



INTERIM REPORT

4TH QUARTER 2024

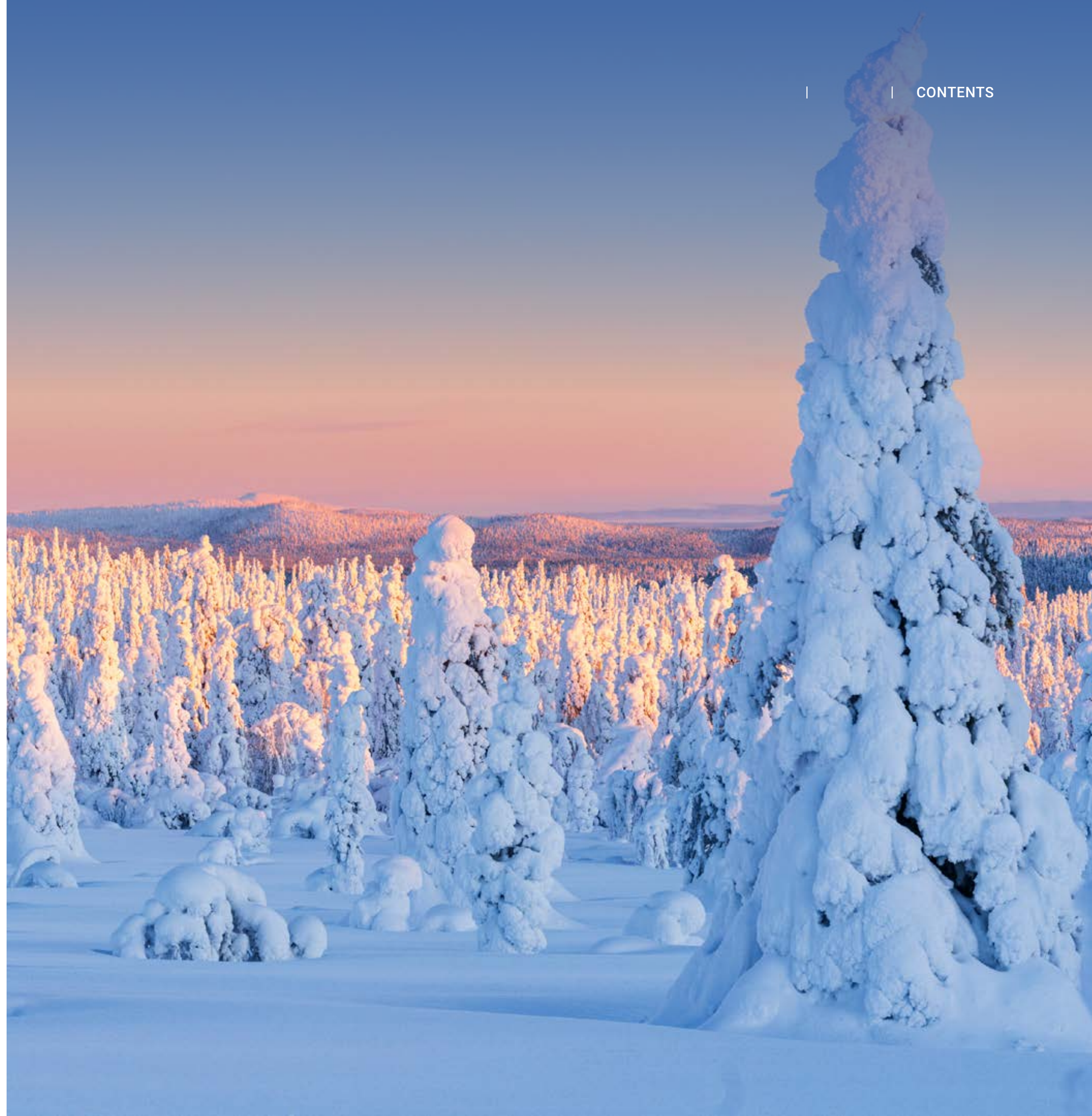


4TH QUARTER IN BRIEF

- EBITDA¹ NOK 398 million (NOK 327 million)²
- Increased sales and strong result in BioSolutions
- Higher deliveries and improved product mix, offset by increased wood costs in BioMaterials
- Lower deliveries in Fine Chemicals
- Positive net currency effects

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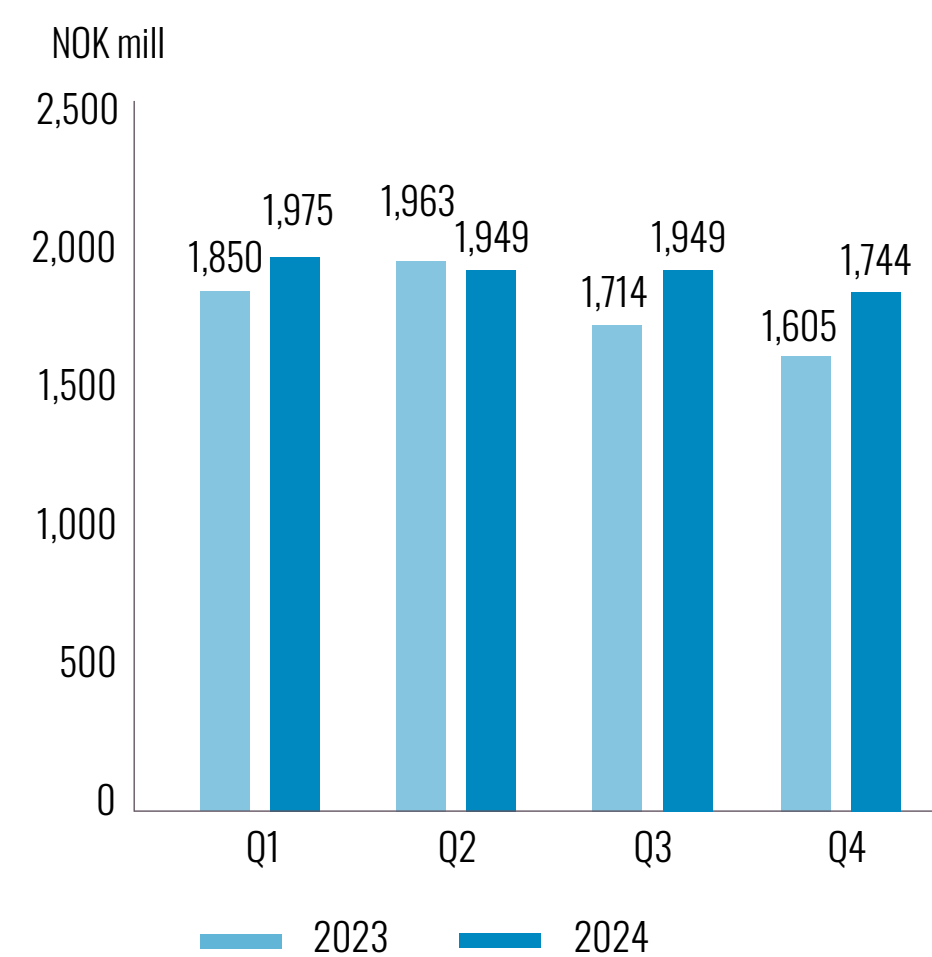
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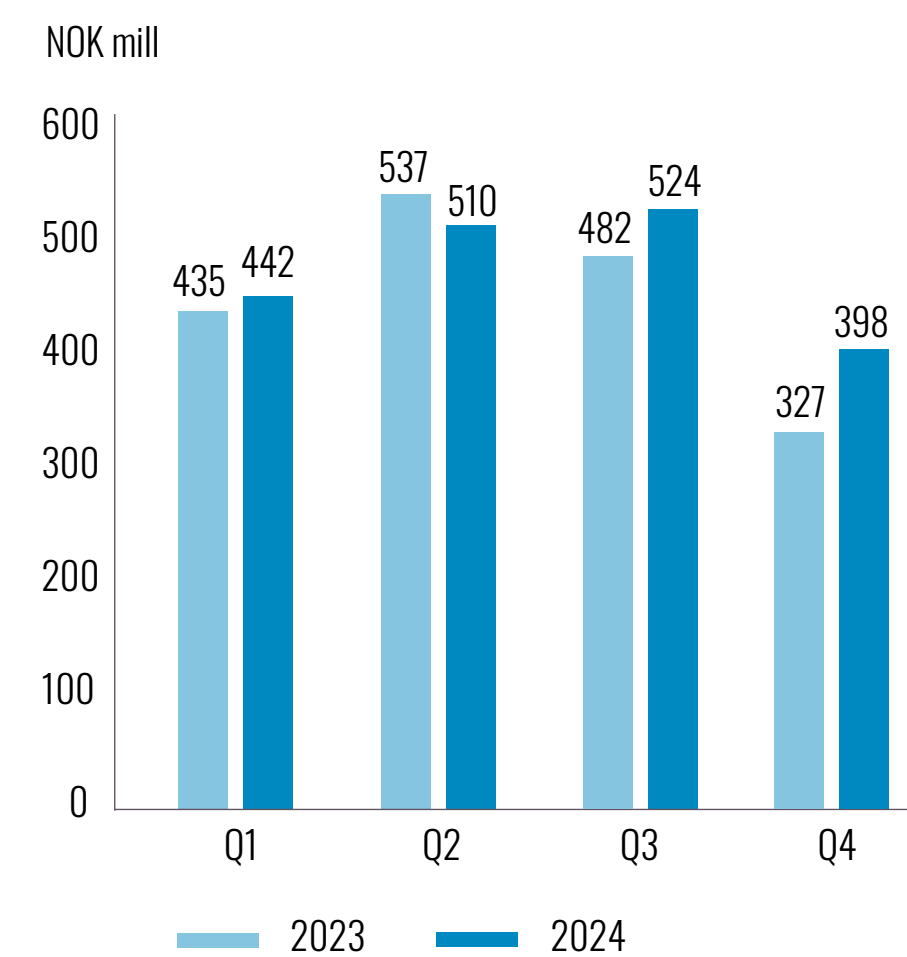
THE GROUP

