statements gives a true and fair view of the business

of the Group and the Group’s assets, liabilities, financial position and overall results, and that the half year report provides a fair overview of the information set out in the Norwegian Securities Trading Act section 5-6, fourth paragraph.

Sarpsborg, 15 July 2025
The Board of Directors of Borregaard ASA

Signed
HELGE AASEN
Chair

Signed
TERJE ANDERSEN

Signed
TOVE ANDERSEN

Signed
MARGRETHE HAUGE

Signed
JOHN ARNE ULVAN

Signed
RAGNHILD ANKER EIDE

Signed
ARUNDEL KRISTIANSEN

Signed
PER A. SØRLIE
President and CEO



CONTENTS

FINANCIAL STATEMENTS

The Group's interim condensed income statement	15
Interim earnings per share	15
The Group's interim condensed comprehensive income statement	15
The Group's interim condensed statement of financial position	16
Interim condensed changes in equity	16
The Group's interim condensed cash flow statement	17
Notes	18
Alternative performance measures	23



THE GROUP’S INTERIM CONDENSED INCOME STATEMENT

Amounts in NOK million	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2025	2024	2025	2024	2024
Operating revenues	2	2,045	1,949	4,081	3,924	7,617
Operating expenses		-1,523	-1,439	-3,048	-2,972	-5,743
Depreciation property, plant and equipment		-142	-134	-285	-267	-556
Amortisation intangible assets		-2	-2	-3	-3	-5
Other income and expenses ¹	3	-	-	-	-	-30
Operating profit		378	374	745	682	1,283
Financial items, net	4	-52	-52	-100	-99	-204
Profit before taxes		326	322	645	583	1,079
Income tax expense	5	-75	-77	-150	-138	-250
Profit for the period		251	245	495	445	829
Profit attributable to non-controlling interests		-4	1	-11	1	6
Profit attributable to owners of the parent		255	244	506	444	823
EBITDA ¹		522	510	1,033	952	1,874

INTERIM EARNINGS PER SHARE

Amounts in NOK		1.4 - 30.6		1.1 - 30.6		1.1-31.12
		2025	2024	2025	2024	2024
Earnings per share (100 mill. shares)	6	2.56	2.45	5.08	4.45	8.25
Diluted earnings per share	6	2.56	2.44	5.08	4.45	8.25

¹ Alternative performance measure, see page 23 for definition.

THE GROUP’S INTERIM CONDENSED COMPREHENSIVE INCOME STATEMENT

Amounts in NOK million	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2025	2024	2025	2024	2024
Profit for the period		251	245	495	445	829
Items not to be reclassified to P&L		-	-	-	-	-
Actuarial gains and losses (after tax)		-	-	-	-	28
Total		-	-	-	-	28
Items to be reclassified to P&L		-	-	-	-	-
Change in hedging-reserve after tax (cashflow)	8	81	227	510	-32	-296
Change in hedging-reserve after tax (net investment in subsidiaries)	8	23	14	78	-35	-89
Translation effects		-25	-30	-103	44	124
Total		79	211	485	-23	-261
The Group's comprehensive income		330	456	980	422	596
Comprehensive income non-controlling interests		-5	-	-15	3	10
Comprehensive income owners of the parent		335	456	995	419	586

THE GROUP’S INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

Amounts in NOK million	Note	30.6.2025	31.12.2024
Intangible assets	13	81	88
Property, plant and equipment	13	5,033	5,026
Right-of-use assets		462	508
Other assets	9	637	524
Investments in joint venture/associate companies	4	446	417
Non-current assets		6,659	6,563
Inventories		1,464	1,498
Receivables	9	1,744	1,441
Cash and cash deposits	11	96	82
Current assets		3,304	3,021
Total assets		9,963	9,584
Group equity	10	5,644	5,041
Non-controlling interests		34	49
Equity		5,678	5,090
Provisions and other liabilities		504	591
Interest-bearing liabilities	9.11	1,765	2,035
Non-current liabilities		2,269	2,626
Interest-bearing liabilities	9.11	687	288
Other current liabilities	9	1,329	1,580
Current liabilities		2,016	1,868
Equity and liabilities		9,963	9,584
Equity ratio ¹		57.0 %	53.1 %

¹ Alternative performance measure, see page 23 for definition.

