



Borregaard

4TH QUARTER 2025
INTERIM REPORT



4TH QUARTER IN BRIEF

- EBITDA¹ NOK 405 million (NOK 398 million)²
- BioSolutions: High biovanillin deliveries and sustained growth in sales to agriculture
- BioMaterials: Increased speciality cellulose sales prices and volume
- Strong result for fine chemical intermediates
- Lower bioethanol sales prices
- Reduced wood and energy costs, increase in other costs
- Impairment of bio-based start-ups
- Strong cash flow

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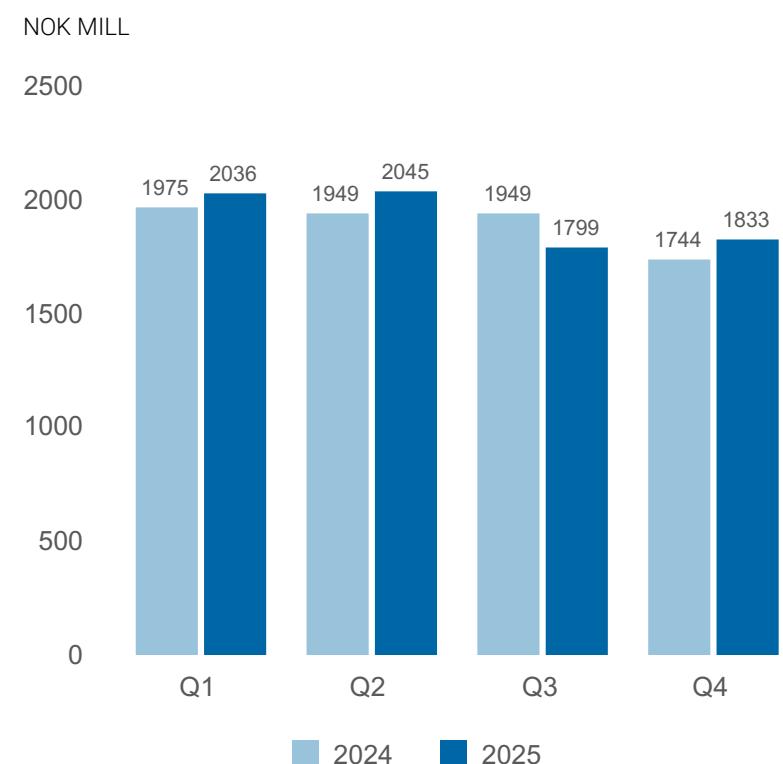
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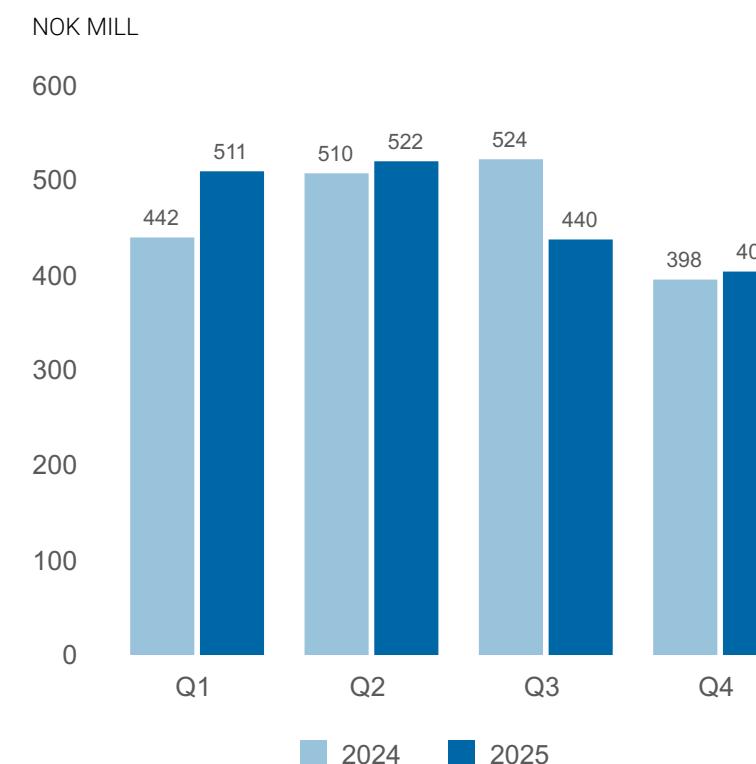
THE GROUP

Amounts in NOK million	Note	1.10-31.12		1.1-31.12	
		2025	2024	2025	2024
Operating revenues	2	1,833	1,744	7,713	7,617
EBITDA ¹		405	398	1,878	1,874
Operating profit		249	216	1,287	1,283
Profit/loss before taxes	2	-28	170	864	1,079
Earnings per share (NOK)		-0.81	1.30	6.22	8.25
Net interest-bearing debt ¹	11	2,090	2,240	2,090	2,240
Equity ratio ¹ (%)		60.8	53.1	60.8	53.1
Leverage ratio ¹		1.11	1.20	1.11	1.20
Return on capital employed ¹ (%)		15.7	17.1	15.7	17.1