Amounts in NOK million	Note	1.10 - 31.12		1.1 - 31.12	
		2024	2023	2024	2023
Operating revenues	2	1,744	1,605	7,617	7,132
EBITDA ¹		398	327	1,874	1,781
Operating profit		216	192	1,283	1,291
Profit/loss before taxes	2	170	135	1,079	1,124
Earnings per share (NOK)		1.30	1.20	8.25	8.73
Net interest-bearing debt ¹	11	2,240	1,791	2,240	1,791
Equity ratio ¹ (%)		53.1	53.7	53.1	53.7
Leverage ratio ¹		1.20	1.01	1.20	1.01
Return on capital employed ¹ (%)		17.1	18.3	17.1	18.3

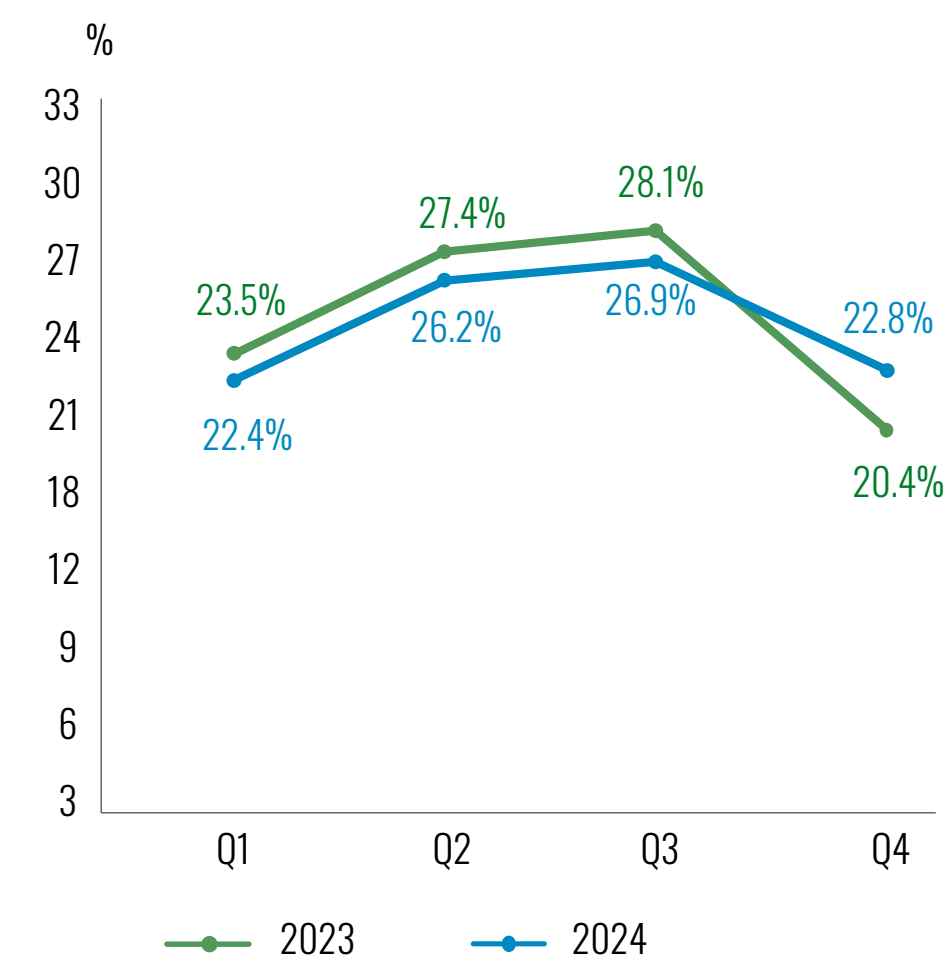
OPERATING REVENUES



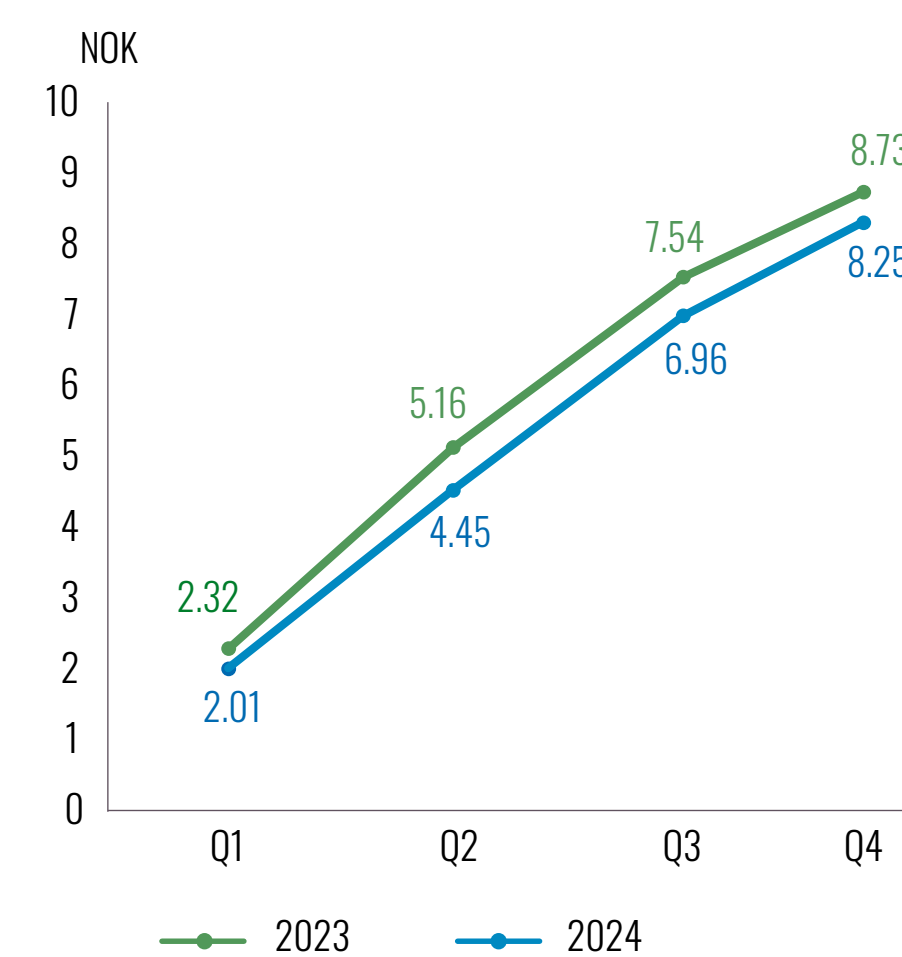
EBITDA¹



EBITDA MARGIN¹



EARNINGS PER SHARE CUMULATIVE



¹Alternative performance measure, see page 22 for definition.