INTERIM CONDENSED CHANGES IN EQUITY

Amounts in NOK million	Note	1.1 - 30.6.2025		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		506	-11	495	823	6	829
Items in Comprehensive Income	8	489	-4	485	-237	4	-233
The Group's Comprehensive income	8	995	-15	980	586	10	596
Paid dividend		-424	-	-424	-374	-	-374
Buy-back of treasury shares		-12	-	-12	-98	-	-98
Exercise of share options		6	-	6	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		5,644	34	5,678	5,041	49	5,090

THE GROUP’S INTERIM CONDENSED CASH FLOW STATEMENT

Amounts in NOK million	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2025	2024	2025	2024	2024
Profit before taxes		326	322	645	583	1,079
Amortisation, depreciation and impairment charges		144	136	288	270	561
Changes in net working capital, etc.		33	194	-228	-272	-326
Dividend/share of profit from JV & associate company	4	9	7	26	10	22
Taxes paid		-127	-113	-217	-228	-268
Cash flow from operating activities		385	546	514	363	1,068
Investments property, plant and equipment and intangible assets *		-184	-172	-327	-287	-711
Investments in associate companies* and bio-based start-ups	4	-55	-	-55	-	-150
Other capital transactions		5	4	9	7	19
Cash flow from investing activities		-234	-168	-373	-280	-842
Dividends		-424	-374	-424	-374	-374
Proceeds from exercise of options/shares to employees	10	2	15	32	50	52
Buy-back of treasury shares	7	-2	-28	-12	-56	-98
Gain/(loss) on hedges for net investments in subsidiaries		28	10	100	-40	-109
Net paid to/from shareholders		-396	-377	-304	-420	-529
Proceeds from interest-bearing liabilities	11	650	500	750	500	500
Repayment from interest-bearing liabilities	11	-479	-357	-550	-424	-724
Change in interest-bearing liabilities/other instruments	11	-19	-6	-56	30	74
Change in net interest-bearing liabilities		152	137	144	106	-150
Cash flow from financing activities		-244	-240	-160	-314	-679
Change in cash and cash equivalents		-93	138	-19	-231	-453

THE GROUP’S INTERIM CONDENSED CASH FLOW STATEMENT cont.

Amounts in NOK million	Note	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
		2025	2024	2025	2024	2024
Cash and cash equivalents at beginning of period		65	81	-3	429	429
Change in cash and cash equivalents		-93	138	-19	-231	-453
Currency effects cash and cash equivalents		1	-7	-5	14	21
Cash and cash equivalents at the close of the period	11	-27	212	-27	212	-3

*Investment by category

Replacement investments	95	137	212	232	598
Expansion investments ¹ including investment in associate companies and bio-based start-ups	144	35	170	55	263
Total investments including investment in associate companies and bio-based start-ups	239	172	382	287	861

¹ Alternative performance measure, see page 23 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.

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

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.

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	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2025	2024	2025	2024	2024
Borregaard	2,045	1,949	4,081	3,924	7,617
BioSolutions	1,149	1,117	2,328	2,205	4,241
BioMaterials	741	622	1,430	1,326	2,622
Fine Chemicals	168	223	347	415	799
Eliminations	-13	-13	-24	-22	-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 23 for definition.

EBITDA¹

Amounts in NOK million	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2025	2024	2025	2024	2024
Borregaard	522	510	1,033	952	1,874
BioSolutions	338	318	687	582	1,104
BioMaterials	143	90	256	201	434
Fine Chemicals	41	102	90	169	336

Reconciliation against operating profit & profit before tax

EBITDA¹	522	510	1,033	952	1,874
Depreciations and write downs	-142	-134	-285	-267	-556
Amortization intangible assets	-2	-2	-3	-3	-5
Other income and expenses ¹	-	-	-	-	-30
Operating profit	378	374	745	682	1,283
Financial items, net	-52	-52	-100	-99	-204
Profit before taxes	326	322	645	583	1,079

SALES REVENUES

Amounts in NOK million	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2025	2024	2025	2024	2024
Borregaard	2,020	1,923	4,012	3,871	7,502
BioSolutions	1,120	1,090	2,258	2,156	4,132
BioMaterials	734	611	1,411	1,304	2,579
Fine Chemicals	166	222	343	411	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

There are no items recorded as Other income and expenses¹ in the 1st half of 2025.