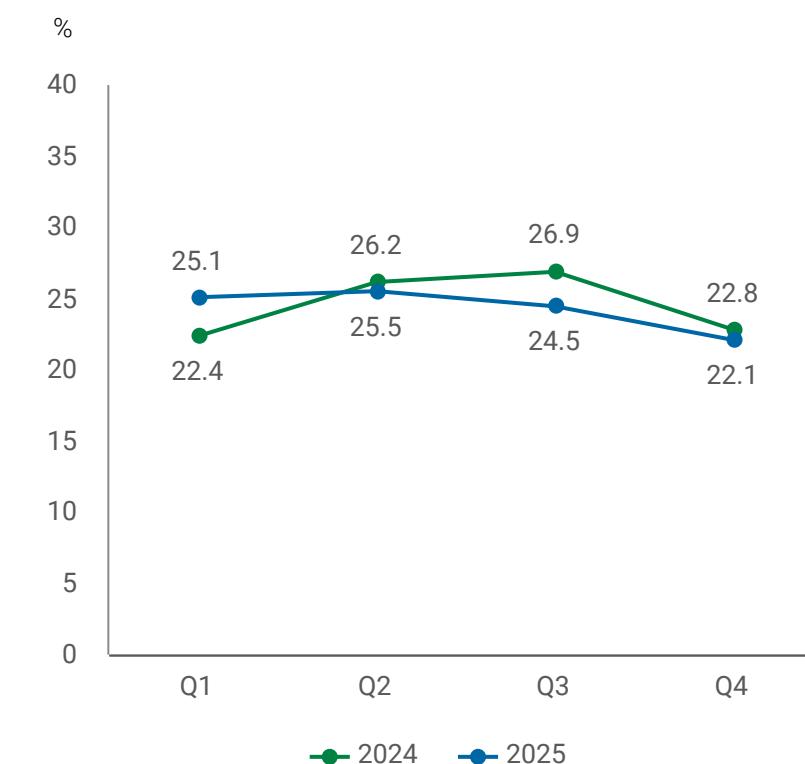
OPERATING REVENUES



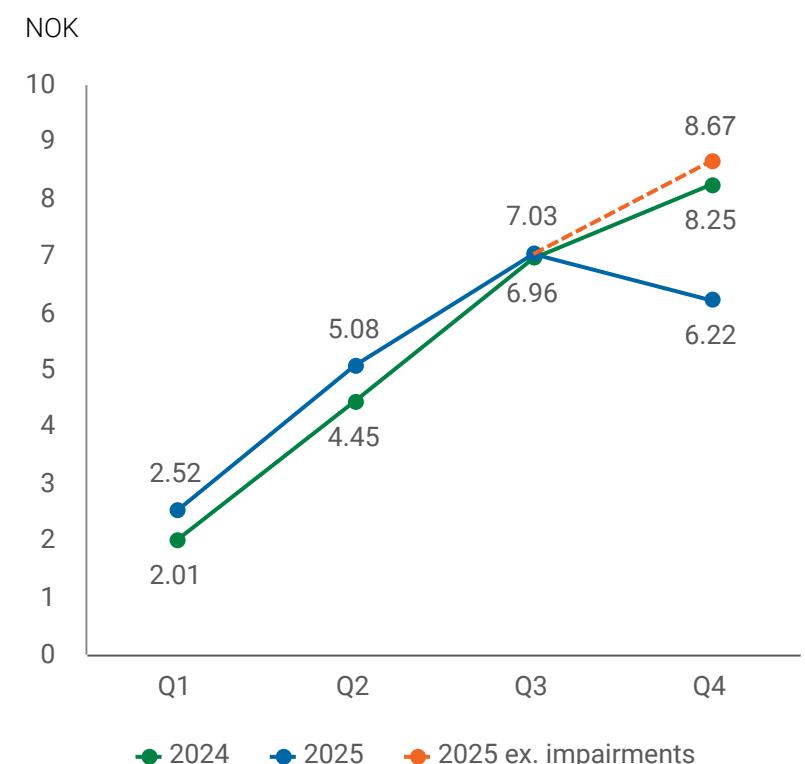
EBITDA¹



EBITDA MARGIN¹



EARNINGS PER SHARE CUMULATIVE



FOURTH QUARTER

Operating revenues increased to NOK 1,833 million (NOK 1,744 million) in the 4th quarter of 2025. EBITDA¹ was NOK 405 million (NOK 398 million). The result in BioMaterials increased, while BioSolutions and Fine Chemicals had lower results compared with the 4th quarter of 2024.

In BioSolutions, high deliveries of biovanillin and sustained growth in sales to agriculture were more than offset by increased costs. For BioMaterials, higher sales prices and lower wood and energy costs, more than compensated for other cost increases. In Fine Chemicals, lower bioethanol sales prices were partly mitigated by a strong result for fine chemical intermediates. Net currency effects were slightly positive for the Group.

Operating profit was NOK 249 million (NOK 216 million). Net financial items were NOK -277 million (NOK -46 million). Net financial items include a total impairment of bio-based start-ups of NOK 245 million, of which NOK 225 million relates to Borregaard's ownership in Alginor. (See Other matters and subsequent events).

Profit before tax was NOK -28 million (NOK 170 million). The tax expense was NOK -57 million (NOK -34 million). The tax rate was impacted by the impairments of bio-based start-ups (see Note 14).

Earnings per share were NOK -0.81 (NOK 1.30). Excluding impairments of bio-based start-ups, earnings per share were NOK 1.64.

The cash flow from operating activities was strong in the quarter, ending at NOK 419 million (NOK 314 million). A more favorable development in net working capital was the main reason for the improvement in cash flow from operating activities. There were no cash effects from the impairments of bio-based start-ups.

FULL YEAR (1.1-31.12)

Borregaard's operating revenues increased to NOK 7,713 million (NOK 7,617 million) in 2025. EBITDA¹ was NOK 1,878 million (NOK 1,874 million), an all-time high result. BioSolutions and BioMaterials had improved results, while Fine Chemicals had a decrease compared with 2024.

Strong sales to agriculture and higher sales of biovanillin in BioSolutions, increased sales prices and improved product mix for BioMaterials, a higher result for fine chemical intermediates and positive net currency effects contributed strongly to the all-time high EBITDA¹ in 2025. The result was negatively impacted by a significant reduction in bioethanol sales prices, and cost increases exceeding general inflation.

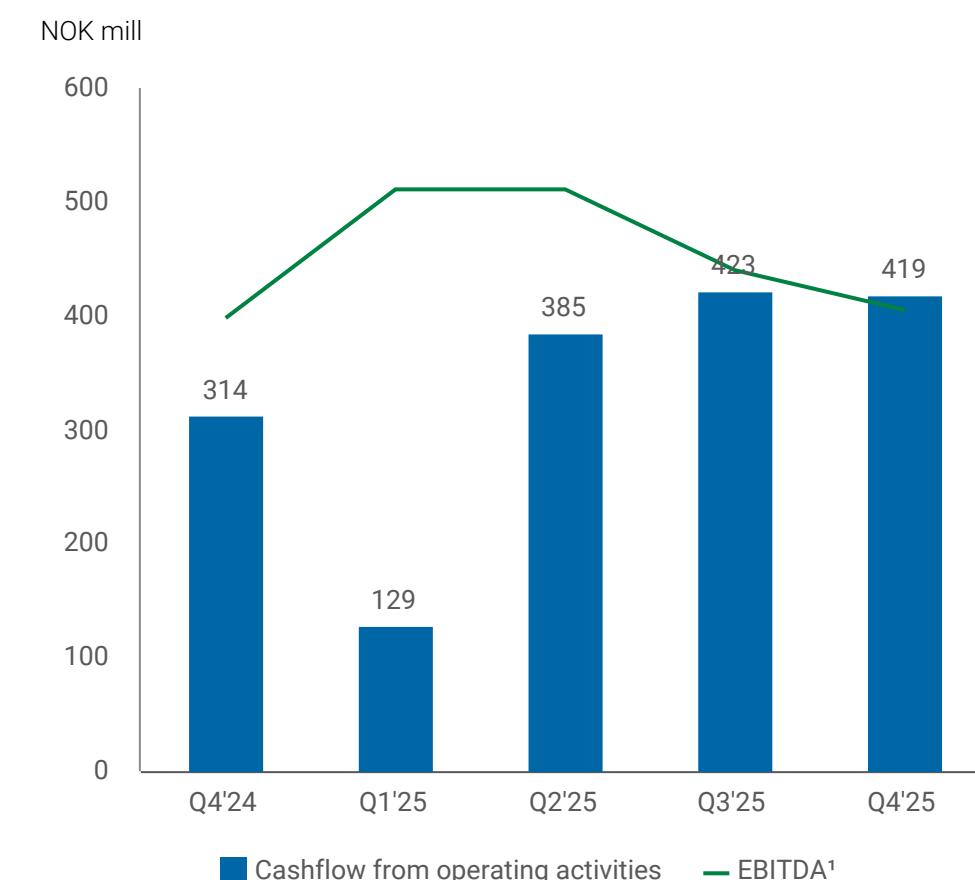
Operating profit was NOK 1,287 million (NOK 1,283 million). Net financial items amounted to NOK -423 million (NOK -204 million). Net financial items include a total impairment of bio-based start-ups of NOK 245 million, of which NOK 225 million relates to Borregaard's ownership in Alginor. (See Other matters and subsequent events).