FOURTH QUARTER

Operating revenues were NOK 1,744 million (NOK 1,605 million)² in the 4th quarter of 2024. EBITDA¹ reached NOK 398 million (NOK 327 million). The result in BioSolutions increased compared with the 4th quarter of 2023. BioMaterials remained at the same level, while there was a decrease in Fine Chemicals.

Increased sales were the main reason for the strong result in BioSolutions. For BioMaterials, higher sales volume and an improved product mix of speciality cellulose were offset by increased wood costs. Lower deliveries were the main reason for the weaker result in Fine Chemicals. The net currency effects were positive.

Other income and expenses¹ were NOK -30 million in the 4th quarter of 2024. This accrual was for remediation of contaminated soil related to previously phased-out chlor-alkali technology at the Sarpsborg site.

Operating profit was NOK 216 million (NOK 192 million). Net financial items were NOK -46 million (NOK -57 million). Profit before tax was NOK 170 million (NOK 135 million). Tax expense of NOK -34 million (NOK -30 million) gave a tax rate of 20% (22%) in the quarter.

Earnings per share were NOK 1.30 (NOK 1.20).

Cash flow from operating activities was NOK 314 million (NOK 515 million). A less favourable development in net working capital, partly offset by the cash effect from a higher EBITDA¹,

was the main reason for the reduction in cash flow from operating activities.

FULL YEAR

Borregaard's operating revenues increased to NOK 7,617 million (NOK 7,132 million) in 2024. EBITDA¹ reached an all-time high of NOK 1,874 million (NOK 1,781 million). Results improved in both BioSolutions and Fine Chemicals while BioMaterials had a decrease compared with 2023.

The increased result in BioSolutions was due to higher sales, reduced energy costs and improved product mix. In BioMaterials, total sales volume was 11% higher than in 2023. However, higher wood costs, lower sales prices and an increase in other operating expenses were the main reasons for the reduced EBITDA¹. Fine Chemicals' result was largely in line with 2023. The net currency effects were slightly negative for the Group.

Other income and expenses¹ were NOK -30 million in 2024. This accrual was for remediation of contaminated soil related to previously phased-out chlor-alkali technology at the Sarpsborg site.

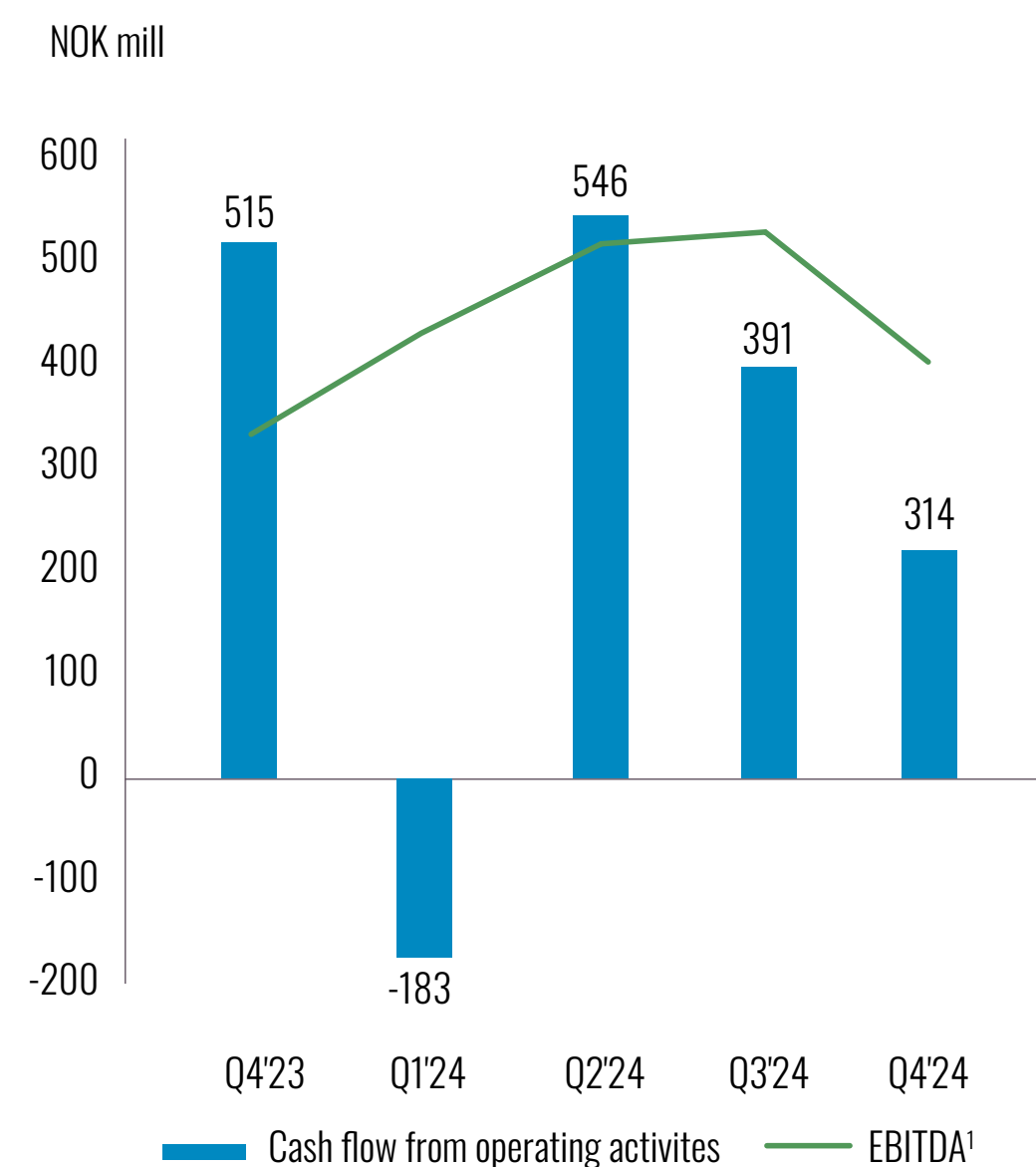
Operating profit was NOK 1,283 million (NOK 1,291 million). Net financial items amounted to NOK -204 million (NOK -167 million). Profit before tax was NOK 1,079 million (NOK 1,124 million). Tax expense was NOK -250 million (NOK -268 million), giving a tax rate of 23% (24%).

Earnings per share were NOK 8.25 (NOK 8.73).

In 2024, cash flow from operating activities was NOK 1,068 million (NOK 1,563 million). Increased net working capital was the main reason for the reduction in the cash flow from operating activities.

Investments totalled NOK 861 million (NOK 838 million). The largest expenditures were related to an upgrade of the wood conveyor belt and the investment to reduce CO₂ emissions, improve energy efficiency, and increase energy flexibility at the biorefinery in Norway. Additionally, funds were allocated to specialisation projects within BioSolutions and participation in two capital raises in the marine biotech company Alginor ASA.

CASH FLOW FROM OPERATING ACTIVITIES



¹Alternative performance measure, see page 21 for definition.