NOTE 04 Financial items

NET FINANCIAL ITEMS

Amounts in NOK million	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
	2025	2024	2025	2024	2024
Net interest expenses	-37	-42	-73	-81	-160
Currency gain/loss	-2	-2	-9	-2	-17
Share of profit/-loss from an associate	-9	-7	-26	-10	-22
Other financial items, net	-4	-1	8	-6	-5
Net financial items	-52	-52	-100	-99	-204

As of 30 June 2025, Borregaard holds 40% 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 23.3% (23.7%) for the first six 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.

NOTE 06 Earnings per share (EPS)

The share capital consists of 100 million shares. The company holds 272,550 treasury shares and average number of outstanding shares as of 30 June 2025 were 99.67 million. Average number of

outstanding diluted shares were 99.69 million (99.75 in 2024). Earnings per diluted share were NOK 2.56 in the 2nd quarter (NOK 2.44 in the 2nd quarter of 2024).

¹ Alternative performance measure, see page 23 for definition.



NOTE 07 Stock options

During the 2nd quarter, 12,000 share options at a strike price of NOK 164.45 per share were exercised.

The Group Executive Management and other key employees hold a total of 1,450,000 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	231,000	200,000	250,000	371,000	398,000
Strike price*	164.45	212.50	182.75	191.10	216.97
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 as at 30 June 2024 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.

	30.6.2025		30.6.2024		31.12.2024	
Amounts in NOK million	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	-8	-75	-78	-82	-153	-97
Hedging reserve after tax	-31	-232	-277	-256	-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 1st quarter of 2025 to the 2nd 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 30 June 2025:

FINANCIAL ASSETS

Amounts in NOK million	Level	30.6.2025		31.12.2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Non-current financial receivables	2	184	184	192	192
Non-current derivatives	2	119	119	1	1
Share investment	2	28	28	28	28
Current derivatives	2	53	53	5	5
Total financial assets		384	384	226	226

FINANCIAL LIABILITIES

Non-current financial liabilities	2.3	1,768	1,768	2,037	2,037
Non-current derivatives	2	93	93	336	336
Current financial liabilities	2	688	688	288	288
Current derivatives	2	128	128	363	363
Total financial liabilities		2,677	2,677	3,024	3,024

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Amounts in NOK million	Level 1		Level 2	Level 3
Financial instruments 30.6.2025	-2,293	-	-1,793	-500
Financial instruments 31.12.2024	-2,798	-	-2,298	-500

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	30.6.2025	31.12.2024
Share capital	100	100
Treasury shares	-	-
Share premium	1,346	1,346
Other paid-in capital	1,069	1,025
Translation effects	272	371
Hedging reserve (after tax)	-263	-851
Actuarial gains/Losses	116	116
Retained earnings	3,004	2,934
Group equity (controlling interests)	5,644	5,041

As of 30 June 2025, the company held 272,550 treasury shares at an average cost of NOK 187.59.

NOTE 11 Net interest-bearing debt¹

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

Amounts in NOK million	30.6.2025	31.12.2024
Non-current interest-bearing liabilities	1,765	2,035
Current interest-bearing liabilities including overdraft of cashpool	687	288
Non-current interest-bearing receivables (included in "Other Assets")	-1	-1
Cash and cash equivalents	-96	-82
Net interest-bearing liabilities	2,355	2,240
Of which IFRS 16 Leases	511	554

¹Alternative performance measure, see page 23 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 30 June 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 2nd 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. Of this, Borregaard invested NOK 55 million. Additionally, the same three shareholders committed to underwriting a subsequent rights issue of NOK 50 million, with subscription rights extended to all other shareholders. See notification to the Oslo Stock Exchange on 17 March 2025.

The subscription period for the rights issue (also referred to as a "repair offering") ended on 4 July 2025. Borregaard invested NOK 23 million in this offering. Combined with the NOK 55 million investment in the direct offering, Borregaard’s total equity contribution in this capital raise amounted to NOK 78 million.

