

## Income Statement Borregaard Group Q2 2020

<i>Amounts in NOK million</i>	1.4-30.6		1.1-30.6		1.1-31.12
	2020	2019	2020	2019	2019
<b>Operating revenues</b>	<b>1 358</b>	<b>1 340</b>	<b>2 730</b>	<b>2 590</b>	<b>5 063</b>
Operating expenses	-997	-1 057	-2 127	-2 052	-4 056
<b>EBITDA</b>	<b>361</b>	<b>283</b>	<b>603</b>	<b>538</b>	<b>1 007</b>
Depreciation property, plant and equipment	-112	-104	-221	-202	-418
Amortisation intangible assets	-1	-1	-2	-2	-4
Other income and expenses	-96	-16	-96	-16	-27
<b>Operating profit</b>	<b>152</b>	<b>162</b>	<b>284</b>	<b>318</b>	<b>558</b>
Financial items, net	-19	-22	-40	-37	-91
<b>Profit before taxes</b>	<b>133</b>	<b>140</b>	<b>244</b>	<b>281</b>	<b>467</b>
Income tax expense	-48	-33	-75	-66	-116
<b>Profit for the period</b>	<b>85</b>	<b>107</b>	<b>169</b>	<b>215</b>	<b>351</b>
Profit attributable to non-controlling interests	-16	-15	-34	-33	-66
Profit attributable to owners of the parent	101	122	203	248	417
<b>Earnings per share (NOK)</b>	<b>1,01</b>	<b>1,22</b>	<b>2,03</b>	<b>2,48</b>	<b>4,17</b>
<i>EBITDA adj. margin</i>	26,6 %	21,1 %	22,1 %	20,8 %	19,9 %

## Interim condensed statement of financial position Borregaard Group

	30.6. 2020	31.3. 2020	31.12. 2019
<i>Amounts in NOK million</i>			
<b>Assets:</b>			
Intangible assets	94	98	93
Property, plant and equipment	3 975	3 984	3 852
Right-of-use assets	374	396	380
Other assets	284	398	251
Investments in joint venture	26	94	99
<b>Non-current assets</b>	<b>4 753</b>	<b>4 970</b>	<b>4 675</b>
Inventories	1 003	942	931
Receivables	1 120	1 368	991
Cash and cash deposits	67	61	147
<b>Current assets</b>	<b>2 190</b>	<b>2 371</b>	<b>2 069</b>
<b>Total assets</b>	<b>6 943</b>	<b>7 341</b>	<b>6 744</b>
<b>Equity and debt:</b>			
Group equity	2 926	2 641	3 306
Non-controlling interests	141	169	158
<b>Equity</b>	<b>3 067</b>	<b>2 810</b>	<b>3 464</b>
Provisions and other liabilities	444	813	294
Interest-bearing liabilities	1 530	1 820	1 419
<b>Non-current liabilities</b>	<b>1 974</b>	<b>2 633</b>	<b>1 713</b>
Interest-bearing liabilities	694	617	608
Other current liabilities	1 208	1 281	959
<b>Current liabilities</b>	<b>1 902</b>	<b>1 898</b>	<b>1 567</b>
<b>Equity and liabilities</b>	<b>6 943</b>	<b>7 341</b>	<b>6 744</b>
Equity ratio (%):	44,2 %	38,3 %	51,4 %