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

BUSINESS AREAS

BIOSOLUTIONS

Amounts in NOK million	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Operating revenues	1,005	906	4,241	3,944
EBITDA ¹	251	172	1,104	915
EBITDA margin ¹ (%)	25.0	19.0	26.0	23.2

FOURTH QUARTER

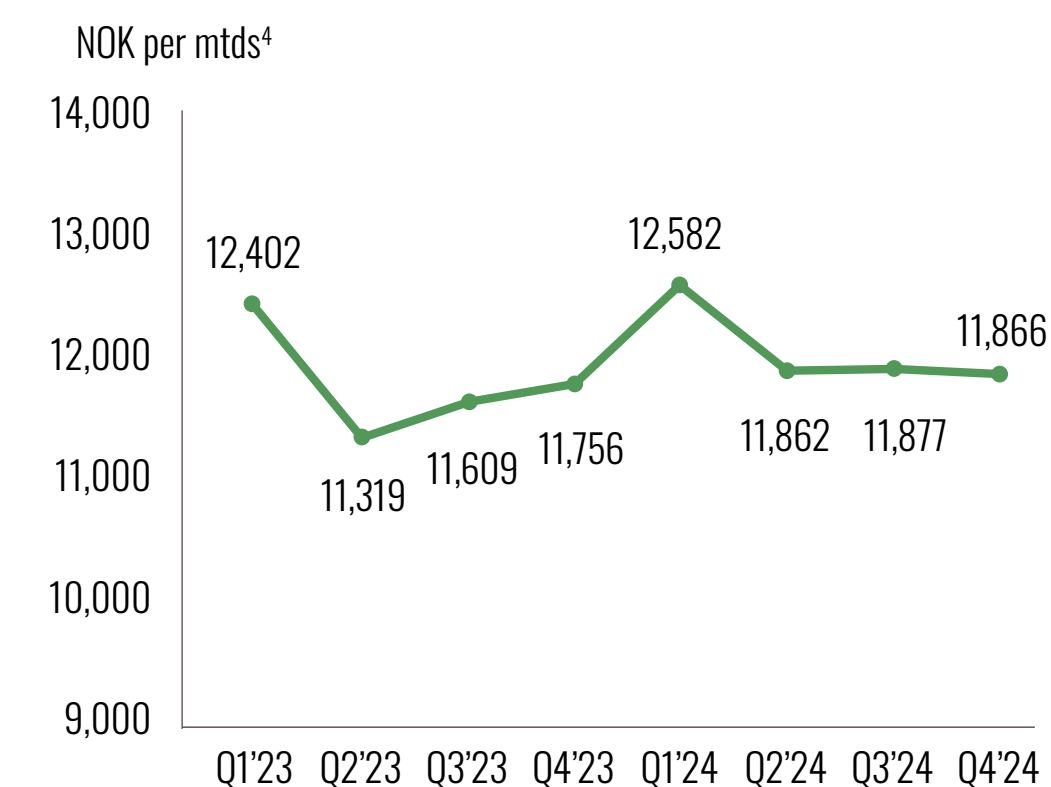
Operating revenues in BioSolutions reached NOK 1,005 million (NOK 906 million). EBITDA¹ increased to NOK 251 million (NOK 172 million).

A 7% increase in sales volume was the main reason for the strong result, mainly due to higher sales to agriculture. The net currency impact was positive.

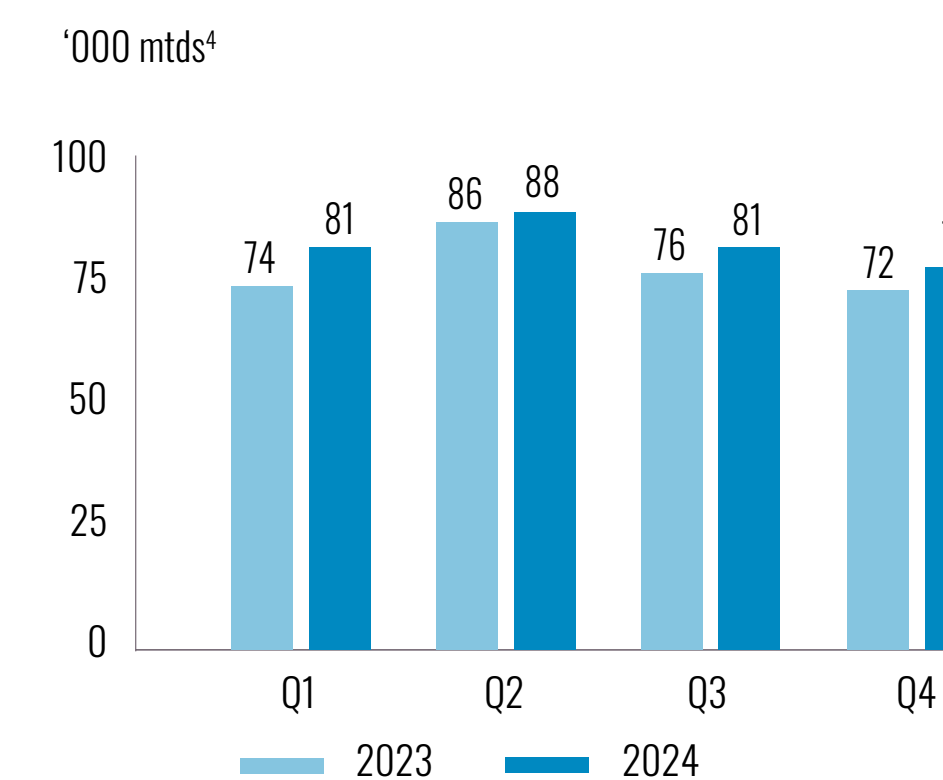
The average price in sales currency was in line with the same quarter in 2023.

³Average sales price is calculated using actual FX rates, excluding hedging impact.
⁴Metric tonne dry solid.

AVERAGE GROSS SALES PRICE³



SALES VOLUME



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

FULL YEAR

BioSolutions' operating revenues increased to NOK 4,241 million (NOK 3,944 million) in 2024. EBITDA¹ reached NOK 1,104 million (NOK 915 million).

The increased result was due to higher sales, reduced energy costs and improved product mix. These effects were partly offset by cost inflation. The net currency impact was insignificant.

Specialisation through market development and innovation has improved the product mix and contributed to the strong result. The average price in sales currency for BioSolutions was 1% higher than in 2023, and total sales volume was 6% higher. Higher demand for lignin-based biopolymers for agriculture was the main reason for the increased sales volume and the top-line growth in 2024. The growth within agriculture was broad-based and supported applications like crop protection, plant nutrition and animal feed. In addition, sales to batteries and oil field chemicals showed good growth.

The biovanillin market continued to be impacted by the high global supply of synthetic vanillin products.

¹ Alternative performance measure, see page 22 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	
	2024	2023	2024	2023
Operating revenues	613	526	2,622	2,439
EBITDA ¹	102	103	434	534
EBITDA margin ¹ (%)	16.6	19.6	16.6	21.9

FOURTH QUARTER

Operating revenues in BioMaterials reached NOK 613 million (NOK 526 million). EBITDA¹ was NOK 102 million (NOK 103 million).

Higher sales volume, in addition to price increases and improved product mix for speciality cellulose, were offset by increased wood costs. The higher sales volume was driven by increased sales of high-purity cellulose grades. Net currency effects were insignificant.

The average price in sales currency was 4% higher compared with the 4th quarter of 2023, due to both price increases and improved product mix.

FULL YEAR

Operating revenues increased to NOK 2,622 million (NOK 2,439 million). EBITDA¹ was NOK 434 million (NOK 534 million).

Total sales volume was 11% higher than in 2023. However, higher wood costs, lower sales prices and an increase in other operating expenses were the main reasons for the reduced EBITDA¹. The average price in sales currency was 3% lower than in 2023. Net currency effects were negative.

BioMaterials had significantly higher deliveries of speciality cellulose in 2024, driven by increased sales to high-purity casings and cellulose ether grades to regulated applications for food and pharma. The closure of Georgia Pacific's plant in Foley, Florida in the autumn of 2023 and the suspension of RYAM's plant in Temiscaming, Quebec in the summer of 2024, contributed to Borregaard's growth in these applications.