Profit before tax was NOK 864 million (NOK 1,079 million). Tax expense was NOK -264 million (NOK -250 million), giving a tax

rate of 31% (23%). Earnings per share were NOK 6.22 (NOK 8.25). Excluding impairments of bio-based start-ups, the tax rate was 24% and earnings per share were NOK 8.67. (See Note 14).

The cash flow from operating activities was strong in 2025, ending at NOK 1,356 million (NOK 1,068 million). The cash flow improvement was mainly due to a more favourable development in net working capital. There were no cash effects from the impairments of bio-based start-ups.

CASH FLOW FROM OPERATING ACTIVITIES



¹ [Alternative Performance Measures](#), see page 24 for definition.

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

BUSINESS AREAS

BIOSOLUTIONS

Amounts in NOK million

	1.10-31.12 2025	2024	1.1-31.12 2025	2024
Operating revenues	1,009	1,005	4,396	4,241
EBITDA ¹	245	251	1,209	1,104
EBITDA margin ¹ (%)	24.3	25.0	27.5	26.0

FOURTH QUARTER

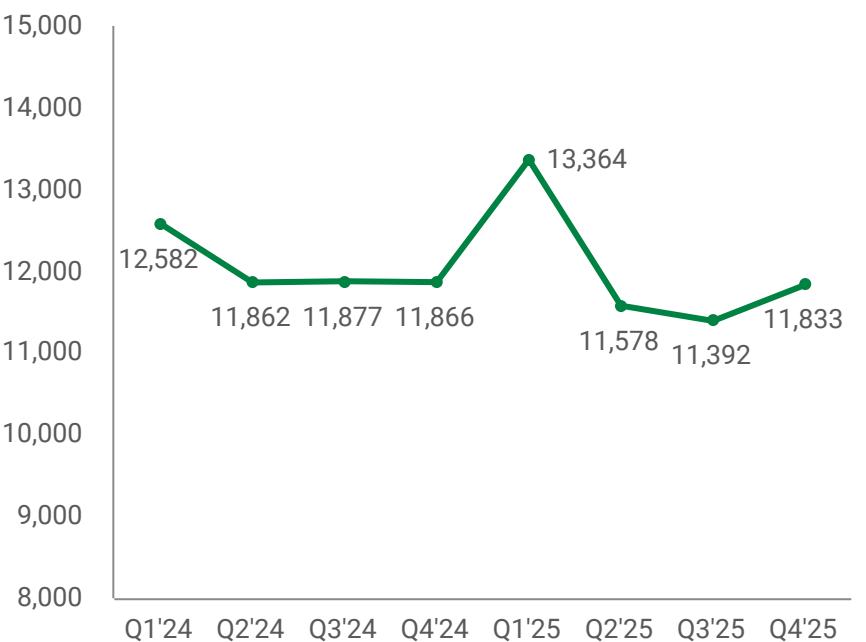
Operating revenues in BioSolutions were NOK 1,009 million (NOK 1,005 million). EBITDA¹ was NOK 245 million (NOK 251 million).

High deliveries of biovanillin and sustained growth in sales to agriculture contributed positively. This effect was more than offset by increased costs at the US manufacturing sites, in addition to general cost inflation. Anti-dumping duties on vanillin from China had a positive, but limited, impact on Borregaard's vanillin products. The net currency impact was insignificant in the quarter.

The average price in sales currency was 6% higher compared to the same quarter in 2024 due to an improved product mix. The total sales volume was 3% lower compared with the same quarter in 2024.

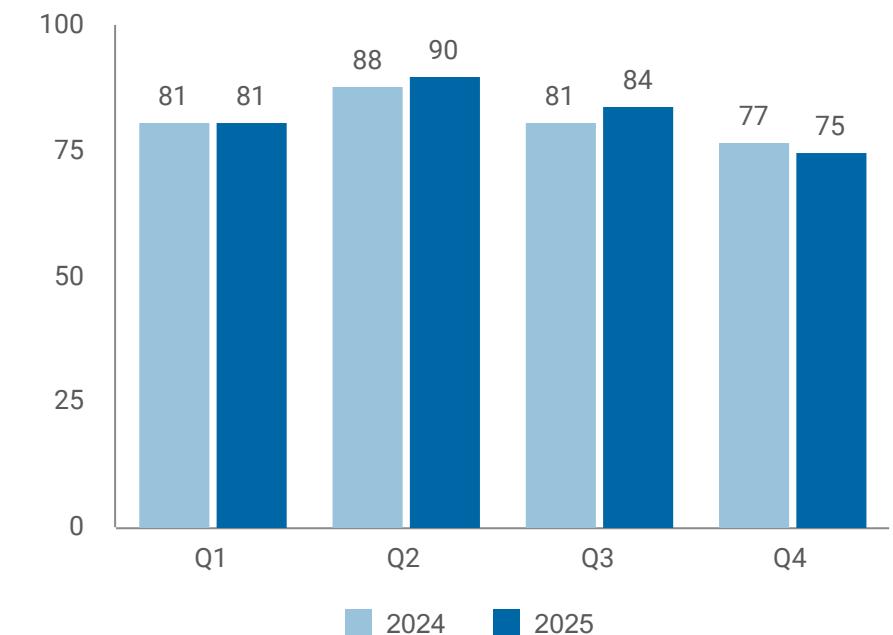
AVERAGE GROSS SALES PRICE³

NOK per mtds⁴



SALES VOLUME

'000 mtds⁴



¹ [Alternative Performance Measures](#), see page 24 for definition.

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

⁴ Metric tonne dry solid.

FULL YEAR (1.1-31.12)

Operating revenues in BioSolutions reached NOK 4,396 million (NOK 4,241 million). EBITDA¹ increased to an all-time high of NOK 1,209 million (NOK 1,104 million).

Strong sales to agriculture were the main driver of the improved result. In particular, the growth was supported by rising demand for multi-active ingredients in crop protection and the re-authorisation of Borregaard's lignin for use in EU animal feed. In addition, higher sales of biovanillin contributed positively to the result. The implementation of anti-dumping duties on vanillin imports from China had a positive, but limited, impact on Borregaard's vanillin products in 2025.

These positive effects were partly offset by increased costs at the US manufacturing sites, as well as general cost inflation. The net currency impact was positive.

Total sales volume was stable compared with 2024, while average prices in sales currency increased by 2%.



¹ [Alternative Performance Measures](#), see page 24 for definition.

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

BIOMATERIALS

Amounts in NOK million

	1.10-31.12	1.1-31.12
2025	679	2,691
2024	613	2,622

EBITDA¹

EBITDA margin¹ (%)

FOURTH QUARTER

Operating revenues in BioMaterials increased to NOK 679 million (NOK 613 million). EBITDA¹ was NOK 127 million (NOK 102 million).

Higher sales prices, increased sales volume, and lower wood and energy costs were the main drivers for the improved result. These were partly offset by an increase in other costs compared with the 4th quarter of 2024. Net currency effects were positive.

The average price in sales currency was 6% higher compared with the 4th quarter of 2024, primarily due to price increases.