## Interim condensed cash flow statement Borregaard Group Q2 2020

<i>Amounts in NOK million</i>	1.4-30.6		1.1-30.6		1.1-31.12
	2020	2019	2020	2019	2019
Profit before taxes	133	140	244	281	467
Amortisation, depreciation and impairment charges	113	105	223	204	432
Change in net working capital, etc	134	-91	-164	-219	-85
Dividend (share of profit) from JV	64	0	63	0	5
Taxes paid	-2	-21	-49	-89	-122
<b>Cash flow from operating activities</b>	<b>442</b>	<b>133</b>	<b>317</b>	<b>177</b>	<b>697</b>
Investments property, plant and equipment and intangible assets *	-155	-146	-213	-269	-583
Other capital transactions	3	2	5	11	29
<b>Cash flow from Investing activities</b>	<b>-152</b>	<b>-144</b>	<b>-208</b>	<b>-258</b>	<b>-554</b>
Dividends	-229	-224	-229	-224	-224
Proceeds from exercise of options/shares to employees	1	11	29	30	35
Buy-back of shares	0	-21	-50	-48	-60
Gain/(loss) on hedges for net investments in subsidiaries	113	5	-47	9	-26
<b>Net paid to/from shareholders</b>	<b>-115</b>	<b>-229</b>	<b>-297</b>	<b>-233</b>	<b>-275</b>
Proceeds from interest-bearing liabilities	300	1 000	950	1 347	2 100
Repayment of interest-bearing liabilities	-345	-837	-930	-1 053	-1 971
Change in interest-bearing receivables/other liabilities	-14	1	26	-7	-3
<b>Change in net interest-bearing liabilities</b>	<b>-59</b>	<b>164</b>	<b>46</b>	<b>287</b>	<b>126</b>
<b>Cash flow from financing activities</b>	<b>-174</b>	<b>-65</b>	<b>-251</b>	<b>54</b>	<b>-149</b>
<b>Change in cash and cash equivalents</b>	<b>116</b>	<b>-76</b>	<b>-142</b>	<b>-27</b>	<b>-6</b>
Cash and cash equivalents at beginning of period	-171	134	81	86	86
Change in cash and cash equivalents	116	-76	-142	-27	-6
Currency effects cash and cash equivalents	-4	1	2	0	1
<b>Cash and cash equivalents at the end of the period</b>	<b>-59</b>	<b>59</b>	<b>-59</b>	<b>59</b>	<b>81</b>
<b>* Investment by category:</b>					
Replacement investments	104	54	139	130	370
Expansion investments	51	92	74	139	213

Quarterly segment information Borregaard Group

**Operating revenues**

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard</b>	<b>4 492</b>	<b>4 618</b>	<b>1 217</b>	<b>1 199</b>	<b>1 150</b>	<b>1 219</b>	<b>4 785</b>	<b>1 250</b>	<b>1 340</b>	<b>1 239</b>	<b>1 234</b>	<b>5 063</b>	<b>1 372</b>	<b>1 358</b>	<b>2 730</b>
BioSolutions	2 563	2 594	687	693	690	705	2 775	755	781	720	726	2 982	797	819	1 616
BioMaterials	1 575	1 672	432	426	378	425	1 661	394	472	430	416	1 712	454	417	871
Fine Chemicals	368	370	103	86	89	96	374	110	96	96	104	406	128	131	259
Eliminations	-14	-18	-5	-6	-7	-7	-25	-9	-9	-7	-12	-37	-7	-9	-16

**EBITDA**

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard</b>	<b>1 021</b>	<b>1 055</b>	<b>252</b>	<b>239</b>	<b>229</b>	<b>183</b>	<b>903</b>	<b>255</b>	<b>283</b>	<b>286</b>	<b>183</b>	<b>1 007</b>	<b>242</b>	<b>361</b>	<b>603</b>
BioSolutions	605	545	149	139	112	99	499	168	192	156	131	647	170	193	363
BioMaterials	321	414	74	79	95	64	312	45	64	94	31	234	46	101	147
Fine Chemicals	95	96	29	21	22	20	92	42	27	36	21	126	26	67	93

**Depreciations and write downs**

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard</b>	<b>-274</b>	<b>-306</b>	<b>-75</b>	<b>-75</b>	<b>-84</b>	<b>-89</b>	<b>-323</b>	<b>-98</b>	<b>-104</b>	<b>-106</b>	<b>-110</b>	<b>-418</b>	<b>-109</b>	<b>-112</b>	<b>-221</b>
BioSolutions	-78	-94	-24	-23	-32	-34	-113	-41	-44	-48	-50	-183	-51	-51	-102
BioMaterials	-177	-192	-46	-47	-47	-49	-189	-49	-53	-50	-51	-203	-50	-52	-102
Fine Chemicals	-19	-20	-5	-5	-5	-6	-21	-8	-7	-8	-9	-32	-8	-9	-17