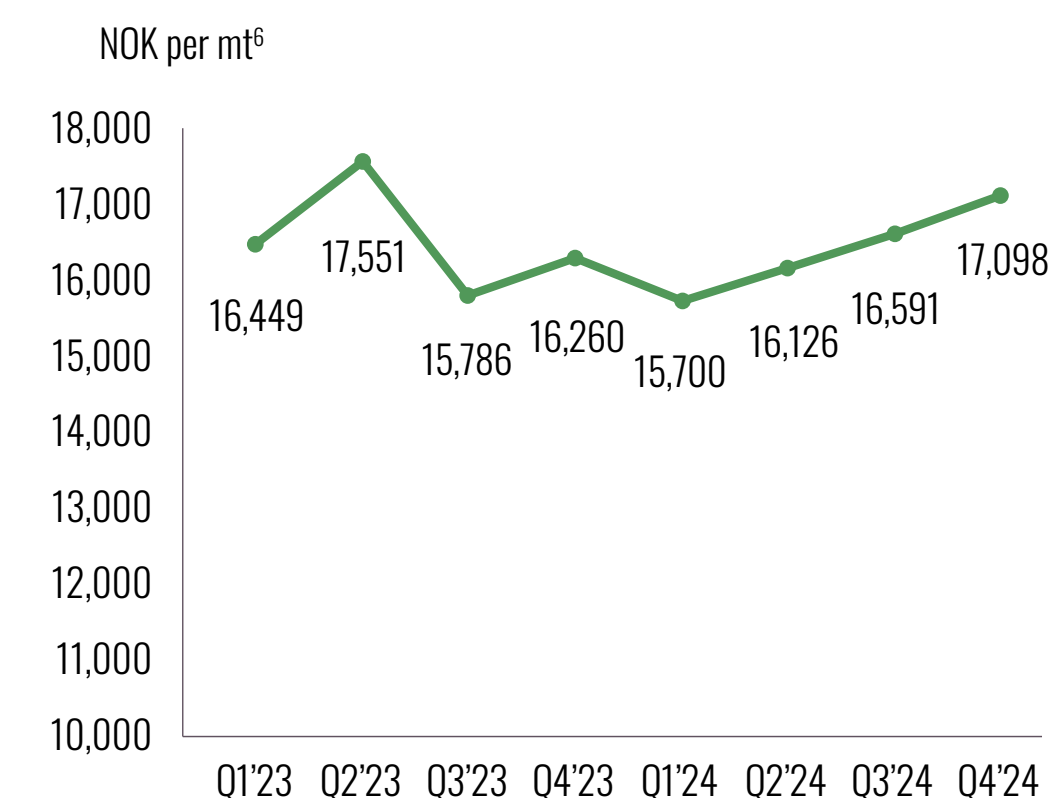
¹ Alternative performance measure, see page 22 for definition.

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.

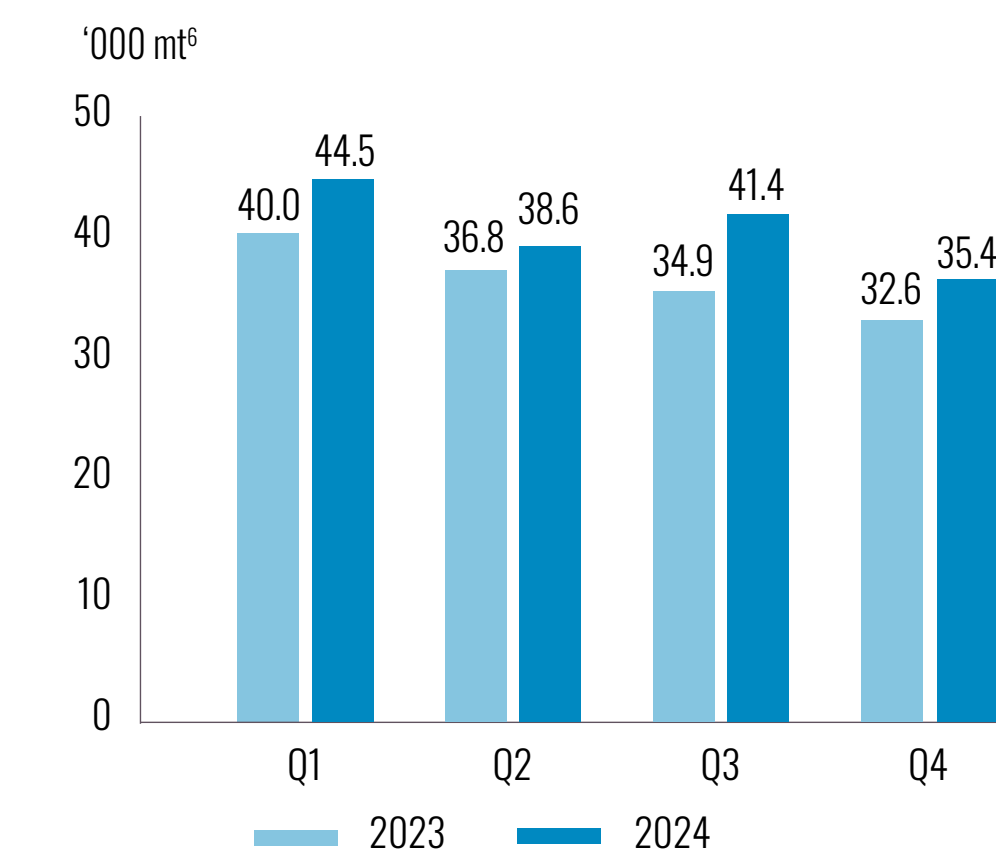
⁶ Metric tonne.

AVERAGE GROSS SALES PRICE⁵



Sales price include speciality cellulose and cellulose fibrils.

SALES VOLUME



Sales volume include speciality cellulose and cellulose fibrils

FINE CHEMICALS

Amounts in NOK million	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Operating revenues	138	180	799	786
EBITDA ¹	45	52	336	332
EBITDA margin ¹ (%)	32.6	28.9	42.1	42.2

FOURTH QUARTER

Fine Chemicals' operating revenues were NOK 138 million (NOK 180 million). EBITDA¹ was NOK 45 million (NOK 52 million).

Lower deliveries of both fine chemical intermediates and bioethanol were the main reasons for the weaker result. For fine chemical intermediates, product mix contributed positively.

The net currency impact in Fine Chemicals was positive.

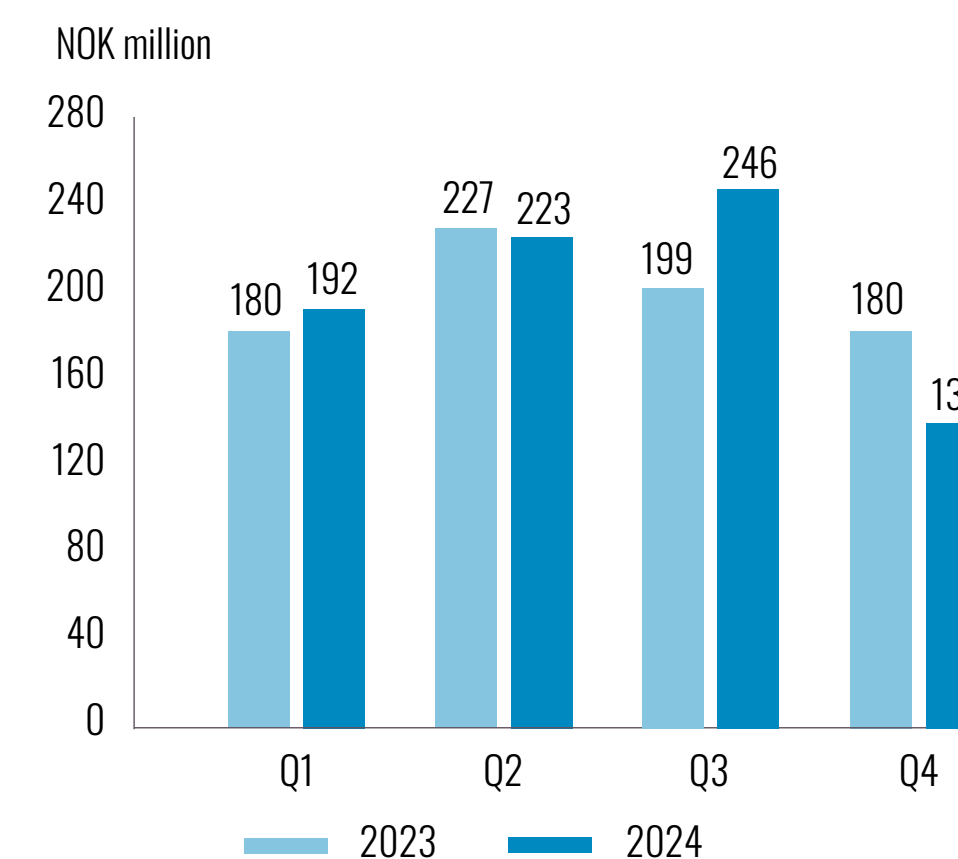
FULL YEAR

Operating revenues in Fine Chemicals increased to NOK 799 million (NOK 786 million). EBITDA¹ was NOK 336 million (NOK 332 million).