	1.10-31.12	1.1-31.12
2025	679	2,691
2024	613	2,622
EBITDA ¹	127	495
EBITDA margin ¹ (%)	18.7	16.6
2024	434	16.6

FULL YEAR (1.1-31.12)

Operating revenues increased to NOK 2,691 million (NOK 2,622 million). EBITDA¹ was NOK 495 million (NOK 434 million).

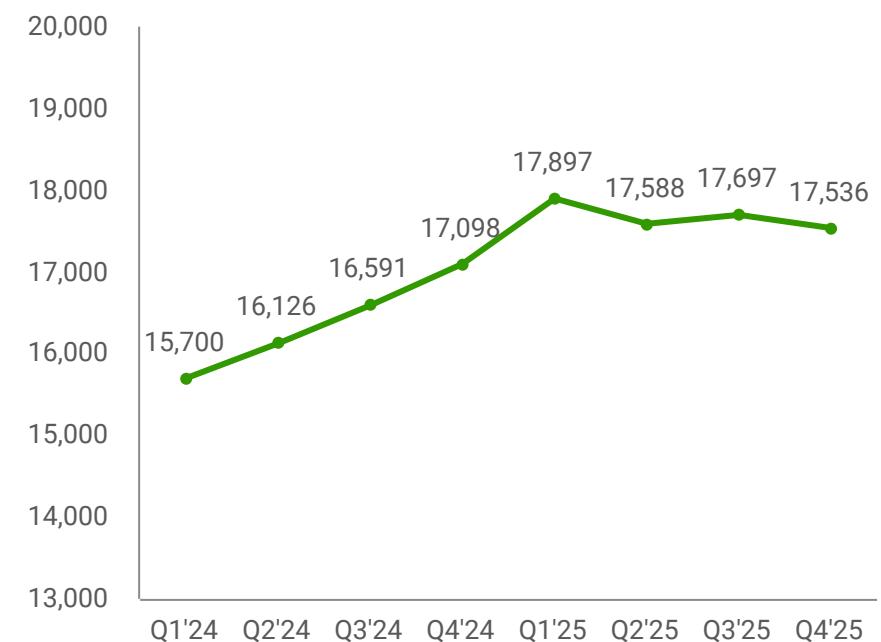
Higher sales prices and improved product mix were the main reasons for the increased EBITDA¹, partly offset by lower sales volume and higher wood costs. Net currency effects were positive.

The average price in sales currency was 9% higher than in 2024, mainly due to price increases. The product mix improved, driven by increased sales of high-purity cellulose to regulated applications (food, pharma, personal care), and bio-based plastics.

Sales to the construction segment declined as European cellulose ether producers, using speciality cellulose as a key raw material, were negatively impacted by increased imports from Chinese producers.

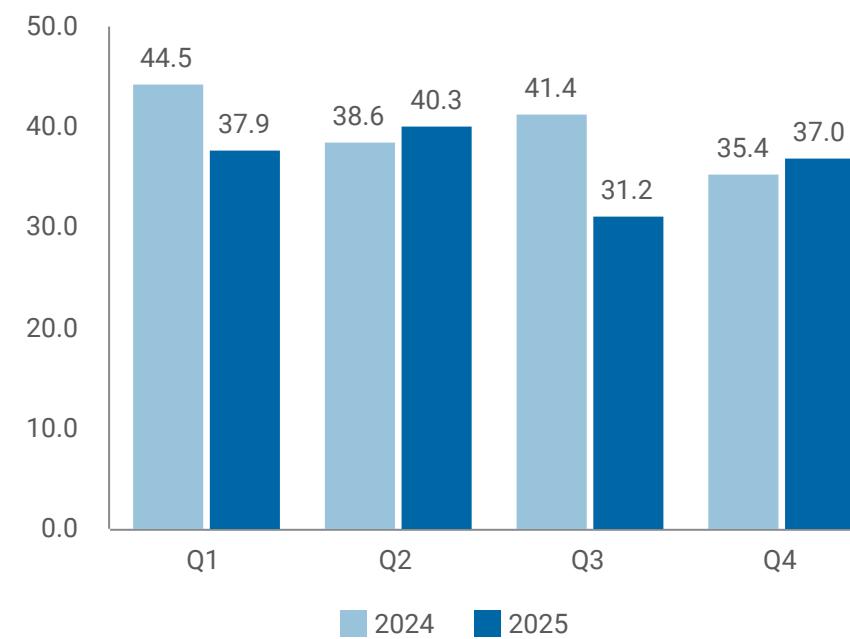
AVERAGE GROSS SALES PRICE⁵

NOK per mt⁶



SALES VOLUME

'000 mt⁶



¹ [Alternative Performance Measures](#), see page 24 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	1.10-31.12		1.1-31.12	
	2025	2024	2025	2024
Operating revenues	156	138	670	799
EBITDA ¹	33	45	174	336
EBITDA margin ¹ (%)	21.2	32.6	26.0	42.1

FOURTH QUARTER

Fine Chemicals' operating revenues were NOK 156 million (NOK 138 million). EBITDA¹ was NOK 33 million (NOK 45 million).

Lower bioethanol sales prices were the main reason for the lower result in Fine Chemicals relative to the 4th quarter of 2024. Fine chemical intermediates delivered a strong result, supported by a favourable product mix and increased sales prices. The net currency impact was insignificant in Fine Chemicals.

FULL YEAR (1.1-31.12)

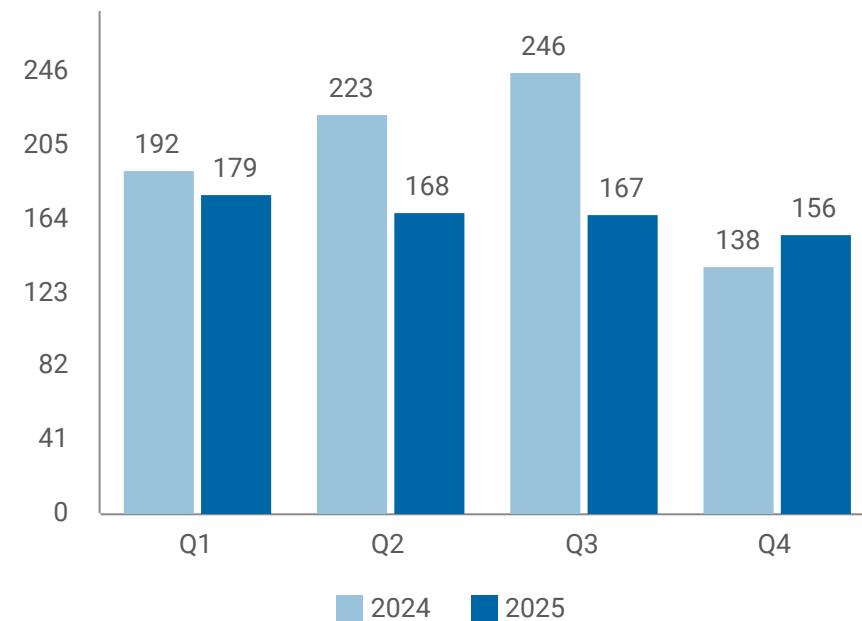
Operating revenues in Fine Chemicals were NOK 670 million (NOK 799 million). EBITDA¹ was NOK 174 million (NOK 336 million).