Including the latest equity raise, Borregaard’s total investments in Alginor now amount to nearly NOK 500 million. Following the transaction, Borregaard holds a 41% ownership stake in Alginor on a fully diluted basis.

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 measure.



EBITDA

Description	Reason for including	EBITDA	2025	2024	2025	2024	2024
EBITDA is defined by Borregaard as operating profit before depreciation, amortisation and other income and expenses.	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.	Operating profit	378	374	745	682	1,283
		Other income and expenses	-	-	-	-	30
		Amortisation intangible assets	2	2	3	3	5
		Depreciation and impairment property, plant and equipment	142	134	285	267	556
		EBITDA	522	510	1,033	952	1,874

EBITDA MARGIN

Description	Reason for including	EBITDA MARGIN		2025	2024	2025	2024	2024
EBITDA margin is defined by Borregaard as EBITDA divided by operating revenues.	Shows the operations’ performance regardless of capital structure and tax situation as a ratio to operating revenue.	EBITDA		522	510	1,033	952	1,874
		Operating revenues		2,045	1,949	4,081	3,924	7,617
		EBITDA margin (%) (EBITDA/operating revenues)		25.5	26.2	25.3	24.3	24.6

EQUITY RATIO

Description	Reason for including	EQUITY RATIO			
Equity ratio is defined by Borregaard as equity (including non-controlling interests) divided by equity and liabilities.	Equity ratio is an important measure in describing the capital structure.	30.6.2025	30.6.2024	31.12.2024	
		Total equity	5,678	4,949	5,090
		Equity & liabilities	9,963	9,184	9,584
		Equity ratio (%) (total equity/equity & liabilities)	57.0	53.9	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.

	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
EXPANSION INVESTMENTS	2025	2024	2025	2024	2024
Total investments including investment in associate companies and bio-based start-ups	239	172	382	287	861
Replacement investments	-95	-137	-212	-232	-598
Expansion investments including investment in associate companies and bio-based start-ups	144	35	170	55	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.

	1.4 - 30.6		1.1 - 30.6		1.1 - 31.12
OTHER INCOME & EXPENCES	2025	2024	2025	2024	2024
Other income & expenses	-	-	-	-	-30

NET INTEREST-BEARING DEBT

Description	Reason for including	NET INTEREST-BEARING DEBT		
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.	30.6.2025	30.6.2024	31.12.2024
		1,765	2,005	2,035
		687	478	288
		-1	-2	-1
		-96	-311	-82
		2,355	2,170	2,240

LEVERAGE RATIO

Description	Reason for including	LEVERAGE RATIO		
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.	30.6.2025	30.6.2024	31.12.2024
		2,355	2,170	2,240
		1,955	1,761	1,874
		1.20	1.23	1.20

CAPITAL EMPLOYED

Description	Reason for including	CAPITAL EMPLOYED (END OF PERIOD)		
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.	30.6.2025	30.6.2024	31.12.2024
		8,292	7,582	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)	30.6.2025	30.6.2024	31.12.2024
Capital employed end of:			
Q2, 2023	-	7,216	-
Q3, 2023	-	7,191	-
Q4, 2023	-	7,142	7,142
Q1, 2024	-	7,789	7,789
Q2, 2024	7,582	7,582	7,582
Q3, 2024	7,813	-	7,813
Q4, 2024	8,172	-	8,172
Q1, 2025	8,290	-	-
Q2, 2025	8,292	-	-
Average capital employed	8,030	7,384	7,700
CAPITAL CONTRIBUTION	30.6.2025	30.6.2024	31.12.2024
Operating profit	1,346	1,234	1,283
Other income and expenses	30	-	30
Amortisation intangible assets	5	5	5
Capital contribution	1,381	1,239	1,318
RETURN ON CAPITAL EMPLOYED (ROCE)	30.6.2025	30.6.2024	31.12.2024
Capital contribution	1,381	1,239	1,318
Average capital employed	8,030	7,384	7,700
Return on capital employed (ROCE) (%) (capital contribution/average capital employed)	17.2	16.8	17.1



Q2 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