The result for fine chemical intermediates improved compared with 2023, mainly due to higher sales volume. Sales prices for key products were reduced as a result of price reductions for the main raw material. The result for bioethanol was lower than in 2023, as increased sales volume was more than offset by higher costs. The market conditions for advanced biofuels continued to be favourable in several European countries throughout most of 2024.

The net currency impact in Fine Chemicals was slightly positive.

FINE CHEMICALS – OPERATING REVENUES



¹ Alternative performance measure, see page 22 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 4th quarter of 2023, the net impact of foreign exchange on EBITDA¹, including hedging effects, was NOK 20 million. Hedging effects amounted to NOK -93 million (NOK -93 million) for the quarter.

In 2024, the net impact of foreign exchange on EBITDA¹, including hedging effects, was NOK -10 million. Hedging effects amounted to NOK -365 million (NOK -268 million).

Assuming currency rates as of 28 January 2025 (USD 11.30 and EUR 11.78) and based on currency exposure forecasts, Borregaard expects a net impact of foreign exchange on

EBITDA¹ of approximately NOK 50 million in the 1st quarter of 2025 and NOK 220 million for the full year of 2025, compared with the corresponding periods in 2024.

CASH FLOW AND FINANCIAL SITUATION

FOURTH QUARTER

Cash flow from operating activities was NOK 314 million (NOK 515 million). A less favourable development in net working capital, partly offset by the cash effect from a higher EBITDA¹, was the main reason for the reduction in cash flow from operating activities. High deliveries and strong production output towards the end of the quarter were the main reasons for the less favourable development in net working capital.

FULL YEAR

In 2024, cash flow from operating activities was NOK 1,068 million (NOK 1,563 million). Increased net working capital was the main reason for the reduction in the cash flow from operating

activities. Increased accounts receivable from higher sales affected net working capital negatively. In addition, financial costs were higher compared with 2023.

Investments amounted to NOK 861 million (NOK 838 million). Replacement investments were NOK 598 million (NOK 550 million), where the largest expenditures were related to an upgrade of the wood conveyor belt and the investment to reduce CO₂ emissions, improve energy efficiency, and increase energy flexibility at the biorefinery in Norway. Expansion investments¹ totalled NOK 263 million (NOK 288 million), where the largest expenditures were related to participation in two capital raises in Alginor ASA and specialisation projects within BioSolutions.

Dividend of NOK 374 million (NOK 324 million) was paid out in the 2nd quarter. In 2024, the Group has sold and repurchased treasury shares with net proceeds of NOK -46 million (NOK -43 million). Realised effect of hedging of net investments in subsidiaries was NOK -109 million (NOK -38 million).

On 31 December 2024, the Group had net interest-bearing debt¹ totalling NOK 2,240 million (NOK 1,791 million), an increase of NOK 449 million from year-end 2023.

At the end of December, the Group was well capitalised with an equity ratio¹ of 53.1% (53.7%) and a leverage ratio¹ of 1.20 (1.01).

¹ Alternative performance measure, see page 22 for definition.

DIVIDEND

The Board of Directors of Borregaard ASA will propose an ordinary dividend for 2024 of NOK 4.25 (NOK 3.75) per share to the General Meeting, corresponding to 52% of net profit and a 13% increase

from the dividend for 2023. Dividend payment is estimated at NOK 423 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% in 2024, mainly due to energy conservation and electrification of spraydryers which led to lower use of fossil fuel for heat energy. The emissions of organic material (COD) increased by 9% in

2024 compared with the all-time-low level in 2023. The increase is mainly due to lower performance in the wastewater treatment system. Improvements are expected in 2025.

There were no fatal or high consequence work-related injuries in 2024. The total recordable injuries per million hours worked (TRIF) were 7.9 (5.3). The number of lost time injuries was two (one). The

sick leave was relatively stable with 4.0% absence in 2024 (3.9%).

The table below shows key sustainability measures and targets.

All figures are rolling 12 months	31.12.2024	31.12.2023	Target 2024	Target 2030
Greenhouse gas emissions (Scope 1 and 2, `000 tonnes)	185	197	< 197	42% reduction from 2020
COD (organic material) in process water discharged	53 t/day	46 t/day	49 t/day	40 t/day
Total recordable injuries per million hours worked	7.9	5.3	<3.5	-
Sick leave %	4.0 %	3.9 %	< 4%	< 3%

* Emission figures as of 31.12.2024 are based on best estimate at the time of reporting.

SHARE INFORMATION

During the 4th quarter, 10,000 share options were exercised at a strike price of NOK 87.60 per share. In the quarter, Borregaard repurchased a total of 208,579 treasury shares at an average price of NOK 184.60.

Total number of shares outstanding on 31 December 2024 was 100 million, including 448,779 treasury shares. Total number of shareholders was 8,940. Borregaard ASA's share price was NOK 182.40 at the end of the 4th quarter (NOK 171.40 at the end of 2023).

OTHER MATTERS AND SUBSEQUENT EVENTS

ENVIRONMENTAL INVESTMENT AT THE BIOREFINERY IN NORWAY

Borregaard will invest NOK 55 million to upgrade an existing bio-boiler with air preheater technology at the biorefinery in Norway. This investment is part of the investment plan announced at the Capital Markets Day. The upgrade is expected to enhance efficiency and reduce dependency on liquefied natural gas.

The investment is projected to reduce energy costs and lower CO₂ emissions, making it highly profitable with an internal rate of return well above 15%. CO₂ emissions are expected to drop by over 7,000 tonnes per annum, with effects from the 4th quarter 2025.

This initiative is a significant step in Borregaard's transition plan to reduce CO₂ emissions towards 2030.

OUTLOOK

The total sales volume for BioSolutions in 2025 is forecast to be approximately 330,000 tonnes with continued strong sales to agriculture. The total sales volume in the 1st quarter is expected to be approximately 80,000 tonnes. In January, US authorities announced preliminary antidumping duties on vanillin from China. Borregaard expects a positive but limited impact from these duties.

For BioMaterials, the total sales volume is forecast to be 150,000-155,000 tonnes in 2025. Sales volume of highly specialised grades is expected to be higher than in 2024. In the 1st half of 2025, the average price in sales currency is expected to be 8-10% higher than in the 1st half of 2024. In the 1st quarter, sales volume for BioMaterials is expected to be approximately 38,000 tonnes.

Favourable incentives for advanced bioethanol in Europe have recently triggered substantial new supply from agricultural waste and other sources. Therefore, sales prices for Borregaard's bioethanol are expected to be lower than in 2024, and more

in line with prices achieved for 2022. Sales volume for fine chemical intermediates is expected to increase compared with 2024.

Borregaard's wood costs in the 1st half of 2025 are expected to be largely in line with the cost level in the 2nd half of 2024. The full year impact from recent investments in CO₂ reduction and energy efficiency will have a positive impact on energy costs at the biorefinery in Sarpsborg.