Lower sales prices for bioethanol were the main reason for the lower result. Improved product mix and increased sales prices for fine chemical intermediates contributed positively. The net currency impact was positive in Fine Chemicals.

The reduction in sales prices for Borregaard's advanced bioethanol was largely driven by a significant increase in market supply, particularly from agricultural waste and other alternative sources. This development is a consequence of favourable incentive schemes for advanced bioethanol in Europe.

FINE CHEMICALS - OPERATING REVENUES

NOK mill



FOREIGN EXCHANGE AND HEDGING

Borregaard has a 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 4th quarter of 2024, the net impact of foreign exchange on EBITDA¹, including hedging effects, was NOK 5 million. Hedging effects were NOK -24 million (NOK -93 million) in the quarter.

In 2025, the net impact of foreign exchange on EBITDA¹, including hedging effects, was NOK 115 million. Hedging effects were NOK -174 million (NOK -365 million).

Assuming currency rates as of 3 February 2026 (USD 9.68 and EUR 11.42) and based on currency exposure forecasts, Borregaard expects a net impact of foreign exchange on EBITDA¹

of approximately NOK -5 million in the 1st quarter of 2026 and NOK 55 million for the full year of 2026, compared with the corresponding periods in 2025.

CASH FLOW AND FINANCIAL SITUATION

FOURTH QUARTER

The cash flow from operating activities was strong in the quarter ending at NOK 419 million (NOK 314 million). A more favourable development in net working capital was the main reason for the improvement in cash flow from operating activities. There were no cash effects from the impairments of bio-based start-ups.

FULL YEAR (1.1-31.12)

In 2025, the cash flow from operating activities was strong ending at NOK 1,356 million (NOK 1,068 million). The cash flow improvement from 2024 was mainly due to a more favourable development in net working capital. There were no cash effects from the impairments of bio-based start-ups.

Investments amounted to NOK 925 million (NOK 861 million). Replacement investments were NOK 576 million (NOK 598 million), with the largest expenditures 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 349 million (NOK 263 million), with the largest expenditures related to increased capacity at the Sarpsborg site, specialisation projects within BioSolutions and participation in capital raises in Alginor.

Dividend of NOK 424 million (NOK 374 million) was paid out in the 2nd quarter. In 2025, the Group has sold and repurchased treasury

shares with net proceeds of NOK 18 million (NOK -46 million). Realised effect of hedging of net investments in subsidiaries was NOK 100 million (NOK -109 million).

On 31 December 2025, the Group has net interest-bearing debt¹ totalling NOK 2,090 million (NOK 2,240), a decrease of NOK 150 million from year-end 2024.

At the end of December, the Group was well capitalised with an equity ratio¹ of 60.8% (53.1%) and a leverage ratio¹ of 1.11 (1.20).

DIVIDEND

The Board of Directors of Borregaard ASA will propose an ordinary dividend for 2025 of NOK 4.75 (NOK 4.25) per share to the General Meeting, corresponding to 55% of net profit excluding

impairments of bio-based start-ups. The proposed dividend is 12% higher than the dividend for 2024. Dividend payment is estimated at NOK 474 million. The exact amount will depend on

the number of treasury shares held at the date of the General Meeting.

SUSTAINABILITY

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

Greenhouse gas emissions (Scope 1 and 2) decreased by 6.5% in 2025, mainly due to energy conservation and full-year effect of electrification of spraydryers at the Sarpsborg site, which reduced fossil fuel use. The emissions of organic material (COD) decreased by 11% in 2025. Further improvements are expected in 2026.

There were no fatal or high-consequence work-related injuries in 2025. The total recordable injuries per million hours worked (TRIF) were 6.8 (7.9). There were no lost-time injuries in 2025 (2 in 2024). Sick leave was reduced to an absence rate of 3.4% in 2025.

The table below shows key sustainability measures and targets.

All figures are rolling 12 months	31.12.2025	31.12.2024	Target 2025	Long-term target 2030
Greenhouse gas emissions (Scope 1 and 2, '000 tonnes)*	173	185	< 177	< 114 **
COD (organic material) in process water discharged	47 t/day	53 t/day	<47 t/day	< 40 t/day
Total recordable injuries per million hours worked	6.8	7.9	< 3,5	0
Sick leave % ***	3.4 %	3.7 %	< 3.7%	< 3.0%

*Emission figure are based on the best estimate at the time of reporting

**42% reduction from base year 2020

*** Based on updated calculation method from The Federation of Norwegian Industries

SHARE INFORMATION

During the 4th quarter of 2025, 88,000 share options were exercised at a strike price of NOK 164.45 per share. In the 4th quarter, Borregaard repurchased a total of 86,222 treasury shares at an

average price of NOK 191.90. Total number of shares outstanding on 31 December 2025 was 100 million, including 270,174 treasury shares. Total number of shareholders was 10,550. Borregaard

ASA's share price was NOK 199.40 at the end of the 4th quarter (NOK 182.40 at the end of 2024).

OTHER MATTERS AND SUBSEQUENT EVENTS

IMPAIRMENT OF BIO-BASED START-UPS

Borregaard has made a total impairment of NOK 245 million of its investments in the bio-based start-ups Alginor ASA, Kaffe Bueno ApS and Lignovations GmbH to reflect recent development in these companies. The impairment is recorded under Financial items, net.

Late 2025, new information from Alginor indicated delays and additional capital needs. The updated information constituted an indication of impairment under IAS 36, as it materially affects expected future cash flows and the recoverable amount of the investment.

Borregaard has therefore performed an impairment test of its net investment in Alginor in accordance with IAS 36. The recoverable amount, determined as fair value less costs of disposal, was lower than the carrying amount. As a result, an impairment loss of NOK 225 million has been recognised in the quarter. The remaining carrying amount of the share investment in Alginor is NOK 196 million, approximately NOK 10 per share. This excludes the carrying amount of the convertible loan which is NOK 54 million. Total carrying amount of Borregaard's net investment in Alginor is NOK 250 million as of 31 December 2025.

Key assumptions applied in the impairment test, where the recoverable amount is determined using fair value less cost of disposal, include Level 3 input such as updated estimates regarding the project's timeline and capital needs. Borregaard considers these assumptions to reflect the best available information as of the reporting date.

The Danish bioscience company Kaffe Bueno faces delays in its project. Borregaard has decided not to exercise its warrants to subscribe for additional shares. Borregaard has therefore performed an impairment test of its investment in Kaffe Bueno in accordance with IAS 36, based on updated assumptions. As a result, an impairment loss has been recognised in the quarter. Borregaard will participate in a minor convertible loan to Kaffe Bueno.

The Austrian technology start-up Lignovations has also had delays and consequently faced lack of funding. Borregaard has made a total impairment of NOK 20 million in these two start-ups.

NOTICE OF DECISION FROM THE FINANCIAL SUPERVISORY AUTHORITY OF NORWAY

On 27 January 2026, Borregaard received a Notice of Decision from the Financial Supervisory Authority of Norway (FSA). The notice was issued following FSA's regulatory financial reporting review of the company's financial statements as of 31 December 2024. According to the notice, the company is required to perform a new calculation of the recoverable amount as of 31 December 2024 for the investment in the associated company Alginor. If the calculation results in a recoverable amount that is materially lower than the carrying amount, a corresponding restatement will be made. In such case, the correction will be made in Borregaard's 2025 Annual Report with restated figures for 2024. Borregaard is currently in the process of preparing documentation as of 31 December 2024, as requested by the FSA.