**Amortisation**

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard</b>	<b>-4</b>	<b>-4</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-4</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-4</b>	<b>-1</b>	<b>-1</b>	<b>-2</b>
BioSolutions	-4	-4	-1	-1	-1	-1	-4	-1	-1	-1	-1	-4	-1	-1	-2
BioMaterials	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fine Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Other income and expenses**

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard</b>	<b>13</b>	<b>-9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-16</b>	<b>0</b>	<b>-11</b>	<b>-27</b>	<b>0</b>	<b>-96</b>	<b>-96</b>
BioSolutions	-24	-9	0	0	0	0	0	0	-16	0	0	-16	0	-90	-90
BioMaterials	37	0	0	0	0	0	0	0	0	0	-11	-11	0	-6	-6
Fine Chemicals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Operating profit (EBIT)**

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard</b>	<b>756</b>	<b>736</b>	<b>176</b>	<b>163</b>	<b>144</b>	<b>93</b>	<b>576</b>	<b>156</b>	<b>162</b>	<b>179</b>	<b>61</b>	<b>558</b>	<b>132</b>	<b>152</b>	<b>284</b>
BioSolutions	499	438	124	115	79	64	382	126	131	107	80	444	118	51	169
BioMaterials	181	222	28	32	48	15	123	-4	11	44	-31	20	-4	43	39
Fine Chemicals	76	76	24	16	17	14	71	34	20	28	12	94	18	58	76

Quarterly segment information Borregaard Group

Hedging effects & currency exposure

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard - EBITDA hedging gains &amp; losses</b>	-115	-72	3	-6	-7	-1	-11	-8	-13	-23	-32	-76	-62	-84	-146
BioSolutions	-41	-22	3	1	0	-1	3	-4	-6	-9	-14	-33	-26	-38	-64
BioMaterials	-59	-36	2	-2	-2	-1	-3	-3	-7	-11	-16	-37	-30	-39	-69
Fine Chemicals	-15	-14	-2	-5	-5	1	-11	-1	0	-3	-2	-6	-6	-7	-13
<b>Borregaard - USD EBITDA currency exposure (approx)</b>	209	207					194					203			
<b>Borregaard - EUR EBITDA currency exposure (approx)</b>	92	84					84					98			

Sales revenues

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
<i>Amounts in NOK million</i>															
<b>Borregaard</b>	4 391	4 522	1 195	1 179	1 131	1 200	4 705	1 222	1 311	1 214	1 204	4 951	1 347	1 337	2 684
BioSolutions	2 485	2 524	670	677	674	687	2 708	728	753	697	695	2 873	775	800	1 575
BioMaterials	1 543	1 634	424	417	371	418	1 630	385	465	422	407	1 679	445	407	852
Fine Chemicals	363	365	102	85	87	95	369	109	94	95	102	400	127	130	257
<i>Eliminations</i>	0	-1	-1	0	-1	0	-2	0	-1	0	0	-1	0	0	0

BioSolutions

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
Average gross sales price NOK per mtds	5 684	5 618	5 966	5 455	5 455	5 783	5 654	6 385	5 999	5 865	6 455	6 166	6 885	7 431	7 147
Volume ('000 mtds)	444	450	107	122	122	117	468	115	125	119	111	470	115	106	221
Specialities volume ('000 mtds)	80	83					86					86			
Contraction volume ('000 mtds)	214	210					212					209			
Industrial volume ('000 mtds)	150	157					170					175			

BioMaterials

	1.1-31.12 2016	1.1-31.12 2017	1.1-31.3 2018	1.4-30.6 2018	1.7-30.9 2018	1.10-31.12 2018	1.1-31.12 2018	1.1-31.3 2019	1.4-30.6 2019	1.7-30.9 2019	1.10-31.12 2019	1.1-31.12 2019	1.1-31.3 2020	1.4-30.6 2020	1.1-30.6 2020
Average gross sales price NOK per mt	9 992	10 589	10 129	10 202	10 532	10 528	10 337	10 724	10 561	10 982	10 417	10 665	11 382	12 579	11 931
Volume ('000 mt)	152,3	150,7	40,0	39,1	33,3	37,7	150,1	34,5	42,4	37,6	38,6	153,1	40,0	33,9	73,9
High specialised as % of total cellulose product sales volum	64 %	72 %					62 %					73 %			