War and conflicts in Ukraine and the Middle East as well as uncertainty in the global economy may impact Borregaard's markets and costs. Borregaard will continue to closely monitor markets and costs development and implement relevant measures if required.

Sarpsborg, 28 January 2025

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	
		2024	2023	2024	2023
Operating revenues	2	1,744	1,605	7,617	7,132
Operating expenses		-1,346	-1,278	-5,743	-5,351
Depreciation property, plant and equipment		-151	-134	-556	-485
Amortisation intangible assets		-1	-1	-5	-5
Other income and expenses ¹	3	-30	-	-30	-
Operating profit		216	192	1,283	1,291
Financial items, net	4	-46	-57	-204	-167
Profit before taxes		170	135	1,079	1,124
Income tax expense	5	-34	-30	-250	-268
Profit for the period		136	105	829	856
Profit attributable to non-controlling interests		7	-14	6	-14
Profit attributable to owners of the parent		129	119	823	870
EBITDA¹		398	327	1,874	1,781

INTERIM EARNINGS PER SHARE

Amounts in NOK	Note	1.10 - 31.12		1.1 - 31.12	
		2024	2023	2024	2023
Earnings per share	6	1.30	1.20	8.25	8.73
Diluted earnings per share	6	1.30	1.19	8.25	8.71

¹Alternative performance measure, see page 22 for definition.

THE GROUP'S INTERIM CONDENSED COMPREHENSIVE INCOME STATEMENT

Amounts in NOK million	Note	1.10 - 31.12		1.1 - 31.12	
		2024	2023	2024	2023
Profit for the period		136	105	829	856
Items not to be reclassified to P&L					
Actuarial gains and losses (after tax)		28	46	28	46
Total items not to be reclassified to P&L		28	46	28	46
Items to be reclassified to P&L					
Change in hedging-reserve after tax (cashflow)	8	-203	214	-296	-129
Change in hedging-reserve after tax (net investment in subsidiaries)	8	-60	31	-89	-25
Translation effects		86	-47	124	45
Total items to be reclassified to P&L		-177	198	-261	-109
The Group's comprehensive income		-13	349	596	793
Comprehensive income non-controlling interests		10	-16	10	-12
Comprehensive income to owners of the parent		-23	365	586	805

THE GROUP'S INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

Amounts in NOK million	Note	31.12.2024	31.12.2023
Intangible assets	13	88	84
Property, plant and equipment	13	5,026	4,661
Right-of-use assets		508	527
Other assets	9	524	437
Investments in joint venture/associate companies	4	417	289
Non-current assets		6,563	5,998
Inventories		1,498	1,447
Receivables	9	1,441	1,201
Cash and cash deposits	11	82	469
Current assets		3,021	3,117
Total assets		9,584	9,115
Group equity	10	5,041	4,855
Non-controlling interests		49	39
Equity		5,090	4,894
Provisions and other liabilities		591	401
Interest-bearing liabilities	9, 11	2,035	2,016
Non-current liabilities		2,626	2,417
Interest-bearing liabilities	9, 11	288	246
Other current liabilities	9	1,580	1,558
Current liabilities		1,868	1,804
Equity and liabilities		9,584	9,115
Equity ratio ¹		53.1 %	53.7 %

¹Alternative performance measure, see page 22 for definition.

INTERIM CONDENSED CHANGES IN EQUITY

Amounts in NOK million	Note	1.1 - 31.12.2024			1.1 - 31.12.2023		
		Controlling interests	Non-controlling interests	Total equity	Controlling interests	Non-controlling interests	Total equity
Equity 1 January		4,855	39	4,894	4,394	51	4,445
Profit/loss for the period		823	6	829	870	-14	856
Items in Comprehensive Income	8	-237	4	-233	-65	2	-63
The Group's Comprehensive income	8	586	10	596	805	-12	793
Paid dividend		-374	-	-374	-324	-	-324
Buy-back of treasury shares		-98	-	-98	-92	-	-92
Exercise of share options		31	-	31	32	-	32
Shares to employees		28	-	28	30	-	30
Option costs (share based payment)		13	-	13	10	-	10
Transactions with non-controlling interests		-	-	-	-	-	-
Equity at the end of the period		5,041	49	5,090	4,855	39	4,894

THE GROUP'S INTERIM CONDENSED CASH FLOW STATEMENT

Amounts in NOK million	Note	1.10 - 31.12		1.1 - 31.12	
		2024	2023	2024	2023
Profit before taxes		170	135	1,079	1,124
Amortisation, depreciation and impairment charges		152	135	561	490
Changes in net working capital, etc.		15	292	-326	205
Dividend/share of profit from JV & associate company	4	6	-	22	9
Taxes paid		-29	-47	-268	-265
Cash flow from operating activities		314	515	1,068	1,563
Investments property, plant and equipment and intangible assets *		-287	-293	-711	-667
Investments in associate companies* and bio-based start-ups	4	-	-47	-150	-171
Other capital transactions		9	2	19	9
Cash flow from investing activities		-278	-338	-842	-829
Dividends		-	-	-374	-324
Proceeds from exercise of options/shares to employees	10	1	4	52	49
Buy-back of treasury shares	7	-39	-43	-98	-92
Gain/(loss) on hedges for net investments in subsidiaries		-74	38	-109	-38
Net paid to/from shareholders		-112	-1	-529	-405
Proceeds from interest-bearing liabilities	11	-	-	500	800
Repayment from interest-bearing liabilities	11	-30	-355	-724	-843
Change in interest-bearing liabilities/other instruments	11	47	-18	74	33
Change in net interest-bearing liabilities		17	-373	-150	-10
Cash flow from financing activities		-95	-374	-679	-415
Change in cash and cash equivalents		-59	-197	-453	319

THE GROUP'S INTERIM CONDENSED CASH FLOW STATEMENT cont.

Amounts in NOK million	Note	1.10 - 31.12		1.1 - 31.12	
		2024	2023	2024	2023
Cash and cash equivalents at beginning of period		45	645	429	111
Change in cash and cash equivalents		-59	-197	-453	319
Currency effects cash and cash equivalents		11	-19	21	-1
Cash and cash equivalents at the close of the period	11	-3	429	-3	429
*Investment by category					
Replacement investments		244	250	598	550
Expansion investments ¹ including investment in associate companies and bio-based start-ups		43	90	263	288
Total investments including investment in associate companies and bio-based start-ups		287	340	861	838

¹ Alternative performance measure, see page 22 for definition.

NOTES

NOTE 01 Organisation and basis for preparation

GENERAL INFORMATION

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

Basis for preparation

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

The same accounting principles and methods of calculation have been applied as in the Consolidated Financial Statements for 2023 for the Borregaard Group.

Use of estimates

The same use of estimates has been applied as in the Consolidated Financial Statements for 2023.

NOTE 02 Segments

OPERATING REVENUES

Amounts in NOK million	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Borregaard	1,744	1,605	7,617	7,132
BioSolutions	1,005	906	4,241	3,944
BioMaterials	613	526	2,622	2,439
Fine Chemicals	138	180	799	786
Eliminations	-12	-7	-45	-37

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 22 for definition.

EBITDA¹

Amounts in NOK million	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Borregaard	398	327	1,874	1,781
BioSolutions	251	172	1,104	915
BioMaterials	102	103	434	534
Fine Chemicals	45	52	336	332
Reconciliation against operating profit & profit before tax				
EBITDA¹	398	327	1,874	1,781
Depreciations and write downs	-151	-134	-556	-485
Amortisation intangible assets	-1	-1	-5	-5
Other income and expenses ¹	-30	-	-30	-
Operating profit	216	192	1,283	1,291
Financial items, net	-46	-57	-204	-167
Profit before taxes	170	135	1,079	1,124

SALES REVENUES

Amounts in NOK million	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Borregaard	1,710	1,574	7,502	7,024
BioSolutions	972	880	4,132	3,849
BioMaterials	602	515	2,579	2,395
Fine Chemicals	136	179	791	780
Eliminations	-	-	-	-

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

NOTE 03 Other income and expenses¹

Other income and expenses¹ were NOK -30 million in the 4th quarter of 2024. This accrual was for remediation of contaminated soil related to

previously phased-out chlor-alkali technology at the Sarpsborg site.