ANTI-DUMPING

In August 2025, RYAM and the United Steelworkers Union filed petitions with US authorities seeking anti-dumping duties on speciality cellulose from Norway, as well as anti-dumping and countervailing duties on similar products from Brazil. Borregaard and the Brazilian producer Bracell are the only exporters of these products to the US from the respective countries.

Borregaard disputes the basis for the allegations, both regarding the data presented and the underlying arguments. Borregaard has engaged legal and accounting experts to manage its defence. In 2025, the cost of legal and accounting experts was slightly above NOK 10 million.

The case has been delayed due to the shutdown of US federal agencies for several weeks at the end of 2025. A preliminary decision on potential duties is expected at the end of May 2026, with a final decision anticipated towards the end of 2026. Such duties may apply retroactively for 90 days.

OUTLOOK

For BioSolutions, the sales volume for 2026 is forecast to be 340,000 tonnes with continued strong sales to agriculture. The sales volume in the 1st quarter is expected to be approximately 80,000 tonnes.

For BioMaterials, the sales volume is forecast to be 155–160,000 tonnes in 2026. Sales volume of highly specialised grades is expected to be slightly higher than in 2025. The average price in sales currency is expected to be 3–4% lower, partly due to product mix. European cellulose ether producers, major users of speciality cellulose, are expected to continue facing competition from Chinese cellulose ether producers in the construction segment. In the 1st quarter, sales volume for BioMaterials is expected to be 37–39,000 tonnes.

Sales prices for bioethanol is expected to be largely in line with 2025. Sales volume for fine chemical intermediates is expected to increase compared with 2025.

Borregaard's wood costs in the 1st half of 2026 are expected to be approximately 15% lower compared with the 1st half of 2025.

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.

Sarpsborg, 3 February 2026.

The Board of Directors of Borregaard ASA



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THE GROUP'S INTERIM CONDENSED INCOME STATEMENT

Amounts in NOK million	Note	1.10-31.12		1.1-31.12	
		2025	2024	2025	2024
Operating revenues	2	1,833	1,744	7,713	7,617
Operating expenses		-1,428	-1,346	-5,835	-5,743
Depreciation property, plant and equipment		-156	-151	-587	-556
Amortisation intangible assets		0	-1	-4	-5
Other income and expenses ¹	3	0	-30	0	-30
Operating profit		249	216	1,287	1,283
Financial items, net	4	-277	-46	-423	-204
Profit before taxes		-28	170	864	1,079
Income tax expense	5	-57	-34	-264	-250
Profit for the period		-85	136	600	829
Profit attributable to non-controlling interests		-4	7	-20	6
Profit attributable to owners of the parent		-81	129	620	823
EBITDA¹		405	398	1,878	1,874

THE GROUP'S INTERIM CONDENSED COMPREHENSIVE INCOME STATEMENT

Amounts in NOK million	Note	1.10-31.12		1.1-31.12	
		2025	2024	2025	2024
Profit for the period		-85	136	600	829
Items not to be reclassified to P&L					
Actuarial gains and losses (after tax)			31	28	31
Total		31	28	31	28
Items to be reclassified to P&L					
Change in hedging-reserve after tax (cashflow)	8	-12	-203	569	-296
Change in hedging-reserve after tax (net investment in subsidiaries)	8	-6	-60	80	-89
Translation effects		-7	86	-110	124
Total		-25	-177	539	-261
The Group's comprehensive income		-79	-13	1,170	596
Comprehensive income non-controlling interests		-4	10	-24	10
Comprehensive income to owners of the parent		-75	-23	1,194	586

INTERIM EARNINGS PER SHARE

Amounts in NOK	1.10-31.12		1.1-31.12		
	2025	2024	2025	2024	
Earnings per share (100 mill. shares)	6	-0.81	1.30	6.22	8.25
Diluted earnings per share	6	-0.81	1.30	6.22	8.25

¹ [Alternative Performance Measures](#), see page 24 for definition.

THE GROUP'S INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

Amounts in NOK million	Note	31.12.2025	31.12.2024
Intangible assets	13	79	88
Property, plant and equipment	13	5,255	5,026
Right-of-use assets		445	508
Other assets	9	493	524
Investments in joint venture/associate companies	4	270	417
Non-current assets		6,542	6,563
Inventories		1,521	1,498
Receivables	9	1,516	1,441
Cash and cash deposits	11	91	82
Current assets		3,128	3,021
Total assets		9,670	9,584
Group equity	10	5,853	5,041
Non-controlling interests		25	49
Equity		5,878	5,090
Provisions and other liabilities		393	591
Interest-bearing liabilities	9, 11	1,718	2,035
Non-current liabilities		2,111	2,626
Interest-bearing liabilities	9, 11	463	288
Other current liabilities	9	1,218	1,580
Current liabilities		1,681	1,868
Equity and liabilities		9,670	9,584
Equity ratio ¹		60.8%	53.1%

INTERIM CONDENSED CHANGES IN EQUITY

Amounts in NOK million	Note	1.1-31.12.25		1.1.-31.12.24				Total equity	
		Non-		Non-		Non-			
		Controlling	controlling	Controlling	controlling	Controlling	controlling		
Equity 1 January		5,041	49	5,090	4,855	39	4,894		
Profit/loss for the period		620	-20	600	823	6	829		
Items in Comprehensive Income	8	574	-4	570	-237	4	-233		
The Group's Comprehensive income	8	1,194	-24	1,170	586	10	596		
Paid dividend		-424	-	-424	-374	-	-374		
Buy-back of treasury shares		-30	-	-30	-98	-	-98		
Exercise of share options		22	-	22	31	-	31		
Shares to employees		34	-	34	28	-	28		
Option costs (share based payment)		16	-	16	13	-	13		
Transactions with non-controlling interests		-	-	-	-	-	-		
Equity at the end of the period		5,853	25	5,878	5,041	49	5,090		

¹ *Alternative Performance Measures*, see page 24 for definition.

THE GROUP'S INTERIM CONDENSED CASH FLOW STATEMENT

Amounts in NOK million	Note	1.10-31.12		1.1-31.12	
		2025	2024	2025	2024
Profit before taxes		-28	170	864	1,079
Amortisation, depreciation and impairment charges		156	152	591	561
Changes in net working capital, etc.		57	15	-124	-326
Dividend/share of profit from JV & associate companies	4	255	6	290	22
Taxes paid		-21	-29	-265	-268
Cash flow from operating activities		419	314	1,356	1,068
Investments property, plant and equipment and intangible assets*		-329	-287	-793	-711
Investment in associate companies and bio-based start-ups*	4	-54	-	-132	-150
Other capital transactions		5	9	18	19
Cash flow from investing activities		-378	-278	-907	-842
Dividends		-	-	-424	-374
Proceeds from exercise of options/shares to employees	10	15	1	48	52
Buy-back of treasury shares	7	-17	-39	-30	-98
Gain/(loss) on hedges for net investments in subsidiaries		-13	-74	100	-109
Net paid to/from shareholders		-15	-112	-306	-529
Proceeds from interest-bearing liabilities	11	200	-	950	500
Repayment from interest-bearing liabilities	11	-329	-30	-1,047	-724
Change in interest-bearing liabilities/other instruments	11	7	47	-56	74
Change in net interest-bearing liabilities		-122	17	-153	-150
Cash flow from financing activities		-137	-95	-459	-679
Change in cash and cash equivalents		-96	-59	-10	-453

THE GROUP'S INTERIM CONDENSED CASH FLOW STATEMENT CONT.

Amounts in NOK million	Note	1.10-31.12		1.1-31.12	
		2025	2024	2025	2024
Cash and cash equivalents at beginning of period		76	45	-3	429
Change in cash and cash equivalents		-96	-59	-10	-453
Currency effects cash and cash equivalents		4	11	-3	21
Cash and cash equivalents at the close of the period	11	-16	-3	-16	-3
*Investment by category					
Replacement investments		260	244	576	598
Expansion investments ¹⁾ including investments in associate companies and bio-based-start-ups		123	43	349	263
Total investments including investment in associate companies and bio-based start-ups		383	287	925	861

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.

EBITDA¹

Amounts in NOK million	1.10-31.12		1.1-31.12	
	2025	2024	2025	2024
Borregaard	405	398	1,878	1,874
BioSolutions	245	251	1,209	1,104
BioMaterials	127	102	495	434
Fine Chemicals	33	45	174	336

Reconciliation against operating profit & profit before tax	EBITDA ¹	405	398	1,878	1,874
Depreciations and write downs		-156	-151	-587	-556
Amortization intangible assets		-	-1	-4	-5
Other income and expenses ¹		-	-30	-	-30
Operating profit	249	216	1,287	1,283	
Financial items, net		-277	-46	-423	-204
Profit before taxes	-28	170	864	1,079	

NOTE 02 Segments

OPERATING REVENUES

Amounts in NOK million	1.10-31.12		1.1-31.12	
	2025	2024	2025	2024
Borregaard	1,833	1,744	7,713	7,617
BioSolutions	1,009	1,005	4,396	4,241
BioMaterials	679	613	2,691	2,622
Fine Chemicals	156	138	670	799
Eliminations	-11	-12	-44	-45

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

SALES REVENUES

Amounts in NOK million	1.10-31.12		1.1-31.12	
	2025	2024	2025	2024
Borregaard	1,800	1,710	7,580	7,502
BioSolutions		984	972	4,275
BioMaterials		662	602	2,643
Fine Chemicals		154	136	662
Eliminations		-	-	791

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

NOTE 03 Other income and expenses

There are no items recorded as Other income and expenses¹ as of 31 December 2025.

NOTE 04 Financial items**NET FINANCIAL ITEMS**

Amounts in NOK million	1.10-31.12		1.1-31.12	
	2025	2024	2025	2024
Net interest expenses	-26	-39	-134	-160
Currency gain/loss	-2	-6	-11	-17
Share of profit/-loss from associates	-244	-6	-279	-22
Other financial items, net	-5	5	1	-5
Net financial items	-277	-46	-423	-204

As of 31 December 2025, Borregaard holds 41% of the shares in Alginor ASA on a fully diluted basis. In addition, Borregaard participated in the first tranche of a convertible loan to Alginor of NOK 54 million in the 4th quarter of 2025. See Note 14.

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

Share of profit/-loss from associates include impairment of investments in Alginor and Kaffe Bueno. See Note 14.

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 30.6% (23.2%) for 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%. Excluding impairments of bio-based start-ups, the tax rate was 23.8% in 2025.

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 on the Group which will not be recognised as deferred tax asset, 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 270,174 treasury shares and average number of outstanding shares as of 31 December 2025 were 99.71 million. Average number of outstanding diluted shares were 99.73 million (99.75 in 2024).

Earnings per diluted share were NOK -0.81 in the 4th quarter (NOK 1.30 in the 4th quarter of 2024). Earnings per diluted share for 2025 were NOK 6.22 (NOK 8.25). Excluding impairments of bio-based start-ups, earnings per share were NOK 1.64 in the quarter and NOK 8.67 for the full year.

¹ [Alternative Performance Measures](#), see page 24 for definition.

NOTE 07 Stock options

During the 4th quarter, 88,000 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 1,386,000 stock options in five different share option programmes in Borregaard.

Stock options	Issued 2021	Issued 2022	Issued 2023	Issued 2024	Issued Feb 2025	Issued Aug 2025
Number of stock options	137,000	200,000	250,000	371,000	398,000	30,000
Strike price*	164.45	212.50	182.75	191.10	216.97	219.31
Vesting period	3 years	3 years				
Expiry date	16.02.2026	17.02.2027	01.03.2028	27.02.2029	14.02.2030	01.08.2030

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

NOTE 08 Statement of comprehensive income

The statement of comprehensive income presents the changes in the value of hedging instruments, including both cash flow hedges and hedges of net investments in subsidiaries, which are reflected in the hedging reserve.

These amounts are shown net of tax.

Amounts in NOK million	31.12.2025		31.12.2024	
	Cash flow hedges	Hedges of net investments in subsidiaries	Cash flow hedges	Hedges of net investments in subsidiaries
Tax effect year-to-date	8	-74	-153	-97
Hedging reserve after tax	28	-230	-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 were no transfers from one level to another in the measurement hierarchy from 2024 to the 4th 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 December 2025:

Amounts in NOK million	Level	31.12.2025		31.12.2024	
		Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL ASSETS					
Non-current financial receivables	2	176	176	192	192
Non-current derivatives	2	89	89	1	1
Share investments	2	17	17	28	28
Current derivatives	2	74	74	5	5
Total financial assets		356	356	226	226

FINANCIAL LIABILITIES

Non-current financial liabilities	2,3	1,720	1,720	2,037	2,037
Non-current derivatives	2	68	68	336	336
Current financial liabilities	2	463	463	288	288
Current derivatives	2	50	50	363	363
Total financial liabilities		2,301	2,301	3,024	3,024

FINANCIAL INSTRUMENT MEASURED AT FAIR VALUE

Amounts in NOK million	Level 1	Level 2	Level 3
Financial instruments 31.12.2025	-1,945	-	-1,445
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	31.12.2025	31.12.2024
Share capital	100	100
Treasury shares	-	-
Share premium	1,346	1,346
Other paid-in capital	1,097	1,025
Translation effects	265	371
Hedging reserve (after tax)	-202	-851
Actuarial gains/Losses	147	116
Retained earnings	3,100	2,934
Group equity (controlling interests)	5,853	5,041

As of 31 December 2025, the company held 270,174 treasury shares at an average cost of NOK 190.11

NOTE 11 Net interest-bearing debt¹

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

Amounts in NOK million	31.12.2025	31.12.2024
Non-current interest-bearing liabilities	1,718	2,035
Current interest-bearing liabilities including overdraft of cashpool	463	288
Non-current interest-bearing receivables (included in "Other Assets")	-	-1
Cash and cash equivalents	-91	-82
Net interest-bearing liabilities	2,090	2,240
-Of which IFRS 16 Leases	497	554

NOTE 12 Related parties

The members of the Group Executive Management of Borregaard held a total of 504,000 stock options in the Company as of 31 December 2025.