NOTE 04 Financial items**NET FINANCIAL ITEMS**

Amounts in NOK million	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Net interest expenses	-39	-40	-160	-141
Currency gain/loss	-6	-16	-17	-15
Share of profit/-loss from associates	-6	-4	-22	-9
Other financial items, net	5	3	-5	-2
Net financial items	-46	-57	-204	-167

As of 31 December 2024, Borregaard holds 35% of the shares in Alginor ASA on a fully diluted basis. 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 23.2% (23.8%) for 2024 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 448,779 treasury shares. As of 31 December 2024, there are 99,598,058 diluted

shares (99,753,4595 as of 31 December 2023). Earnings per diluted share were NOK 1.30 in the 4th quarter (NOK 1.19 in the 4th quarter of 2023).

¹Alternative performance measure, see page 22 for definition.

NOTE 07 Stock options

During the 4th quarter, 10,000 share options at a strike price of NOK 87.60 per share were exercised.

The Group Executive Management and other key employees hold a total of 1,119,000 stock options in five different share option programmes in Borregaard.

Stock options	Issued 2020	Issued 2021	Issued 2022	Issued 2023	Issued 2024
Number of stock options	55,000	243,000	200,000	250,000	371,000
Strike price (NOK)*	87.60	168.70	216.75	187.00	195.35
Vesting period	3 years	3 years	3 years	3 years	3 years
Expiry date	13 February 2025	16 February 2026	17 February 2027	1 March 2028	27 February 2029

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

NOTE 08 Statement of comprehensive income

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

These figures are presented after tax.

Amounts in NOK million	31.12.2024		31.12.2023	
	Cash flow hedges	Hedges of net investments in subsidiaries	Cash flow hedges	Hedges of net investments in subsidiaries
Tax effect year-to-date	-153	-97	-69	-72
Hedging reserve after tax	-541	-310	-245	-221

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 transfer of financial instruments from level 1 to level 2 from 2023 to the 1st quarter of 2024. There have been no transfers from the 1st to the 4th quarter of 2024. 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 2024:

FINANCIAL ASSETS

Amounts in NOK million	Level	31.12.2024		31.12.2023	
		Carrying amount	Fair value	Carrying amount	Fair value
Non-current financial receivables	2	192	192	185	185
Non-current derivatives	2	1	1	93	93
Share investment	1			28	28
Share investment	2	28	28		
Current derivatives	2	5	5	31	31
Total financial assets		226	226	337	337

FINANCIAL LIABILITIES

Non-current financial liabilities	2, 3	2,037	2,037	2,018	2,018
Non-current derivatives	2	336	336	176	176
Current financial liabilities	2	288	288	246	246
Current derivatives	2	363	363	255	255
Total financial liabilities		3,024	3,024	2,695	2,695

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Amounts in NOK million		Level 1	Level 2	Level 3
Financial instruments 31.12.2024	-2,798	-	-2,298	-500
Financial instruments 31.12.2023	-2,358	28	-1,886	-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	31.12.2024	31.12.2023
Share capital	100	100
Treasury shares	-	-
Share premium	1,346	1,346
Other paid-in capital	1,025	953
Translation effects	371	251
Hedging reserve (after tax)	-851	-466
Actuarial gains/Losses	116	88
Retained earnings	2,934	2,583
Group equity (controlling interests)	5,041	4,855

As of 31 December 2024, the company held 448,779 treasury shares at an average cost of NOK 187.71.

NOTE 11 Net interest-bearing debt¹

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

Amounts in NOK million	31.12.2024	31.12.2023
Non-current interest-bearing liabilities	2,035	2,016
Current interest-bearing liabilities including overdraft of cashpool	288	246
Non-current interest-bearing receivables (included in "Other Assets")	-1	-2
Cash and cash deposits	-82	-469
Net interest-bearing debt¹	2,240	1,791
- of which impact of IFRS 16 Leases	554	563

¹Alternative performance measure, see page 22 for definition.

NOTE 12 Related parties

The members of the Group Executive Management of Borregaard held a total of 507,000 stock options in the Company as of 31 December 2024.

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 4th quarter of 2024.

NOTE 14 Other matters and subsequent events**Environmental investment at the biorefinery in Norway**

Borregaard will invest NOK 55 million to upgrade an existing bio-boiler with air preheater technology at the biorefinery in Norway. This investment is part of the investment plan announced at the Capital Markets Day. The upgrade is expected to enhance efficiency and reduce dependency on liquefied natural gas.

The investment is projected to reduce energy costs and lower CO₂ emissions, making it highly profitable with an internal rate of return above 15%. CO₂ emissions are expected to drop by over 7,000 tonnes per annum, with effects from the 4th quarter of 2025.

This initiative is a significant step in Borregaard's transition plan to reduce CO₂ emissions towards 2030.

ALTERNATIVE PERFORMANCE MEASURES

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

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



EBITDA

Description

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

Reason for including

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

EBITDA

	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Operating profit	216	192	1,283	1,291
Other income and expenses	30	-	30	-
Amortisation intangible assets	1	1	5	5
Depreciation and impairment property, plant and equipment	151	134	556	485
EBITDA	398	327	1,874	1,781

EBITDA MARGIN

Description

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

Reason for including

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

EBITDA MARGIN

	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
EBITDA	398	327	1,874	1,781
Operating revenues	1,744	1,605	7,617	7,132
EBITDA margin (%) (EBITDA/operating revenues)	22.8	20.4	24.6	25.0

EQUITY RATIO

Description

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

Reason for including

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

EQUITY RATIO

	31.12.2024	31.12.2023
Total equity	5,090	4,894
Equity & liabilities	9,584	9,115
Equity ratio (%) (total equity/equity & liabilities)	53.1	53.7

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.

EXPANSION INVESTMENTS	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Total investments including investment in associate companies and bio-based start-ups	287	340	861	838
Replacement investments	-244	-250	-598	-550
Expansion investments including investment in associate companies and bio-based start-ups	43	90	263	288

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.

OTHER INCOME & EXPENCES	1.10 - 31.12		1.1 - 31.12	
	2024	2023	2024	2023
Other income & expences	-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	31.12.2024	31.12.2023
Non-current interest-bearing liabilities	2,035	2,016
Current interest-bearing liabilities including overdraft of cashpool	288	246
Non-current interest-bearing receivables (included in "Other assets")	-1	-2
Cash and cash deposits	-82	-469
Net interest-bearing debt	2,240	1,791

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	31.12.2024	31.12.2023
Net interest-bearing debt	2,240	1,791
EBITDA	1,874	1,781
Leverage ratio (net interest-bearing debt/EBITDA)	1.20	1.01

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)	31.12.2024	31.12.2023
Capital employed (end of period)	8,172	7,142

RETURN ON CAPITAL EMPLOYED (ROCE)

Description

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

Reason for including

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

RETURN ON CAPITAL EMPLOYED (ROCE)	31.12.2024	31.12.2023
Capital employed end of:		
Q4, 2022	-	6,802
Q1, 2023	-	7,142
Q2, 2023	-	7,216
Q3, 2023	-	7,191
Q4, 2023	7,142	7,142
Q1, 2024	7,789	-
Q2, 2024	7,582	-
Q3, 2024	7,813	-
Q4, 2024	8,172	-
Average capital employed	7,700	7,099
CAPITAL CONTRIBUTION	31.12.2024	31.12.2023
Operating profit	1,283	1,291
Other income and expenses	30	-
Amortisation intangible assets	5	5
Capital contribution	1,318	1,296
RETURN ON CAPITAL EMPLOYED (ROCE)	31.12.2024	31.12.2023
Capital contribution	1,318	1,296
Average capital employed	7,700	7,099
Return on capital employed (ROCE) (%) (capital contribution/average capital employed)	17.1	18.3



Q4 2024



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