NOTE 13 Assessments relating to impairment

See Note 14 for impairment related to bio-based start-ups as of 31 December 2025. No other impairment indicators have been identified in the Borregaard Group's property, plant and equipment or intangible assets in the 4th quarter of 2025.

¹ [Alternative Performance Measures](#), see page 24 for definition.

NOTE 14 Other matters and subsequent events

Impairment of bio-based start-ups

Borregaard has made a total impairment of NOK 245 million of its investments in the bio-based start-ups Alginor ASA, Kaffe Bueno ApS and Lignovations GmbH to reflect recent development in these companies. The impairment is recorded under Financial items, net.

Late 2025, new information from Alginor indicated delays and additional capital needs. The updated information constituted an indication of impairment under IAS 36, as it materially affects expected future cash flows and the recoverable amount of the investment.

Borregaard has therefore performed an impairment test of its net investment in Alginor in accordance with IAS 36. The recoverable amount, determined as fair value less costs of disposal, was lower than the carrying amount. As a result, an impairment loss of NOK 225 million has been recognised in the quarter. The remaining carrying amount of the share investment in Alginor is NOK 196 million, approximately NOK 10 per share. This excludes the carrying amount of the convertible loan which is NOK 54 million. Total carrying amount

of Borregaard's net investment in Alginor is NOK 250 million as of 31 December 2025.

Key assumptions applied in the impairment test, where the recoverable amount is determined using fair value less cost of disposal, include Level 3 input such as updated estimates regarding the project's timeline and capital needs. Borregaard considers these assumptions to reflect the best available information as of the reporting date.

The Danish bioscience company Kaffe Bueno faces delays in its project. Borregaard has decided not to exercise its warrants to subscribe for additional shares. Borregaard has therefore performed an impairment test of its investment in Kaffe Bueno in accordance with IAS 36, based on updated assumptions. As a result, an impairment loss has been recognised in the quarter. Borregaard will participate in a minor convertible loan to Kaffe Bueno.

The Austrian technology start-up Lignovations has also had delays and consequently faced lack of funding. Borregaard has made a total impairment of NOK 20 million in these two start-ups.

Notice of Decision from the Financial Supervisory Authority of Norway

On 27 January 2026, Borregaard received a Notice of Decision from the Financial Supervisory Authority of Norway (FSA). The notice was issued following FSA's regulatory financial reporting review of the company's financial statements as of 31 December 2024. According to the notice, the company is required to perform a new calculation of the recoverable amount as of 31 December 2024 for the investment in the associated company Alginor. If the calculation results in a recoverable amount that is materially lower than the carrying amount, a corresponding restatement will be made. In such case, the correction will be made in Borregaard's 2025 Annual Report with restated figures for 2024. Borregaard is currently in the process of preparing documentation as of 31 December 2024, as requested by the FSA.

Convertible loan to Alginor

Borregaard, together with the shareholders Must Invest and Hatteland Group, act as guarantors for a NOK 200 million convertible loan to Alginor, of which the first tranche of NOK 100 million was paid out in October 2025. Borregaard's participation was NOK 54 million in the first tranche. The second tranche will be paid out in February 2026 and Borregaard will participate with approximately the same amount as in the first tranche.

The loan may be converted to new shares by the lenders. The subscription price upon exercise of the conversion right shall be NOK 10 per share, subject to adjustment for corporate actions such as share splits, reversed splits, dividends etc.

The convertible loan is presented as part of Borregaard's net investment in associate companies according to IAS 28. This presentation reflects that conversion to equity is considered highly probable, and that the loan forms part of the long-term financial interest which, in substance, is an extension of the investment in the associate.

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

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.

	1.10-31.12		1.1-31.12	
	2025	2024	2025	2024
EBITDA				
Operating profit	249	216	1,287	1,283
Other income and expenses	-	30	-	30
Amortisation intangible assets	-	1	4	5
Depreciation and impairment property, plant and equipment	156	151	587	556
EBITDA	405	398	1,878	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 revenue.

	1.10-31.12		1.1-31.12	
	2025	2024	2025	2024
EBITDA MARGIN				
EBITDA	405	398	1,878	1,874
Operating revenues	1,833	1,744	7,713	7,617
EBITDA margin (%) (EBITDA/operating revenues)	22.1	22.8	24.3	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.

	31.12.2025	31.12.2024
EQUITY RATIO		
Total equity	5,878	5,090
Equity & liabilities	9,670	9,584
Equity ratio (%) (total equity/equity & liabilities)	60.8	53.1

EXPANSION INVESTMENTS

Description

Borregaard's investments are either categorised as replacement or expansion. Expansion investments is 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.

	1.10-31.12 2025	2024	1.1-31.12 2025	2024
EXPANSION INVESTMENTS				
Total investments including investments in associate companies and bio-based start-ups	383	287	925	861
Replacement investments	-260	-244	-576	-598
Expansion investments including investment in associate companies and bio-based start-ups	123	43	349	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.

	1.10-31.12 2025	2024	1.1-31.12 2025	2024
OTHER INCOME AND EXPENSES				
Other income and expenses	-	-30	-	-30

NET INTEREST-BEARING DEBT

Description

Net interest-bearing debt is defined by Borregaard as interest-bearing liabilities minus interest-bearing assets.

Reason for including

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

	31.12.2025	31.12.2024
Non-current interest-bearing liabilities	1,718	2,035
Current interest-bearing liabilities including overdraft of cashpool	463	288
Non-current interest-bearing receivables (included in "Other assets")	-	-1
Cash and cash deposits	-91	-82
Net interest-bearing debt	2,090	2,240

LEVERAGE RATIO

Description

Leverage ratio is defined by Borregaard as net interest bearing debt divided by last twelve months' (LTM) EBITDA.

Reason for including

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

	31.12.2025	31.12.2024
Net interest-bearing debt	2,090	2,240
EBITDA	1,878	1,874
Leverage ratio (net interest-bearing debt/EBITDA)	1.11	1.20

CAPITAL EMPLOYED

Description

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.

Reason for including

Borregaard uses capital employed as basis for calculating ROCE.

CAPITAL EMPLOYED (END OF PERIOD)

	31.12.2025	31.12.2024
Capital employed (end of period)	8,237	8,172

RETURN ON CAPITAL EMPLOYED (ROCE)

Description	Reason for including	RETURN ON CAPITAL EMPLOYED (ROCE)	31.12.2025	31.12.2024
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.	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.	Capital employed end of:		
		Q4, 2023	-	7,142
		Q1, 2024	-	7,789
		Q2, 2024	-	7,582
		Q3, 2024	-	7,813
		Q4, 2024	8,172	8,172
		Q1, 2025	8,290	-
		Q2, 2025	8,292	-
		Q3, 2025	8,247	-
		Q4, 2025	8,237	-
		Average capital employed	8,248	7,700
		Capital contribution	31.12.2025	31.12.2024
		Operating profit	1,287	1,283
		Other income and expenses	-	30
		Amortisation intangible assets	4	5
		Capital contribution	1,291	1,318
		RETURN ON CAPITAL EMPLOYED (ROCE)	31.12.2025	31.12.2024
		Capital contribution	1,291	1,318
		Average capital employed	8,248	7,700
		Return on capital employed (ROCE) (%) (capital contribution/ average capital employed)	15.7	17.1



Q4 2025



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